

## WFC Single Disclosure Report 2022

### AGC answers

Date submitted

30/01/2023 10:42:05

AGC: 0a

Please indicate the full name of the responding institution:

LuxCSD S.A.

AGC: 0c

Registered address:

42, avenue JF Kennedy, L-1855 Luxembourg

AGC: 0d

Country of registered address:

Luxembourg

AGC: 1

Rule 17f-7, by reference to Rule 17f-4, requires that, for a CSD to be eligible to hold securities of U.S. registered investment companies (such depositories hereinafter referred to as “Eligible Securities Depositories”), the CSD must be a “system for the central handling of securities where all securities of any particular class or series of any issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the securities.”

Are all securities of a particular class or series of any issuer that are deposited in your institution treated as fungible, and can they be transferred or pledged by bookkeeping entry without physical delivery of the securities?

Yes

No

AGC: 1a

Please explain

AGC: 2

Rule 17f-7 also requires that an Eligible Securities CSD “acts as or operates a system for the central handling of securities or equivalent book-entries in the country where it is incorporated,” or “acts as or operates a transnational system for the central handling of securities or equivalent book-entries.” Does your institution:

- Act as or operate a system for the central handling of securities or equivalent book-entries in the country where it is incorporated?
  
- Act as or operate a transnational system for the central handling of securities or equivalent book-entries?
  
- Act in another capacity with respect to the handling of securities or equivalent book-entries?
  
- Not applicable
  
- OTHER:

AGC: 2a.

Please explain:

AGC: 2b.

Please specify the types of securities for which you act as or operate a system for the central handling of securities or equivalent book-entries:

LuxCSD offers against payment settlement services in EUR central bank money and FOP settlement services for intra-CSD and cross-CSD settlement.

Qualifying securities including debt instruments, money market instruments, equity instruments, structured products and investment funds eligible in LuxCSD may be settled. Customers can obtain details of specific securities by means of Codelist Inquiries available under Applications on [www.luxcsd.com](http://www.luxcsd.com).

AGC: 3

What type of legal entity is the institution?

- Public Company
- Stock Exchange (or part thereof)
- Central Bank (or part thereof)
- Private Company
- OTHER: Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/imprint-1277708>

AGC: 4

Is the institution operated as a "for profit" or a "not for profit" organization?"

- For profit
- Not for profit

AGC: 5

Please provide the names of the owners and their ownership interest percentages.

LuxCSD is wholly owned by Clearstream International S.A, which is a subsidiary of Clearstream Holding AG. Clearstream Holding AG is wholly owned by Deutsche Boerse AG. LuxCSD's shareholding structure can be found on our website at <http://www.luxcsd.com/luxcsd-en/about-luxcsd/companygovernance>

AGC: 6a

What is the date of establishment of the CSD?

Please enter the answer in DD/MM/YYYY format.

If you are filling the survey for more than one organization, please enter the name of each organization in different lines and in front of each one the corresponding date.

29/06/2010

AGC: 6b

What is the date that the CSD's operations began?

Please enter the answer in DD/MM/YYYY format.

If you are filling the survey for more than one organization, please enter the name of each organization in different lines and in front of each one the corresponding date.

15/10/2011

AGC: 7

Under what regulation or statute is the CSD established and governed?

LuxCSD is regulated by the Commission de Surveillance du Secteur Financier (CSSF) as a central securities depository under Regulation (EU) 909/2014 on the improving securities settlement in the EU and on central securities depositories (CSDR). As securities settlement system, LuxCSD is also subject to the oversight supervision of the central bank of Luxembourg.

Since 30 January 2018, LuxCSD operates as a Global Legal Entity Identifier Foundation (GLEIF) accredited Local Operating Unit. LuxCSD is an independent Local Operating Unit (LOU) that issues LEIs with the prefix 2221 and covers multiple jurisdictions.

LuxCSD is subject to the CSDR and the law of 10 November 2009 on relating to payment services, the business of electronic money and settlement finality in payment and securities settlement systems, as subsequently amended (hereinafter referred as to the "Payment Services Law"). This law sets forth the requirements for SSS. The transfer of securities is mainly governed by the law of 1 August 2001 on the circulation of securities, as subsequently amended (hereinafter referred as to the "Securities Law").

The provisions of the Securities Law apply to securities and other financial instruments in the widest sense of the word, materialised or dematerialised, in bearer or nominative form, Luxembourg or foreign, and whatever the form in which they have been issued under their respective applicable legislation. The securities and other financial instruments are, or are deemed to be, fungible when they are held in custody or in accounts with custodians without any identification numbers or any other form of individual identification. Fungible securities are booked in accounts and may be transferred from one account to another by book entry.

AGC: 7a

Is the regulation or statute electronically available?

Yes

No

AGC: 7b

If regulation or statute is electronically available, please supply web address(es) here or upload document(s).

The laws are available on the CSSF website at [www.cssf.lu](http://www.cssf.lu). CSDR information is available here: <https://www.luxcsd.com/luxcsd-en/about-luxcsd/regulation/central-securities-depository-regulation-csdr->

AGC: 7c

filecount - Please supply document(s) here:

0

AGC: 7d

What are the roles and responsibilities of the CSD's board of directors (or equivalent), and are they clearly specified? Please provide details of the structure and composition of your Board together with their industry experience and responsibilities in governing the CSD. What are the qualifications to become a board member?

The corporate governance of the Company is based on a management structure composed of a Board of Directors of the Company (the "Board of Directors") and a daily management

(the "Comité Exécutif" - referred to as the "ComEx"). The composition of the Board of Directors and the ComEx can be viewed at the following link:

<http://www.luxcsd.com/luxcsd-en/about-luxcsd/companygovernance/management-structure>

The Board of Directors's fundamental function is the management of LuxCSD. It is vested with the broadest powers to perform all acts and disposition, ensuring its sound and prudent management, in the interest of the company. The Board of Directors is empowered to set LuxCSD's strategy, objectives and overall direction, overseeing and monitoring management decision-making and effectively directing the business of LuxCSD.

The Board of Directors delegated the power to conduct the daily management of LuxCSD to the ComEx in accordance with Article 441-10 of the law of 10 August 1915 on commercial companies, as amended. The Board of Director's tasks therefore include the supervision of the ComEx and the assessment of the suitability of the members of the ComEx. The ComEx is obliged to report to the Board of Directors on its activities on a regular and on an ad hoc basis.

The members of the Board of Directors shall be of sufficiently good repute with an appropriate mix of skills, experience and knowledge of LuxCSD and the market in which it operates. The members of the Board of Directors have an overall responsibility for delivering a high quality service, for adhering to the industry rules and regulations and for respecting the defined internal procedures. They must act honestly and in good faith with a view to the best interests of the company and exercise care, diligence and skill that a reasonable prudent person would exercise in comparable circumstances.

AGC: 7e

What are the election procedures?

Please refer to our response to question 58 above.

AGC: 7f

What is the maximum length of time a board member can serve?

The members of the Board of Directors shall be elected by the general meeting of shareholders, except when a member fills a vacancy on a temporary basis. The number of directors shall be determined from time to time by the general meeting of shareholders in accordance with Article 7.1. of the Articles of Association. The directors shall be elected by the general meeting of shareholders for a period of no more than six (6) years and until their successors are elected, provided, however, that any director may be removed at any time by a resolution approved by a simple majority taken at a general meeting of shareholders. Every member is eligible for re-election. In the event that a vacancy should arise on the Board of Directors as a result of the death, legal incapacity, bankruptcy, retirement or resignation of any director or for any other reason, the remaining directors shall be authorized to fill the vacancy on a temporary basis until the date of the next general meeting of shareholders, which shall make a permanent appointment to fill the vacancy

AGC: 7g

How are the voting powers distributed amongst the board members (i.e. does each board member have one vote or do certain members have additional voting power)?

Please refer to our response under 7e.

AGC: 7h

What are the procedures established to review the performance of the board as a whole and the performance of the individual board members? Who is responsible for regulating the board members?

Under Luxembourg law, the board of directors acts as a collective body and discussions between board members are framed pursuant to the articles of association and/or the rules of the board of directors (if any).

AGC: 8

Rule 17f-7 requires that an Eligible Securities Depository regulated by a foreign financial regulatory authority as defined under section 2(a)(50) of the Act, with section 2(a)(50) establishing that z 'foreign financial regulatory authority' means any (A) foreign securities authority, (B) other governmental body or foreign equivalent of a self-regulatory organization empowered by a foreign government to administer or enforce its laws relating to the regulation of fiduciaries, trusts, commercial lending, insurance, trading in contracts of sale of a commodity for future delivery, or other instruments traded on or subject to the rules of a contract market, board of trade or foreign equivalent, or other financial activities, or (C) membership organization a function of which is to regulate the participation of its members in activities listed above." Who regulates the activities of the CSD?



A membership organization which regulates the participation of its members in securities matters or other financial activities.

A governmental body or regulatory organization empowered to administer or enforce laws related to securities matters.

A governmental body or self-regulatory organization empowered to administer or enforce laws related to other financial activities.

OTHER:

AGC: 8a.

Please explain:

AGC: 9

Please provide the name of regulatory authority(ies) identified in question 8:

Commission de Surveillance du Secteur Financier (CSSF) and the Banque centrale du Luxembourg (BcL)

AGC: 10

Rule 17f-7 requires that an Eligible Securities Depository is subject to periodic examination by regulatory authorities or independent accountants. • Is the CSD subject to periodic examination by:

Regulatory authorities?

