

Clearstream – COVID-19 Measures

Response to Frequently Asked Questions from customers

We at Deutsche Börse create trust in the markets of today and tomorrow. As reliable market infrastructure provider, trusted partner and caring employer, we take the global COVID-19 situation very seriously.

Have you activated preventive crisis or contingency measures? What are the measures you have already taken considering the COVID-19 pandemic?

Clearstream has deployed a preventive response plan in line with our general business continuity and pandemic plan. This is in line with industry standards and regulatory requirements. Measures are coordinated within our established Incident and Crisis Management Process.

The objectives of the pandemic plan are to protect the staff health and to ensure the continuity of the business. This is achieved through comprehensive measures designed to minimise the infection risk of staff as well as an internal and external communication plan. Measures to minimise the infection risk of staff comprise amongst others:

- A responsive three-step and local approach to manage the return to our offices, allowing people to return to the office where possible; capacity ranges from maximum 30% (Phase 1), maximum 50% (Phase 2) and full capacity (Phase 3); currently, most of our offices are in Phase 1 or 2, while some remain under 10% capacity due to local government restrictions.
- The three-step approach is designed to facilitate a reduction in levels of office work should conditions dictate.
- The return to our offices remains voluntary; our infrastructure allows for a smooth transition between working on-site and working from home.
- Mission-critical staff requiring an on-site presence is working in split teams (up to 3-way split) across various locations to mitigate any risk of cross-contamination
- We have implemented high health and safety standards in our offices and continue to communicate basic protective hygiene measures.
- We have imposed a general business travel ban.
- On-site visits, events and meetings with external parties – where possible as per local government restrictions – follow a strict approval protocol to mitigate any potential risk.

We continue to monitor the situation at all company locations and worldwide very closely. A task force to coordinate the various actions as per our pandemic action plan has been installed. Considering the global COVID-19 pandemic, Clearstream had enhanced its existing business continuity solutions to further address possible multi-site pandemic impacts at an early stage of

the current developments. Clearstream completed and tested the enhanced solutions in advance. Depending on local circumstances and directives from authorities, further solutions will be activated in order to ensure business continuity.

Our business continuity measures are designed to allow us to maintain our services at a contractually agreed level.

What is your Contingency Planning Status?

We invoked our COVID-19 business continuity plan in stages since the beginning of March and moved to remote working for our staff to the maximum extent within the first quarter of the year. The transition was achieved in an orderly fashion and over the course of March and April, over 95% of our employees were working remotely in Luxembourg, Frankfurt, Prague, Cork, London, Zug, New York and our offices in the Asia Pacific region. In the meantime, we implemented health and safety measures in our offices to ensure that our employees could return to their workplace safely once it was deemed appropriate to do so. Throughout the summer, as some regions experienced an easing of local government restrictions, many of our colleagues made use of this opportunity. As we are currently experiencing a second wave in Europe and newly imposed restrictions on a local level, we continue to maintain all safety measures while at the same time reminding our colleagues that returning to work remains completely voluntary.

Staff working from home do so on company owned devices via a secured VPN connection and have received specific direction on the treatment of confidential data.

We had enhanced our existing business continuity solutions to further address possible multi-site pandemic impacts at an early stage of the current developments. We have reviewed all services and processes in designing our COVID-19 business continuity plan with a focus on those functions that must be performed at a certain location. In most cases, we were able to redesign, test and implement modifications to the processes to enable fully remote operation. In other cases, specific contingency plans have been deployed, aimed principally at ensuring multi-location redundancy and aggressive protection of the staff and service providers concerned.

We have planned a staged exit strategy to enable staff to return to the office location by location depending on local conditions. That plan also enables us to switch back to full remote working should local restrictions oblige us to do so.

Are your employees working on-site or from home?

Our infrastructure allows a seamless transfer to a home office solution for our global staff. During March and April, over 95% of our employees were working remotely in Luxembourg, Frankfurt, Prague, Cork, London, Zug, New York and our offices in the Asia Pacific Region.

At the time of writing (October 2020), approximately 20% of staff are working onsite in Prague, Cork, and London, offices which are subject to a 30% occupancy limit. A 10% occupancy limit applies in Luxembourg, New York and in Zug. Approximately 5% of staff are working onsite in Luxembourg, as Clearstream seeks to support efforts of the government to minimise mobility in the community. Clearstream's offices elsewhere are subject to a 50% occupancy limit.

The small number of mission-critical staff requiring an on-site presence is working in split teams (up to 3-way split) across various locations to mitigate any risk of cross-contamination. As per our general business continuity plan, reliance on critical staff has been reduced by distributing knowledge and skills to the extent possible to allow transferring of operations, in case of staff unavailability.

Did you split teams across locations, when relevant?