Independent accountants?

OTHER:

AGC: 10a

Please explain:

AGC: 11

Name of Authority #1 (please answer 11a):

Commission de Surveillance du Secteur Financier (CSSF)

AGC: 11a.

What enforcement actions are available to regulatory authority #1 for breach of applicable statute or regulatory requirements?

- Fines
- Restrictions on CSD activities.
- Suspension of CSD activities.
- Termination of CSD activities.
- OTHER:

AGC: 11b.

Please explain:

AGC: 11c.

What enforcement actions are available to regulatory authority #2 for breach of applicable statute or regulatory requirements?

- Suspension of CSD activities.
- Restrictions on CSD activities.
- Termination of CSD activities.
- Fines
- OTHER: Non-compliance with the regulations of the Banque centrale du Luxembourg could result in losing the status of a Securities Settlement System (SSS)

AGC: 11d.

Please explain:

Non-compliance with the regulations of the Banque centrale du Luxembourg could result in losing the status of a Securities Settlement System (SSS).

AGC: 12

Has there been any use of such enforcement actions in the last three years?

No

Yes

OTHER:

AGC: 12a.

If yes, please explain:

AGC: 13

Capital. Are annual financial statements publicly disclosed?

Yes

No

AGC: 13a.

If yes, the AGC requests a copy of the institution's annual report. Is the annual report available electronically?

Yes

No

AGC: 13b.

filecount - If yes, please upload the document(s) here or insert web link(s) in question 13d:

44a LuxCSD S.A. - Annual accounts - 31122021.pdf (5466KB)

Annual  
Report  
2021  
LuxCSD

1

AGC: 13c.

filecount - If more than one document for 13b, please upload the additional document here:

0

AGC: 13d.

Please insert web link(s) for 13b here:

AGC: 13e.

If no, and annual report and/or financial statements are not disclosed, please state your share capital, reserves, and retained earnings (or equivalents as determined under local accounting standards). Share Capital (then please answer 13f):

AGC: 13f.

Reserves (then please answer 13g):

AGC: 13g.

Retained Earnings:

AGC: 14

Internal Audit. Is an internal audit undertaken in your CSD?

Yes

No

AGC: 14a.

If yes, what areas does the audit cover (financials, operations, etc.) and which department in your CSD handles it?

LuxCSD has outsourced the majority of its operations, as well as the functions in the second and third line of defense and support functions (e.g., human resources). The primary service providers are Clearstream entities, i.e., Clearstream Banking S.A. ("CBL") and Clearstream Services S.A. ("CS").

The provision of Internal Audit Function has been outsourced to CBL. LuxCSD has appointed a Chief Internal Auditor who has direct access to and reports directly to the Board of Directors and the Audit Committee.

The Audit Committee of LuxCSD is composed of at least three non-executive members of the Board of Directors and meets at least twice per year. Permanent guests are the Chief Internal Auditor, the Compliance Officer, External Auditor and the Chief Executive Officer. The Audit Committee monitors the reporting and accounting process and submits recommendations to the Board of Directors to ensure its integrity; reviews the annual accounts and the management report and makes recommendations to the Board of Directors; deliberates compliance with the legal and statutory provisions as well as the Commission de Surveillance du Secteur Financier (CSSF) rules for the annual accounts, and on the relevance of the accounting policies adopted.

The Audit Committee reviews at least on a yearly basis a compliance status report obtained from the Comité Exécutif, and reports regularly, at least annually, to the Board of Directors and to the Comité Exécutif on its activities and functioning.

AGC: 14b.

Please list the date of your last internal audit and the period that the audit covered:

End date: 31/12/2021  
Start date: 01/01/2021  
Audit date: 08/04/2022

AGC: 14c.

How frequently does the internal audit occur?

- Two or more times a year
- Annually
- Less than annually

AGC: 14d.

If less than annually, please explain:

AGC: 14e.

Are the results of the internal audit publicly available?

- Yes
- No

AGC: 14f.

Please select the statement that most accurately characterizes the results of the last internal audit:

- No material exceptions found.
- Minor exceptions found.
- Material exceptions found.

AGC: 14g.

If minor or material exceptions were found, what actions were taken? Please describe:

No material exceptions raised. Any minor item that has been brought to our attention will be dealt with in a timely and thorough manner.

AGC: 15

Is a financial audit performed by an Audit Firm, Regulatory Authority, or other external party?

Yes

No

AGC: 15a.

If yes, please state the name(s) of the entity(ies) who perform the financial audit.

PwC, Luxembourg

AGC: 15b.

Please list the date of your last financial audit performed by an Audit Firm, Regulatory Authority, or other external party:

08/04/2022

AGC: 15c.

Please list the period that the audit covered:

Start date: 01/01/2021

End date: 31/12/2021

AGC: 15d.

How frequently does the financial audit occur?

Two or more times a year

Annually

Less than annually

AGC: 15e.

If less than annually, please explain:

AGC: 15f

Are the results of the financial audit publicly available?

- Yes
- No

AGC: 15g.

Please select the statement that most accurately characterizes the results of the last financial audit:

- No material exceptions found.
- Minor exceptions found.
- Material exceptions found.

AGC: 15h.

If minor or material exceptions were found, what actions were taken? Please describe:

There were no material issues raised.

AGC: 16

Is an operational audit performed by an Audit Firm, Regulatory Authority, or other external party?

- Yes
- No

AGC: 16a.

If yes, please state the name(s) of the entity(ies) who perform the operational audit.

The results of the internal audit are shared with the external auditor PwC, who carries out a review of the procedures of LuxCSD in relation to the requirements of the Circular 13/556 and the CSSF Regulation No. 12-02 of 14 December 2012 on measures to combat money laundering and terrorist financing, and the Circular 98/143, 95/120 and 96/126 which are applicable to the activities of the company.



AGC: 16b.

Please list the date of your last operational audit performed by an Audit Firm, Regulatory Authority, or other external party:

03/05/2022

AGC: 16c.

Please list the period that the audit covered:

Start date: 01/01/2021

End date: 31/12/2021

AGC: 16d.

How frequently does the operational audit occur?

- Two or more times a year
- Annually
- Less than annually

AGC: 16e.

If less than annually, please explain:

AGC: 16f

Are the results of the operational audit publicly available?

- Yes
- No

AGC: 16g.

Please select the statement that most accurately characterizes the results of the last operational audit:

- No material exceptions found.
- Minor exceptions found.
- Material exceptions found.

AGC: 16h.

If minor or material exceptions were found, what actions were taken? Please describe:

Any minor item that has been brought to our attention will be dealt with in a timely and thorough manner.

AGC: 17, 17q

**PARTICIPANTS AND PARTICIPATION.** The purpose of this section is to understand issues relating to participation in the CSD, including eligibility requirements, conditions of participation, and supervision of participants. What types of entities are eligible to become participants and how many of each type are there currently?

- Foreign Institutions
- Brokers
- Individuals
- Not applicable
- Banks
- OTHER: The following categories of entities may only be eligible in LuxCSD as participant or "Customer" within the meaning of the article 1 of the GTCs: • Banks and Credit Institutions; • Non-Bank Financial Institutions; • Sovereigns and Supranational Institutions; • Trading venues and Central Counterparties; • Legal Persons that are listed or subsidiaries of publicly listed companies; • Alternative Investment Vehicles; • Special Purpose Vehicles and Unincorporated Entities. LuxCSD does not accept natural persons as customers and no account will be opened in the name of a natural person.

AGC: 17a.

How many Bank participants are there currently? (then please answer 17b)

Currently, LuxCSD has in total 15 participants. 9 of them are banks, 3 CSDs, 3 "other participants" and 0 brokers. 9 of the total participants are foreign institutions.

AGC: 17b, 17d

Please select the features included in the eligibility requirements for Banks.

Regulatory Oversight

Market Experience

Financial Thresholds

OTHER: Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer> and to the Customer and Access Acceptance Policy available therein.

AGC: 17c.

Where can a description of the specific eligibility requirements for Bank participants be found?

Please refer to the "Becoming a LuxCSD customer" page of our website <http://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer>

AGC: 17d.

Please explain:

Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer> and to the Customer and Access Acceptance Policy available therein.

AGC: 17e.

How many Broker participants are there currently? (then please answer 17f)

Currently, LuxCSD has 0 broker participants.

AGC: 17f, 17h

Please select the features included in the eligibility requirements for Brokers.

Financial Thresholds

Market Experience

Regulatory Oversight

OTHER: Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer> and to the Customer and Access Acceptance Policy available therein.

AGC: 17g.

Where can a description of the specific eligibility requirements for Broker participants be found?

<https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer>

AGC: 17i.

How many Individual participants are there currently? (then please answer 17j)

AGC: 17j.

Please select the features included in the eligibility requirements for Individual participants.

Market Experience

Regulatory Oversight

Financial Thresholds

OTHER: N/A

AGC: 17k.

Where can a description of the specific eligibility requirements for Individual participants be found?

AGC: 17m.

How many Foreign Institution participants are there currently?

Currently, LuxCSD has 9 foreign institution participants.

AGC: 17n, 17p.

Please select the features included in the eligibility requirements for Foreign Institution participants.

- Financial Thresholds
- Regulatory Oversight
- Market Experience
- OTHER: Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer> and to the Customer and Access Acceptance Policy available therein.

AGC: 17o.

Where can a description of the specific eligibility requirements for Foreign Institution participants be found?

<https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer>

AGC: 17q.

If you have selected "Other entities" above, please explain:

The following categories of entities may only be eligible in LuxCSD as participant or "Customer" within the meaning of the article 1 of the GTCs:

1. Banks and Credit Institutions;
2. Non-Bank Financial Institutions;
3. Sovereigns and Supranational Institutions;
4. Trading venues and Central Counterparties;
5. Legal Persons that are listed or subsidiaries of publicly listed companies;
6. Alternative Investment Vehicles;
7. Special Purpose Vehicles and Unincorporated Entities.
- 8.

LuxCSD does not accept natural persons as customers and no account will be opened in the name of a natural person.

AGC: 17r.

Indicate how many "Other entities" are currently participants?

Currently, LuxCSD has 3 "other entities" participants.

AGC: 17s, 17u

Please select the features included in the eligibility requirements for the participants referred to above as "Other entities".

- Financial Thresholds
- Regulatory Oversight
- Market Experience
- OTHER: Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer> and to the Customer and Access Acceptance Policy available therein.

AGC: 17t.

Where can a description of the specific eligibility requirements for participants described above as "Other entities" be found?

<https://www.luxcsd.com/luxcsd-en/about-luxcsd/becoming-a-luxcsd-customer>

AGC: 18

Are participants required to contribute capital to the CSD that would result in ownership of the CSD?

- Yes
- No
- Not applicable

AGC: 18a.

If yes, what fixed amount is required or what formula is used to determine the appropriate contribution level?

AGC: 19

Are prospective participants subject to an initial review and approval process regarding compliance with eligibility requirements?

- Yes
- No
- Not applicable

AGC: 20

What governs the relationship between the CSD and the participants?

- Rules of the CSD
- Relevant law and regulation
- Not applicable
- By-laws of the CSD
- Standard participation contract
- Established terms and conditions of participation
- OTHER:

AGC: 20a

Please explain:

AGC: 21

Rule 17f-7 requires that an Eligible Securities Depository holds assets for the custodian that participates in the system on behalf of the Fund under safekeeping conditions no less favorable than the conditions that apply to other participants. Please confirm that assets of foreign investors held by custodians as participants in the CSD are held under safekeeping conditions no less favorable than the conditions that apply to other participants.

- Yes
- No
- Not applicable

AGC: 21a.

If no, other or not applicable, please explain:

AGC: 21b, 21c.

Please confirm the basis for the arrangements you have in place to ensure that the assets you hold for custodians receive the same level of safekeeping protection as the assets held for other categories of participants.

- Standard participation contract
- Rules of the CSD
- Relevant Law and Regulation
- By-laws of the CSD
- Established terms and conditions of participation
- OTHER:

AGC: 21d

For each item in Question 21b that you checked, please briefly supply references or citations to the law(s), regulation(s), participation condition(s), or participant contract provision (s), as applicable.

Please find links to the following documents:

LuxCSD GTCs: <https://www.luxcsd.com/luxcsd-en/keydocuments/general-terms-and-conditions>

LuxCSD Customer Application Form: <https://www.luxcsd.com/luxcsd-en/keydocuments/account-opening-forms>

LuxCSD Customer Handbook:

: <https://www.luxcsd.com/luxcsd-en/keydocuments/customer-handbook>

Please also refer to the following:

<http://legilux.public.lu/eli/etat/leg/loi/1993/04/05/n1/jo>

[L\\_010801\\_CircSecurities\\_upd\\_010319 \(cssf.lu\)](http://legilux.public.lu/eli/etat/leg/loi/1993/04/05/n1/jo)

[https://www.cssf.lu/fileadmin/files/Lois\\_reglements/Legislation/Lois/L\\_280714\\_immobilisation\\_bearer\\_shares\\_units.pdf](https://www.cssf.lu/fileadmin/files/Lois_reglements/Legislation/Lois/L_280714_immobilisation_bearer_shares_units.pdf)

[L\\_060413\\_dematerialised\\_securities.pdf \(cssf.lu\)](http://legilux.public.lu/eli/etat/leg/loi/1993/04/05/n1/jo)

AGC: 22

How does the CSD notify participants of material changes to the conditions of participation?



Not applicable

By e-mail

By telephone

By public announcement

By press release

OTHER: Changes to the General Terms and Conditions as well as the governing documents are notified to customers in writing by electronic means or by registered mail. Changes to the operational procedures are announced by e-mail (upon subscription). Such documents and announcements are available on [www.luxcsd.com](http://www.luxcsd.com)

AGC: 22a.

Please explain:

Changes to the General Terms and Conditions as well as the governing documents are notified to customers in writing by electronic means or by registered mail. Changes to the operational procedures are announced by e-mail (upon subscription). Such documents and announcements are available on [www.luxcsd.com](http://www.luxcsd.com)

AGC: 23

Who enforces compliance with the CSD's conditions of participation?

The exchange

Not applicable

The CSD's regulator

The CSD

OTHER:

AGC: 23a

Please explain:

AGC: 24

What enforcement actions are available to the enforcement authority?

Termination of participation

Fines

Not applicable

Restrictions on participation

Suspension of participation

OTHER:

AGC: 24a  
Please explain:

AGC: 25  
Has there been any such enforcement actions in the last three years?

Yes

No

AGC: 25a.  
If yes, please explain, including information relative to any suspensions of CSD participants:

AGC: 26  
**CSD FUNCTIONALITY AND SERVICES, USE OF AGENTS.** Certain functionalities and services reduce risk to an investor if provided in an efficient manner. The purpose of this section is to identify those functionalities that may potentially be offered by depositories and clearing systems around the world, and ascertain whether they are offered by your institution. For which of the following security types do you serve as a CSD or clearing system?

Corporate money market

Not applicable

Corporate bonds

Equities

Government securities

OTHER: These instruments include the following: • Euroinstruments (straight, floating rate, convertible etc.); • Foreign bonds; • Foreign-targeted bonds; • Money market instruments, including short- and medium-term notes, commercial paper and certificates of deposit; • Domestic bonds (government and corporate, including convertibles); • Equities; • Depository receipts; • Investment funds;

AGC: 26a.

Please name the other security types:

Bearer and Registered Qualifying Securities:

- Debt instruments: money market instruments (for example CP, CD, MTNs), bonds, convertibles, asset-backed securities etc
- Equity instruments: warrants, ordinary shares, preferred shares etc
- Structured products

Dematerialised Qualifying Securities:

- Equity securities (for example shares, founders' shares, subscription rights or units of UCI) issued by Luxembourg public companies; and
- Debt securities governed by Luxembourg law, as well as by any other law for which LuxCSD has received regulatory authorisation in accordance with Article 23 CSDR

AGC: 27a. (i)

Please list the instrument types for which it is not compulsory by law to: (i) settle in your CSD

N/A

AGC: 27a. (ii)

(ii) safekeep in your CSD:

N/A

AGC: 27b. (i)

Please list the instrument types for which it is not compulsory by market practice to: (i) settle in your CSD

N/A

AGC: 27b. (ii)

(ii) safekeep in your CSD:

N/A

AGC: 27, 27c

Is the use of the CSD in your market compulsory by law or compulsory by market practice for the settlement or safekeeping of all instrument types in your market (e.g. equities, government securities, corporate bonds, money market instruments, warrants, derivatives etc).

- Yes by market practice for safekeeping, but not for all instrument types
- Neither
- Yes by law for safekeeping, but not for all instrument type
- Yes by market practice for settlement, but not for all instrument types
- Yes by law for settlement, but not for all instrument types
- Yes by market practice for safekeeping of all instrument types
- Yes by market practice for settlement of all instrument types
- Yes by law for settlement of all instrument types
- Yes by law for safekeeping of all instrument types
- OTHER: The use of LuxCSD as depository for the settlement and the safekeeping of all instrument types is neither compulsory by law nor by market practice. While the use of LuxCSD is not compulsory as such, some types of instruments cannot settle outside of a CSD.

AGC: 28 28a

Settlement and Safekeeping Percentages 28a Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) settled within your institution, exclusive of your links with third parties.

N/A

AGC: 28b.

Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) held in safekeeping within your institution.

N/A

AGC: 29, 29i

Are there any activities performed by a third party on behalf of the CSD for the CSD participants (e.g., vaulting of physical securities, registration, entitlement processing, etc.)?

- Yes
- No
- Not applicable
- OTHER:

AGC: 29a.

If third parties are employed, please indicate which services they supply:

In accordance with the LuxCSD's General Terms and Conditions, Article 44, LuxCSD may engage third parties to provide any of the services to be provided by LuxCSD pursuant to the Governing Documents. In particular, the securities settlement services in central bank money with the T2S Market offered by LuxCSD are provided by Eurosystem.

LuxCSD has outsourced the majority of its operations. The primary service providers are Clearstream Banking S.A. and Clearstream Services S.A.

AGC: 29b.

If third parties are employed, does the CSD assume liability for losses incurred by participants as a result of the actions/inactions of the third parties?

- Yes
- No

AGC: 29c, 29e.