Clearstream had enhanced its existing business continuity solutions to further address possible multi-site pandemic impacts at an early stage of the current developments. Clearstream completed and tested the enhanced solutions in advance. Depending on local circumstances and directives from authorities, solutions will be activated in order to ensure business continuity.

Our infrastructure allows a seamless transfer to a home office solution for our global staff. In the early stages of the COVID-19 pandemic, a progressive increase of staff members working from home had been initiated. We have also planned a staged exit strategy to enable staff to return to the office location by location depending on local conditions. That plan also enables us to switch back to full remote working should local restrictions oblige us to do so.

Mission-critical staff requiring an on-site presence is working in split teams (up to 3-way split) across various locations to mitigate any risk of cross-contamination. As per our general business continuity plan, reliance on critical staff has been reduced by distributing knowledge and skills to the extent possible to allow transferring of operations, in case of staff unavailability.

Please state how long you can continue to operate in a remote access BCP mode?

While the measures of the preventive pandemic plan are activated, there are in principle no limits to the time operations can continue. Comprehensive contingency measures are in place to ensure the continuity of mission critical processes.

Have you confirmed business continuity plans with the essential market infrastructure (i.e. CSDs, stock exchange, payment system) due to the coronavirus? Have any of these entities invoked BCP arrangements?

We hold our service providers to the same high standard of care as we hold ourselves. We have assured ourselves of the ability of each supplier of the continuous provision of critical services. Currently, we monitor our network of custodians, agent banks, cash correspondents, depositories and other critical service providers daily. Although most are operating in various stages of contingency, our network is currently functioning normally.

Are there any limitations to your business capabilities including communications, infrastructure interfaces, and systems applications in the event of a prolonged contingency event?

There are in principle no limits to the time operations can continue with the measures of our preventive response and business continuity measures in place.

Can you ensure that there will not be any decrease in service level in BCP environment?

As described earlier, our infrastructure has allowed us a seamless transfer to a home office solution for our global staff. There are in principle no limits to the time operations can continue with the measures of our preventive response and business continuity measures in place.

A dedicated senior executive group meets daily to monitor operational continuity, to ensure that service levels are maintained and to identify any issues within Clearstream and at market level at an early stage.

Therefore, we are delivering all our services as normal. So far, no operating issues arising from our COVID-19 measures have been identified. We are confident that we will be able to maintain our service delivery for the duration of the crisis.

How and when would your customers be advised of any relevant changes or updates?

In order to keep our customers informed, all communication channels available under normal circumstances will be used to share information; General updates are shared via the Clearstream website. Market impacts would be communicated as announcements via our website.

(Example: <https://www.clearstream.com/clearstream-en/products-and-services/settlement/c20006-1849706>)

In the unlikely case of operational impacts, updates would be shared as operational news via our website. Customers may subscribe to receive real time alerts to such announcements and news.

Will Client Services remain available?

Our client services team is functioning normally. You may reach our client services offices by the standard telephone lines around the world.

How do you distribute and receive documents and other written communication?

Physical documentation and correspondence delivered to our offices is scanned and distributed to our teams electronically. At present, postal and courier services are operating normally in each of the countries where we operate.

For the duration of the crisis, we can receive documentation that is addressed to Clearstream including contractual documentation that would ordinarily require wet ink signatures by alternative means. An electronic copy of a signed document may be sent to us by a secure channel against a statement that the original will be remitted when conditions permit. If customers encounter difficulties obtaining enough authorised signatures within their organisations may be asked to authenticate documents in an MT599 message.

Will connectivity channels (ClearstreamXact channels, CASCADE, CreationOnline, Vestima) remain available?

All connectivity channels offered by Clearstream are operating normally.

Clearstream's standard procedure for establishing new administrator rights within customer organisations is to distribute activation keys by registered mail in two steps, the second being initiated only when the customer has confirmed receipt through an authenticated channel.

Clearstream has adjusted its procedures to accommodate remote working. The two-step process is retained but activation keys are placed in deeply protected files that are remitted electronically by secure email with access passwords communicated via a separate secure channel.

Do you have a COVID-19 exit strategy?

Yes. Our COVID-19 exit strategy is set up to meet the requirements from local authorities at all our locations. The return to full onsite presence will be organised in a gradual and coordinated way. It will be conducted in progressive waves. Return to full onsite presence (BAU) will only be initiated once distancing measures are no longer enforced or recommended by the public authorities in any location. Social distancing measures will remain in the workplace for the entire duration of the business continuity mode, including mandatory social distancing, the wearing of face masks where it is a mandatory requirement by local authorities, limitations on meeting room and elevator capacity (not exhaustive).

The plan to return to onsite working is designed to facilitate a return to higher levels of remote working, including a return to full remote working if necessary.

Throughout and beyond the exit process, our objectives are and remain the same to ensure full continuity of business and services and maximise staff availability by continuing to mitigate infection risk and other risks.