If you acknowledge responsibility, please indicate whether your responsibility is assumed

- if the loss was caused by the willful default or other willful conduct on the part of the agent
- if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be gross negligence on the part of the agent
- if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be negligence on the part of the agent
- regardless of whether such loss was caused by any action or inaction of the agent
- OTHER: With respect to T2S Services, article 45bis of the GTCs states that in case of losses, claims, liabilities, expenses or damages suffered by the Customer due to actions taken or omitted to be taken by the Eurosystem arising from the Eurosystem's fraud, willful misconduct or gross or ordinary negligence in performing its duties and obligations under the T2S Framework Agreement, LuxCSD's liability shall be subject to the below limitations: i) a maximum total amount per calendar year for all losses or damages suffered by the Customer equivalent to the fees that the Customer has paid for the T2S Services during the 12 months period preceding the calendar year in which the event that caused the liability claim occurred or, in case the Customer has not paid fees for the T2S Services for a full 12 months, the fees that the Customer could be reasonably expected to have paid during this 12 month period, taking into account during the remainder of the 12 month period the number of securities instructions that the Customer has settled in the relevant previous settlement infrastructure; ii) in case of suspension of the settlement by the Eurosystem in the currency of a non-Euro area Central Bank, LuxCSD shall have no liability. In such case, for the recovery of any such loss, claim, liability, expense or damage suffered by the Customer, LuxCSD is entitled to charge to the Customer the amount of any cost or expense that LuxCSD may incur in effecting, or attempting to effect, such recovery. Further details are available in Section 'General Provisions' of the General Terms and Conditions, which is available on: <https://www.luxcsd.com/luxcsd-en/keydocuments/general-terms-and-conditions>

AGC: 29f.  
Please specify limit:

AGC: 29g.  
Please specify limit:

AGC: 29d, 29h.  
If you acknowledge responsibility for agents, your responsibility is assumed for losses

- without limit
- which are not consequential losses
- subject to a monetary limit not based on insurance limits
- subject to a monetary limit based on insurance limits
- OTHER:

AGC: 30, 30m

Has any participant suffered any losses in the past three years due to the CSD's performance?

- Yes
- No
- Not applicable

AGC: 30a, 30j

If yes, please select all of the following in which loss has occurred. You will be prompted to enter the number of instances and total loss in USD thereafter.

- System Outage
- Corporate Action
- Settlement Process - Securities
- Settlement Process - Cash
- OTHER:

AGC: 30b.

Corporate Action. Please specify number of instances:

AGC: 30c.

Corporate Action. Please specify total loss in USD:

N/A

AGC: 30d.

Settlement Process - Securities. Please specify number of instances:

AGC: 30e.

Settlement Process - Securities. Please specify total loss in USD:

N/A

AGC: 30f.

Settlement Process - Cash. Please specify number of instances:

AGC: 30g.

Settlement Process - Cash. Please specify total loss in USD:

N/A

AGC: 30h.

System Outage. Please specify number of instances:

AGC: 30i.

System Outage. Please specify total loss in USD:

N/A

AGC: 30k.

For Other, please specify number of instances:

N/A

AGC: 30l.

For Other, please specify total loss in USD:

N/A

AGC: 31

Who accepts cash deposits (or makes payment credit accommodations) for CSD transactions?



- Not applicable
- Banks appointed by CSD
- Central Bank
- Neither or others (e.g. credit lines used)
- CSD
- OTHER:

AGC: 31a

Please indicate the name of the banks appointed by the CSD

AGC: 32

Who processes cash clearing (or draws on credit lines, if applicable) for CSD transactions?

- Central Bank
- Neither or others (e.g. credit lines used)
- Not applicable
- CSD
- Banks appointed by the CSD
- OTHER:

AGC: 32a

Please name banks appointed by the CSD

AGC: 33a

Please name banks appointed by the CSD

AGC: 33, 33b

Who controls the movement of cash for cash deposits (or draws on credit lines, if applicable)?

- Not applicable
- Neither or others (e.g. credit lines used)
- Banks appointed by CSD
- Central Bank
- CSD
- OTHER:

AGC: 34

Who controls the movement of cash for cash clearing (or for draws on credit lines, if applicable)?

- CSD
- Central Bank
- Banks appointed by CSD
- Neither or others (e.g. credit lines used)
- Not applicable
- OTHER:

AGC: 34a

Please name banks appointed by CSD

AGC: 35

Please indicate services you provide.

- Information on distribution of new issues (IPO, Privatization).
- Same day turnaround settlements.
- Own list or: AGC: Information in advance on corporate (annual or special) meetings in order that owners can vote.
- Not applicable
- Tax assistance where foreign holders may be entitled to tax relief at source or through a claim.
- In order to avoid fails, an automatic securities lending facility - if requested - is provided for.
- Collateral handling in support of activities including securities lending, overdraft coverage, cash management, repurchase agreements, etc.
- OTHER: Local Operating Unit for the issuance of Legal Entity Identifiers. LuxCSD operates as a Global Legal Entity Identifier Foundation (GLEIF) accredited Local Operating Unit (LOU). Please refer to the information available at: <https://www.luxcsd.com/luxcsd-en/products-and-services/luxembourg-lei-service>

AGC: 35a

Automatic securities lending facility is provided for:

- Other financial institutions
- Banks
- Brokers
- OTHER:

AGC: 35c

Summary narrative for PFMI Principle 5. Please provide a summary narrative disclosure with sufficient detail and context, as well as any other appropriate supplementary information, to enable readers to understand the CSD's approach to or method for observing the principle. Please use the following questions as guidance for the points of focus and level of detail it is expected to convey in the disclosure. Cross references to publicly available documents should be included, where relevant, to supplement the discussion.)

AGC: 35c

If collateral handling, please provide details

AGC: 35d

Other, please explain:

A variety of functions are performed for financial institutions across selected markets and financial instruments. LuxCSD has outsourced its operations to the companies of the Clearstream group. LuxCSD clears and settles market transactions, ensuring that securities are promptly and effectively delivered between parties. LuxCSD takes care of any rights attached to the securities that our customers keep with us. LuxCSD also offers investment funds related services. Functions include:

9. Settlement;
10. Comprehensive custody management, including withholding tax and proxy voting services;
11. Related information distribution including customer reporting.
12. Comprehensive New Issues services

AGC: 36

What procedures are in place for the processing of corporate action entitlements?

- Credited to the securities account on the day indicated below regardless of whether actually collected by the CSD on the scheduled date.
- Not applicable
- Corporate action entitlements are handled by an entity separate from the CSD.
- Credited to the securities account upon actual receipt by the CSD.
- OTHER:

AGC: 36a

Credited to the securities account:

- On pay date +1.
- On pay date.
- On pay date +2.
- OTHER:

AGC: 36c  
Name of entity:

AGC: 37a  
Credited to the cash account:

- On pay date +1.
- On pay date.
- On pay date +2.
- OTHER:

AGC: 37c  
Name of entity:

AGC: 37, 37d.  
What procedures are in place for the processing of interest and dividends?

- Income and dividend collection is handled by an entity separate from the CSD.
- Not applicable
- Credited to the cash account on the day indicated below regardless of whether actually collected by the CSD on the scheduled date.
- Credited to the cash account upon actual receipt by the CSD.
- OTHER:

AGC: 38  
Please list all depositories or settlement systems to which you have an electronic link.

In addition to LuxCSD's offering for LuxCSD-issued securities on the T2S settlement platform LuxCSD, as Investor-CSD, has an account with CBF to provide LuxCSD customers with a single point of access (in Euro central bank money) to a range of T2S markets. Furthermore, LuxCSD has a CSD link with Iceland, where LuxCSD is a direct participant of Nasdaq CSD Iceland (INCSD), that offers LuxCSD customers settlement services (FOP only) for equities and debt securities that are eligible in NCSDI, and a direct link with Euroclear France for holding French registered securities (Valeurs Essentiellement Nominatives (VEN)).

AGC: 39

Are procedures and controls (firewalls) in place to avoid systemic collapse or contamination if one of the linked entities should experience business interruptions for whatever reason?

- No
- Yes
- Not applicable

AGC: 39a

Please explain

Existing Relationships are reviewed on an ongoing basis, based on continuous oversight of market developments in the areas of procedures, practices, regulations or other infrastructure related developments. Due diligence reviews and on-site visits (currently performed remotely due to the pandemic) are performed at least annually in line with CSDR requirements or ad hoc when deemed necessary.

All relationships are monitored for any incidents that result in contingency measures being conducted; all key risk indicators, incidents and any issues or anomalies arising out of the questionnaire information-gathering exercise are logged in a central database managed by our Risk Management area.

An updated BCP is requested on an annual basis.

AGC: 40

Has a business interruption recovery plan been developed in the event the linkages should become inoperable for any reason?

- Yes
- No
- Not applicable
- Other

AGC: 40a.  
If no or other, please explain

AGC: 41  
Are participants permitted to maintain more than one account at the CSD?

- Yes
- No
- Not applicable

AGC: 41a, 41c  
If yes, please indicate number:

- An unlimited number of accounts
- More than one account
- OTHER:

AGC: 41b  
If more than one account what is the maximum?

AGC: 42  
Are participants required/permitted to segregate assets held for their own benefit from those they hold for their clients?

Yes

No

Not applicable

OTHER:

AGC: 42a

If yes, is segregation required or simply permitted?

Required

Permitted

AGC: 42b, 42c

How does segregation occur?

By sub-accounts within a single participant account.

By separately designated participant accounts.

By separately designated beneficial owner accounts.

OTHER:

AGC: 43, 43b

Does the CSD permit its participants to open accounts in the participant's own nominee name(s)?

Yes

No

Not applicable



AGC: 43a

If yes, do laws exist, which define as well as protect the rights of beneficial owners with respect to securities registered in nominee name?

- Yes
- No

AGC: 44a

In the event a participant's single or main account is blocked for any reason (e.g., insolvency, penalties, violations, liens), would securities held in any account or accounts on behalf of the participant's clients be accessible: By the participant's clients?

- Yes
- No
- Not applicable

AGC: 44b

If yes, please describe briefly how clients of participants would access their securities and whether there would be any delay in their ability to do so:

AGC: 44d.

By the intervening authorities controlling insolvency or other proceedings?

- Yes
- No
- Not applicable

AGC: 44e.

If yes, please describe briefly under what conditions access would be granted to the intervening authorities:

Provided that LuxCSD receives the necessary court documents and appointment of a bankruptcy manager, liquidator, and provided that any instructions received bear the necessary signature(s) of the liquidator(s), then LuxCSD will accept and process their instructions. The process is done manually, which means the liquidator will not have any direct access to the customer`s account.

AGC: 44h

If yes, please describe briefly under what conditions access would be granted to the participant's creditors:

AGC: 44g, 44i

By the participant's creditors?

- Yes
- No
- Not applicable

AGC: 44j.

By the CSD's creditors?

- Yes
- No
- Not applicable

AGC: 44k.

If yes, please describe briefly under what conditions access would be granted to the CSD's creditors:

AGC: 45

In what form does the CSD maintain records identifying the assets of each participant?

Computer tape

Computer file

Hard copy

Microfiche

OTHER: All information is available online for a period of 13 months after which it is archived. For Computer file, we have Datawarehouse for 15 years on Oracle Database with access (on demand) via scripts. For Computer tape, after 15 years and every month, we archive monthly file (Oracle tables description and content) on Tapes.

AGC: 45b

In which format is the source data maintained?

Please refer above.

AGC: 46

Rule 17f-7 requires that an Eligible Securities Depository provides periodic reports to its participants with respect to its safekeeping of assets, including notices of transfers to or from any participant's account. Does the CSD make available periodic safekeeping reports to participants, including notices of transfers to or from the participant's account?

Yes

No

AGC: 46a.

If no or other, please explain

AGC: 46b, 46c.

If yes, please indicate the scheduled frequency:

- Annually
- Quarterly
- Monthly
- Weekly
- Daily
- Upon request

OTHER: T2S is operated in real-time and reporting is ensured via ClearstreamXact. Furthermore, T2S reporting for Directly Connected Participants (DCPs) is supported by LuxCSD. Clearstream's settlement and custody platform Creation (for non-T2S related activities) is also operated real-time, reporting is ensured via Xact Web Portal. All related transaction information is available in real-time and/or at intervals defined by the customer.

AGC: 47, 47a

What is your document and record retention policy for documents and records described above in this section?

- 6 months or less
- 1 year
- 3 years
- 5 years
- 7 years
- Other: As required under Luxembourg law, LuxCSD has the obligation to maintain records relating to services provided to customers for a period of ten years.

AGC: 48

The Committee on Payment and Settlement Systems of the Bank for International Settlements (BIS) has identified three common structural approaches or models for linking delivery and payment in a securities settlement system. Please indicate which model your procedures most closely resemble.

Not applicable

Model3

Model2

Model1

OTHER:

AGC: 48a

Please briefly describe your settlement process, including how do your settlement procedures vary from the model chosen above?

The LuxCSD settlement model does not vary from the Model 1 BIS model.

AGC: 49

Are the cash and security movements simultaneous?

Yes

No

Not applicable

AGC: 49a

If cash and security movements are not simultaneous, please indicate the duration of the timing gap

- 1 hour
- 2 hours
- 3 hours
- 4 hours
- 5 hours
- Overnight
- 2 days

AGC: 50, 50a

How are CSD eligible securities held by the CSD?

- In dematerialized form
- In certificated form
- OTHER: Please refer to 51j

AGC: 51

If CSD eligible securities are certificated, can CSD eligible securities be held outside of the CSD?

- All eligible securities must be held in the CSD
- Securities may move freely into and out of the CSD
- Once entered into the CSD, eligible securities must remain in the CSD
- Certain designated securities may be held outside the CSD
- Not applicable

AGC: 51a

If certain designated securities are held outside the CSD, please indicate under which conditions these securities would be held outside the CSD:

AGC: 51b

If CSD eligible securities are required to be centrally immobilized at the CSD, where and with whom are the certificates safekept? (then please answer 51c)

AGC: 51c

Are these certificates:

- Bearer
- Registered
- OTHER: Please refer to the responses previously given in this section.

AGC: 51d

If registered, how are the CSD eligible securities registered?

- In the name of the CSD
- In the name of the depositing participant or its nominee
- In the name of a separate nominee of the CSD
- OTHER:

AGC: 51f

If in the name of a separate nominee, please identify by name the nominee used:

AGC: 51h

If CSD eligible securities may be held either in or out of the CSD, are these certificates:

Bearer

Registered

Other: LuxCSD provides the following legal and holding structures for the representation of eligible LuxCSD securities. LuxCSD Bearer Global Note (LBN) An LBN is a security represented by a global certificate that refers to the records of LuxCSD for evidence of the total indebtedness (that is, the Issue Outstanding Amount - IOA) of the issuer. LuxCSD Registered Note (LRN) An LRN is a security represented by a global certificate registered under the name of LuxCSD and recorded as such in the register maintained by an agent (the registrar) appointed by the issuer. The IOA or amount of securities issued in LuxCSD shall be maintained by the registrar and evidenced as such on the corresponding global certificate. LuxCSD Dematerialised Note (LDN) An LDN is a security represented by book entries in LuxCSD and recorded as such by LuxCSD acting as Organisme de Liquidation (OL).

AGC: 51i

What are the control features for receipt of certificates to the CSD (e.g., authentication procedures, re-registration)? Please describe:

AGC: 52

If securities are dematerialized: May dematerialized security positions be re-certificated and held outside the CSD?

Yes

No

Not applicable

AGC: 52a, 52k

Are the securities held:

Through book-entry at the CSD

Through book-entry at a registrar or issuer

OTHER:



AGC: 52b

Please identify which types of entities may act as registrars:

- Issuers
- Separate companies that perform registrar functions
- CSD
- OTHER:

AGC: 52d

If the securities held by the CSD are recorded by book entry at the registrar, are the securities registered only to the CSD, with the CSD providing the function of recording ownership on a centralized basis for the market?

- Yes
- No

AGC: 52e

If yes, how are securities held at the registrar for the account of the CSD?

- In the name of the CSD
- In the name of a separate nominee of the CSD

AGC: 52f

Please describe:

Please refer to our previous responses in this section.

AGC: 52g

If the securities held with the CSD are recorded by book-entry at the registrar but are not registered exclusively to the CSD, may they be registered to:

- The beneficial owner
- A nominee
- Other: Please refer to our previous responses in this section.

AGC: 52h  
Please describe:

The IOA shall be maintained by an Agent (the registrar) appointed by the Issuer. The amount of securities issued in LuxCSD shall be recorded in the register under the name of LuxCSD and evidenced as such on the corresponding global certificate.

AGC: 52i  
If the securities held with the CSD are recorded by book-entry at the registrar, what are the control features at the registrar for transfer of registrar positions to and from the CSD (e.g., authentication procedures, reconciliation, confirmation of position at registrar)? Please describe:

The control features are ensured via the Operational Arrangements, described at:  
Operational Arrangements:

<https://www.luxcsd.com/luxcsd-en/products-and-services/issuance/issuance-and-distribution-hub>

AGC: 53  
Does the CSD maintain records that identify the assets of each participant and segregate the system's own assets from the assets of participants?

- No
- Yes
- Not applicable
- OTHER:

AGC: 53a  
If answer to question 'G23Q031' is other or not applicable, please explain

AGC: 54

Does the law protect participant assets from claims and liabilities of the CSD?

- Yes
- No
- Not applicable

AGC: 55

Can the CSD assess a lien on participant accounts? (A lien would entitle the CSD to take and hold or sell the securities of the participant in payment of a debt.)

- Yes
- No
- Not applicable

AGC: 55a

If yes, for what reasons are liens or similar claims imposed?

- To secure payment for purchased securities
- Collateralization of overdrafts
- Fees and expenses
- OTHER:

AGC: 55b

Please describe:

AGC: 55c

Please indicate the limits of this lien as indicated below:

- The lien is limited to securities in the participant's proprietary account
- The lien is limited to securities in the course of purchase and sale transactio
- The lien may extend to settled client positions
- Other: Article 1948 of the Luxembourg Civil Code grants the depository a right of retention over the deposit that is owed to it for reasons of the deposit being unpaid. It should be noted that the amounts due to the depository must directly relate to the deposit. This includes the fees to the depository. Under Article 22 of the Securities Law, LuxCSD enjoys the benefit of a privilege over all securities, claims, assets and other rights booked to accounts held with LuxCSD, as own assets of a customer, to the extent that such assets are free of any collateral security notified to or accepted by LuxCSD This privilege secures the claims of LuxCSD against a customer that have arisen in connection with the clearing or settlement of transactions on securities or other financial instruments or of the netting of such transactions effected by the customer for its own account or for account of its clients, including claims arising under loans or advances. Under the same provision LuxCSD equally enjoys the benefit of a privilege over all securities, claims, assets and other rights booked to “client assets” accounts of its customers. This privilege exclusively secures the claims of LuxCSD against the customer arising in connection with the settlement or liquidation of transactions on securities or other financial instruments or of the netting of such transactions effected by the customer for the account of its clients, including claims arising under loans or advances. Article 41 of the General Terms and Conditions foresees that all securities held by the customer within the LuxCSD system, now or in the future, whether at LuxCSD or at another location, are pledged in favour of LuxCSD to secure the entire present or future obligations of the customer towards LuxCSD If deposited securities are held by the customer on behalf of its clients and may not be pledged, then the customer must notify LuxCSD In the absence of such notification, LuxCSD shall be entitled to assume that all securities are held for the account of the customer. To comply with such requirements of Article 38(6) of the CSDR, LuxCSD S.A. (LuxCSD) refers to the “CSD Information Disclosure with regard to Article 38 CSDR” document, which is available at: <https://www.luxcsd.com/luxcsd-en/strategy-and-initiatives/asset-safety/csdr-article-38-disclosure/csdr-article-38-disclosure-1642236>

AGC: 55d  
Please explain:

AGC: 55e  
If a lien is placed on a participant's account which has been designated for its clients, will the CSD select certain securities to be subject to the lien?

Yes

No

Other: Please refer to our answer 55c

AGC: 55f

If yes, please indicate whether:

The lien is placed on the most liquid securities in the account

The lien is placed on the securities with the greatest value in the account

AGC: 55g

Please explain:

Article 1948 of the Luxembourg Civil Code grants the depository a right of retention over the deposit that is owed to it for reasons of the deposit being unpaid. It should be noted that the amounts due to the depository must directly relate to the deposit. This includes the fees to the depository.

Under Article 22 of the Securities Law, LuxCSD enjoys the benefit of a privilege over all securities, claims, assets and other rights booked to accounts held with LuxCSD, as own assets of a customer, to the extent that such assets are free of any collateral security notified to or accepted by LuxCSD. This privilege secures the claims of LuxCSD against a customer that have arisen in connection with the clearing or settlement of transactions on securities or other financial instruments or of the netting of such transactions effected by the customer for its own account or for account of its clients, including claims arising under loans or advances.

Under the same provision LuxCSD equally enjoys the benefit of a privilege over all securities, claims, assets and other rights booked to “client assets” accounts of its customers. This privilege exclusively secures the claims of LuxCSD against the customer arising in connection with the settlement or liquidation of transactions on securities or other financial instruments or of the netting of such transactions effected by the customer for the account of its clients, including claims arising under loans or advances.

Article 41 of the General Terms and Conditions foresees that all securities held by the customer within the LuxCSD system, now or in the future, whether at LuxCSD or at another location, are pledged in favour of LuxCSD to secure the entire present or future obligations of the customer towards LuxCSD. If deposited securities are held by the customer on behalf of its clients and may not be pledged, then the customer must notify LuxCSD. In the absence of such notification, LuxCSD shall be entitled to assume that all securities are held for the account of the customer.

To comply with such requirements of Article 38(6) of the CSDR, LuxCSD S.A. (LuxCSD) refers to the “CSD Information Disclosure with regard to Article 38 CSDR” document, which is available at: <https://www.luxcsd.com/luxcsd-en/strategy-and-initiatives/asset-safety/csdr-article-38-disclosure/csdr-article-38-disclosure-1642236>

AGC: 55h

If no, please indicate whether the entire account will be subject to the lien.

- Yes
- No

AGC: 55j

For accounts designated as client accounts, do procedures exist to restrict the placement of liens only to obligations arising from safe custody and administration of those accounts?

Yes

No

AGC: 55k

If yes, are the restrictions accomplished by:

Contract between the CSD and the participant

AGC: 55l

Please explain:

Please refer to the above.

AGC: 56, 56e

Transfer of Legal Ownership. Does the CSD have legal authority to transfer title to securities?

Yes

No

Not applicable

Other: LuxCSD has no legal authority to transfer legal ownership in securities deposited with it, unless such transfer is due to the processing of a book-entry settlement instruction. The process of book-entry settlement in LuxCSD's systems evidences a modification in the ownership rights of the two counterparties to the transaction. The transfer of ownership or other entitlement is determined in the underlying convention between the parties.

AGC: 56a

When does title or entitlement to CSD securities pass between participants?

- At the end of the business day on which the transfer occurs
- When corresponding money or other consideration is transferred
- When the transaction is processed on an intra-day basis

AGC: 56b  
Please describe:

Please refer to our answer to question 56.

AGC: 56c  
Where does title or entitlement to CSD securities pass between participants?

- On the CSD books
- On the registrars books

AGC: 56d  
Please describe:

Please refer to our answer to question 56.

AGC: 57, 57a  
How are eligible securities lodged in the CSD system?



- A registered certificate in the name of the CSD is delivered to the CSD.
- A participant delivers the security with a valid transfer deed or stock power or other transfer document to the CSD which then effects registration.
- A registrar re-registers the security in the name of the CSD.
- Not applicable
- OTHER: LuxCSD provides the following legal and holding structures for the representation of eligible LuxCSD securities. LuxCSD Bearer Global Note (LBN) An LBN is a security represented by a global certificate that refers to the records of LuxCSD for evidence of the total indebtedness (that is, the Issue Outstanding Amount - IOA) of the issuer. LuxCSD Registered Note (LRN) An LRN is a security represented by a global certificate registered under the name of LuxCSD and recorded as such in the register maintained by an agent (the registrar) appointed by the issuer. The IOA or amount of securities issued in LuxCSD shall be maintained by the registrar and evidenced as such on the corresponding global certificate. LuxCSD Dematerialised Note (LDN) An LDN is a security represented by book entries in LuxCSD and recorded as such by LuxCSD acting as "Organisme de Liquidation" (OL). Please refer to the LuxCSD Operational Arrangements (<https://www.luxcsd.com/luxcsd-en/products-and-services/issuance/issuance-and-distribution-hub>) for the full details on the issuance procedures.

AGC: 58, 58a

When are securities lodged into the CSD reflected in a participant's CSD account?

- Securities are re-registered prior to being reflected in the participant CSD account.
- Not applicable
- Securities are reflected in the participant's CSD account immediately upon delivery to the CSD.
- OTHER: Upon verification that all received legal documentation in respect of the issuance is correct, LuxCSD shall mark up the issuance records in its books and will credit the beneficiary account.

AGC: 59a

Please specify

AGC: 59, 59b

How long does it usually take to lodge securities with the CSD?

- 1 to 2 days
- 3 days to 1 week
- 2 to 4 weeks
- More than 4 weeks
- Not applicable
- Other: Usually, 1 - 2 days.

AGC: 60

During the process of lodging securities into the CSD, can the securities be traded?

- Yes
- No
- Not applicable
- Other: LuxCSD acts as Securities Settlement system and not as a trading venue.

AGC: 60a

During the process of lodging securities into the CSD, can the securities be settled?

- Yes
- No
- Not applicable

AGC: 60b

During the process of lodging securities into the CSD, can the securities have ownership transferred?

- Yes
- No
- Not applicable

AGC: 60c

If they cannot be traded, or if you answered other, please explain

AGC: 60d

If they cannot be settled, or if you answered other, please explain

As LuxCSD is the Issuer CSD, securities can only be settled once LuxCSD has marked up the issuance records in its books.

AGC: 60e

If ownership cannot be transferred, or if you answered other, please explain

As LuxCSD is the Issuer CSD, securities can only be settled once LuxCSD has marked up the issuance records in its books.

AGC: 61a

If no: Securities are unavailable for

- 1 to 2 days
- 3 days to 1 week
- 2 to 4 weeks
- More than 4 weeks
- Not applicable

AGC: 61b

If more than 4 weeks, please specify

AGC: 61c

If not applicable, please explain

Please refer to our answer to question 61.

AGC: 61, 61d

Are securities immediately available for delivery upon transfer to the CSD?

- Yes
- No
- Not applicable
- Other: Upon verification that all received legal documentation in respect of the issuance is correct, LuxCSD shall mark up the issuance records in its books and will credit the beneficiary account within a few hours.

AGC: 62

Please describe briefly the arrangements / procedures / facilities you maintain to ensure that eligible securities held at the CSD are handled at least as efficiently as compared to securities held outside the CSD, particularly in relation to income, corporate actions and proxy services.

LuxCSD offers the quality of an organisation with a sound financial standing. Our custody services combine secure and reliable asset safekeeping with industry leading event management support. LuxCSD provides custody services for securities issued with LuxCSD as well as Investor CSD services via its link with CBF. These services include the distribution and settlement of New Issues, Income and Redemption payments and Corporate Actions. The service range is complemented by comprehensive Tax and Proxy Voting services. LuxCSD has continuously increased the quality and the degree of standardisation of these processes, investing to further improve straight-through processing rates and reduce the burden on the back-offices of its customers.

AGC: 63, 63a

What transfer process steps are involved when eligible securities are withdrawn from the CSD for safekeeping?

- Securities are re-registered into the name of the beneficial owner or a nominee.
- Securities are re-certificated and re-registered into the name of the beneficia
- Securities are re-certificated and delivered as bearer instruments.
- Securities are transferred as is any physical delivery in the market.
- Not applicable
- Other: All of the above may apply. Securities are debited from a customer's account and delivered in accordance with the customer's instructions and according to local market rules and regulations.

AGC: 64a  
If more than 4 weeks, please specify

AGC: 64, 64b  
How long does it usually take to remove securities from the CSD?

- 1 to 2 days
- 3 days to 1 week
- 2 to 4 weeks
- More than 4 weeks
- Not applicable
- Other: Usually, 1 to 2 days. If the necessary preliminary work has been accomplished in advance, ranging from the receipt of the advise of the issuer, to the notifications of the customers and the receipt of their instructions, everything can go rather quickly. But all this preliminary work usually takes several weeks and needs to be taken as well into account.

AGC: 65a  
While the securities are being removed from the CSD, can they be traded? (Choose one)

- No
- Not applicable
- Yes
- Other: In case of a transfer of the securities to another CSD as issuer CSD, this would be processed as a corporate action, the conditions of which are determined by the issuer of the securities.

AGC: 65b  
If they cannot be traded please explain

AGC: 65c  
While the securities are being removed from the CSD, can they be settled? (Choose one)

- No
- Not applicable
- Yes

AGC: 65d  
If they cannot be settled, please explain

When securities are being removed from LuxCSD, they cannot be settled anymore until the transfer to a new CSD has been completed.

AGC: 65e  
While the securities are being removed from the CSD, can they have ownership transferred?  
(Choose one)

- No
- Not applicable
- Yes
- Other: Usually there is no change of the BO in the case of a transfer of securities to an alternative CSD.

AGC: 65f

If ownership cannot be transferred, please explain

AGC: 66, 66a, 66d

Does the CSD accept liability (independent of any insurance coverage) for the following: Reconciliation errors with the registrar and/or the issuer that result in direct damages or losses to participants?

- No
- Not applicable
- Yes
- Other: As per article 45 of the LuxCSD GTCs: LuxCSD shall not be liable for any action taken, or any failure to take any action required to be taken which fulfils its obligations or rights hereunder in the event and to the extent that the taking of such action or such failure arises out of or is caused by events beyond LuxCSD's reasonable control, including, without limitation (...) iii) acts or omissions (or the bankruptcy or insolvency) of issuers, order routers and any entity acting for such issuers;

AGC: 66b 66c

If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for indirect or consequential losses
- The CSD assumes liability for direct losses
- OTHER:

AGC: 66e, 66g, 66h

Theft of securities (either physical certificate or electronically from accounts at the CSD) from the CSD that results in direct damages or losses to participants?

- No
- Yes
- Not applicable
- Other: Article 45 of LuxCSD's Terms and Conditions determines that: "LuxCSD shall not be liable for any action taken, or any failure to take any action required to be taken which fulfils its obligations or rights hereunder in the event and to the extent that the taking of such action or such failure arises out of or is caused by events beyond LuxCSD's reasonable control, including, without limitation, (...) fraud or forgery, accident, explosion, mechanical breakdown, computer or systems failure, failure of equipment, failure or malfunction of communications media, or interruption of power supplies; the failure to perform, for any reason, of the Customer's counterparty or of such counterparty's custodian or sub-custodian, or financial institution; (...) the acts or omissions of (or the bankruptcy or insolvency of) any of LuxCSD's Sub-custodian or of any other clearance system or of any carrier transporting securities between LuxCSD and/or any of the foregoing; (...)."

AGC: 66f

If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:



AGC: 66i, 66l.

Failure of the CSD's systems that result in direct damages or losses to participants because they cannot use either securities or funds?

- No
- Yes
- Not applicable

AGC: 66j, 66k

If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for indirect or consequential losses
- The CSD assumes liability for direct losses
- OTHER:

AGC: 66m, 66p.

Any direct damages or losses to participants caused by the CSD due to its errors, omissions or fraud?

- Yes
- No
- Not applicable
- OTHER:

AGC: 66n.

If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER: Article 45(1) of LuxCSD's Terms and Conditions determines that: "LuxCSD undertakes to perform such duties and only such duties as are specifically set forth in these General Terms and Conditions or in the Governing Documents. In the absence of gross negligence or wilful misconduct on its part, LuxCSD shall not be liable to the Customer for any loss, claim, liability, expense or damage (direct or indirect) arising from any action taken or omitted to be taken by LuxCSD, in connection with the provision of services or the taking of any action contemplated hereby and by the Governing Documents".

AGC: 66q.

Does the CSD accept liability (independent of any insurance coverage) for the following: Any direct damages or losses to participants caused by the CSD in its capacity as a central counterparty?

- Yes
- No
- Not applicable

AGC: 66r.

If yes, please check all of the following that apply:

- Financial limits are imposed on the amount of liability assumed by the CSD
- The CSD assumes liability for direct losses
- The CSD assumes liability for indirect or consequential losses
- OTHER:

AGC: 66u.

Does the CSD guaranty settlement?

- No
- Yes
- Not applicable

AGC: 66v.

Please explain how this is accomplished. What are the procedures and safeguards that permit the CSD to guaranty settlement?

AGC: 66x.

Any direct damages or losses to participants caused by the CSD as a result of force majeure events, acts of God, or political events, etc.?

- Yes
- No
- Not applicable

AGC: 66y.

If yes, please check all of the following that apply:

- The CSD assumes liability for indirect or consequential losses
- The CSD assumes liability for direct losses
- Financial limits are imposed on the amount of liability assumed by the CSD
- OTHER:

AGC: 66+

In all cases where the CSD assumes responsibility for direct or indirect or consequential losses, is the CSD's liability limited by a standard of care determination?

Yes

No

Not applicable

Other: The contractual relationship with LuxCSD is governed by Luxembourg law. The concept of standard of care is unknown under Luxembourg law. However, the equivalent is embedded in the concept of liability.

AGC: 66\*

Please define the standard of care applied:

AGC: 67a, 67b.

Do the CSD's written contracts, rules, or established practices and procedures provide protection against risk of loss of participant assets by the CSD in the form of indemnification?

Not applicable

Yes

No

OTHER: If a Customer suffers any loss or liability as the result of any act or omission of, or the bankruptcy or insolvency of, any entity acting for issuers and in charge of such issuers' register, LuxCSD's Sub-custodians or of any other clearance system or of any carrier transporting securities between LuxCSD and/or any of the foregoing, LuxCSD may, subject to prior indemnification, take such steps in order to effect a recovery as it shall reasonably deem appropriate under all the circumstances. This is provided that LuxCSD, unless it shall be liable for such loss or liability by virtue of its gross negligence or wilful misconduct, shall charge to the Customer the amount of any cost or expense incurred in effecting, or attempting to effect, such recovery.

AGC: 67b.

Please explain (then please answer 67c):

AGC: 67c.

Please provide details of the relevant sections of the contracts, rules or practices where this information is found

Article 45 of LuxCSD's General Terms and Conditions, available at [www.luxcsd.com/luxcsd-en/keydocuments/general-terms-and-conditions](http://www.luxcsd.com/luxcsd-en/keydocuments/general-terms-and-conditions)

AGC: 67d.  
Insurance

- Yes
- No
- Not applicable
- OTHER:

AGC: 67e.  
Please explain (then please answer 67f):

LuxCSD S.A. activities are covered by comprehensive insurance policies, including a comprehensive crime and professional liability up to EUR 5 million and an insurance policy covering all risks of physical loss or damage up to EUR 75 million. In addition, there is an "All Risks of Physical Loss or Damage of Shipment of Securities and at the Premises of Deutsche Börse AG" which covers all risk of physical loss or damage of securities held on our premises and during transport up to EUR 260 million. There is also a "Directors' and Officers' Liability" covering all Directors and Officers of DBAG. This covers any natural person who is a past, present or future director or officer of the company, duly elected or appointed.

AGC: 67f.  
Please provide details of the relevant sections of the contracts, rules or practices where this information is found

Copies of both certificates are enclosed in this questionnaire.

AGC: 67g.  
Acknowledgement of liability for losses caused by CSD's own actions.

- Yes
- No
- Not applicable
- Other: LuxCSD will only be liable in case of gross negligence or willful misconduct.

AGC: 67h.

Please explain (then please answer 67i):

AGC: 67i.

Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

LuxCSD undertakes to perform such duties and only such duties as are specifically set forth in its General Terms and Conditions or in the Governing Documents. These documents are available at the following link: <https://www.luxcsd.com/luxcsd-en/keydocuments>

AGC: 67j.

Other

Yes

No

AGC: 67k.

Please explain (then please answer 67l):

AGC: 67l.

Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

AGC: 68

Is the CSD immune from legal action in its own jurisdiction?

Yes

No

AGC: 69

Security Control. How do participants receive information (view actual settlement of trades, movement of securities on their accounts, etc.) and see the status of their accounts?

Not applicable

By receipt of physical account holding statements

By direct electronic link

OTHER: Customers can choose from the range of reports available via the connectivity channels described within this chapter. Reporting profiles can be set up that are tailored to their own business requirements. For these profiles, customers are asked to specify which reports they want to receive/ retrieve, and via which communications media. They can do this via the Xact Web Portal Reporting Centre, where they specify the delivery channel, format, frequency and time of the reports they want to receive. Tailored reporting profiles can be set up to meet customers business requirements.

AGC: 69a.

Please explain:

Customers can choose from the range of reports available via the connectivity channels described within this chapter. Reporting profiles can be set up that are tailored to their own business requirements. For these profiles, customers are asked to specify which reports they want to receive/ retrieve, and via which communications media. They can do this via the Xact Web Portal Reporting Centre, where they specify the delivery channel, format, frequency and time of the reports they want to receive. Tailored reporting profiles can be set up to meet customers business requirements.

AGC: 70

Do participants have access to affect their holdings, including confirming and affirming trades, movement of securities on their accounts, etc.?

Yes

No

Not applicable

AGC: 70a.

How is access given to participants?

By direct electronic link

OTHER: Customers can choose from the range of reports available via Xact Web Portal. Reporting profiles can be set up which are tailored to their own business requirements. Connection can be made online via our Virtual Private Network (Xact Web Portal), through a dedicated host to host file transfer system or via the SWIFT network. Via Xact Web Portal, customers have online access to the latest available information as well as control over the scheduling of standardised reports. All of the connectivity solutions are ISO 15022 compliant. Additionally, T2S reporting for Directly Connected Participants (DCPs) is supported by LuxCSD.

AGC: 70b.

Please select type of electronic link:

Secured, leased, dedicated telephone line

Dial-up modem

Internet

Fax

AGC: 70c.

Please explain:

Customers can choose from the range of reports available via Xact Web Portal. Reporting profiles can be set up which are tailored to their own business requirements. Connection can be made online via our Virtual Private Network (Xact Web Portal), through a dedicated host to host file transfer system or via the SWIFT network. Via Xact Web Portal, customers have online access to the latest available information as well as control over the scheduling of standardised reports. All of the connectivity solutions are ISO 15022 compliant.

Additionally, T2S reporting for Directly Connected Participants (DCPs) is supported by LuxCSD.

AGC: 71 71a.

Regarding data security: Are passwords used by participants to access their accounts?



Yes

No

Not applicable

Other: Clients access their account using one of two connectivity media described previously. These media have different security protocols. Xact Web Portal and File Transfer use cryptographic challenge-response authentication mechanisms. The cryptographic keys depend on the choice of the customer and are either smart card based protected by PIN or file-based and protected by password. Xact via SWIFT follows the SWIFT security model.

AGC: 71c.

Does each user have a unique user ID?

Yes

No

Not applicable

AGC: 71e.

Are passwords regularly changed?

Yes

No

Not applicable

Other: Passwords are regularly changed, with the exception of Xact via SWIFT for which there is no password requirement. For Xact Web Portal and File Transfer, a set of passwords will be communicated to the client upon set-up. Thereafter access rights and password protocols will be defined and managed by the client administrator.

AGC: 71f.

How often?

AGC: 71h.

Is there a user lock-out after a pre-set number of unsuccessful User ID attempts?

- Yes
- No
- Not applicable
- Other: For the Xact Web Portal, user accounts are locked after 10 failed logon attempts. The account is suspended until a local administrator resets the user's password.

AGC: 71i.

How many?

AGC: 72

Does the CSD communicate with other market entities such as stock exchanges, payment systems, clearing houses, etc., by secured linkages?

- Yes
- No
- Not applicable

AGC: 72a

Please explain:

Communication with other market entities is done via SWIFT, secured, leased and dedicated telephone lines.

AGC: 73 73a

How does the CSD communicate with Stock Exchanges?

- Dial-up modem
- other
- Paper
- Fax
- Not applicable
- Secured, leased, dedicated telephone line
- Internet
- OTHER:

AGC: 73b  
How does the CSD communicate with Payment Systems?

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER:

AGC: 73c  
How does the CSD communicate with Clearing Houses?

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER:

AGC: 73d  
How does the CSD communicate with Registrars?

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper
- other
- Not applicable
- OTHER:

AGC: 74  
How is access to the physical building controlled?

✓ By guards

✓ By alarm system

✓ personal ID card

✓ By electronic keys

✓ OTHER: An access control system is in place for all premises and respective logs are kept. In addition, a CCTV system is in place and access is monitored 24 hours a day. A Security Management System (SMS) is connected to the fire central and its fire detectors. Furthermore, the SMS is connected to an intrusion alert system. A surveillance of technical installations (temperature etc.) is also installed. 5 security guards are on duty during the day and 3 during the night. All staff are issued with picture ID cards that must be used to gain entrance. Visitor registration system is in place. Such badges are only valid for a period of 8 hours. Approximately 100 cameras are installed in and outside the building. Access for technicians and visitors is only granted after written authorisation from the person, responsible for his/her area. Access to the Data Centre is controlled with card readers and biometric reader.

AGC: 74a.

Please explain:

An access control system is in place for all premises and respective logs are kept. In addition, a CCTV system is in place and access is monitored 24 hours a day. A Security Management System (SMS) is connected to the fire central and its fire detectors. Furthermore, the SMS is connected to an intrusion alert system. A surveillance of technical installations (temperature etc.) is also installed. 5 security guards are on duty during the day and 3 during the night. All staff are issued with picture ID cards that must be used to gain entrance. Visitor registration system is in place. Such badges are only valid for a period of 8 hours. Approximately 100 cameras are installed in and outside the building. Access for technicians and visitors is only granted after written authorisation from the person, responsible for his/her area. Access to the Data Centre is controlled with card readers and biometric reader.

AGC: 75

What are the vault security procedures for the safekeeping of physical paper?

- Fire alarms
- Intrusion alarms
- Vault counts
- Visitor logs
- Dual access control
- Electronic keys or combinations
- Not applicable, no vault is maintained
- Guards
- OTHER:

AGC: 75a.

Please indicate frequency of vault counts:

AGC: 75b

Please explain:

AGC: 76, 76d

Participant Default Protections Resulting from a Participant Failure. If a participant defaults, how is the loss covered? (Choose all that apply?)

- CSD insurance covers the loss
- The CSD guaranty fund covers the loss
- Loss is shared among participants
- Not applicable
- OTHER: Information about LuxCSD's Default Management procedures is available at the following link: <https://www.luxcsd.com/luxcsd-en/strategy-and-initiatives/asset-safety/luxcsd-default-management/luxcsd-default-management-1275476>

AGC: 76a

Please explain the process:

AGC: 76b

Please explain the process of how the loss is shared:

- Equally, among participants
- Pro-rata based on participant's volume
- Limited to participants with transactions with failing counterparty

AGC: 76d

Please explain:

Information about LuxCSD's Default Management procedures is available at the following link: <https://www.luxcsd.com/luxcsd-en/strategy-and-initiatives/asset-safety/luxcsd-default-management/luxcsd-default-management-1275476>

AGC: 77

During the past three years, has there been a situation where a participant defaulted which resulted in a significant loss?

- Yes
- No
- Not applicable

AGC: 77a

How was the situation resolved? Or if you answered "Other," then please explain:

AGC: 78

Does the CSD have a guaranty fund independent of stock exchange or other market guarantees?

- Yes
- No
- Not applicable

AGC: 78a.

If yes, please respond to the following questions: What is the size of the fund?

AGC: 78b.

How is the size of the fund determined?

- By participant volume
- By asset value
- A fixed amount

AGC: 78d.

How is the fund financed?

- Contributions from owner
- Contributions from participants
- Funding from retained earnings

AGC: 78e.

If so, what is the amount or percentage per owner?

AGC: 78f.

If so, what is the amount or percentage per participant?



AGC: 78h.

Who is covered by the fund?

- Direct CSD participants only
- The beneficial owner also
- OTHER: Please refer to our answer to question 78.

AGC: 78j.

When is the guaranty fund used?

- When a broker defaults
- When a direct participant defaults
- OTHER: Please refer to our answer to question 78.

AGC: 79

Does the CSD have forms of oversight management for assessing and monitoring of the following?

- Collateral requirements for participants
- Blocking of securities movement before receipt of payment
- Other loss or default protections the CSD maintains
- Settlement controls that minimize or eliminate the risk of default by a participant
- Participant financial strength
- Blocking payment until securities are moved
- Not applicable
- Debit caps for participants
- Participant volumes
- Participant eligibility requirements
- OTHER:

AGC: 79a

Please explain other loss or default protections:

AGC: 79a

Please explain other loss or default protections:

-

AGC: 79b

Please explain the requirements:

AGC: 79c

Please explain how these debit caps work:

AGC: 79d.

What type or types of settlement controls

Blocking or freezing of securities positions

Controlling DVP settlement

Simultaneous DVP

OTHER:

AGC: 79e.

Please explain:

AGC: 79f.

Please explain:

AGC: 79g.

Please explain:

LuxCSD is a Model 1 DvP system, ensuring simultaneous final settlement of securities and funds transfers on a gross (trade-by-trade) basis. Fund transfers and securities transfers are both processed by the T2S settlement platform, when customers give instructions to deliver or receive securities against payment, each securities transfer is linked to the specific payment. Transactions between customers settle by simultaneous book entry debits and credits in their respective securities and/or cash accounts. These book entries are effected after completion of a processing run which considers customers' instructions transaction by transaction in a reiterative process to determine which of the transactions can settle in such a way as to optimise settlement while remaining within pre-defined limits.

AGC: 79h

Please identify and explain:

AGC: 79i

Please explain briefly how these work:

AGC: 80

Does the stock exchange have default protections that extend to the CSD, such as the following?

- Margin requirements for stock exchange members
- Guaranty fund for stock exchange members
- Financial requirements for stock exchange membership
- No
- Not applicable
- OTHER:

AGC: 80a

Please explain:

N/A

AGC: 81

**BUSINESS RECOVERY PLAN.** This section is intended to identify key aspects of the CSD's Business Recovery Plan (BRP), including testing requirements and past results, expected recovery time periods, and the independent review and validation (if any) of the BRP. Do you have a formal business recovery plan?

Yes

No

AGC: 81b.

Please identify both the frequency and the last date of testing for the following third party:  
CSD participants/members

LuxCSD has outsourced the majority of its business activities to Clearstream Group. All mission critical production systems have been tested in October 2022.

AGC: 81c.

Please identify both the frequency and the last date of testing for the following third party:  
Stock exchange

N/A

AGC: 81d.

Please identify both the frequency and the last date of testing for the following third party:  
Central bank

N/A

AGC: 81e.

Please identify both the frequency and the last date of testing for the following third party:  
Local brokers

N/A

AGC: 81f.

Please identify both the frequency and the last date of testing for the following third party: Any other third party

LuxCSD has outsourced the majority of its business activities to Clearstream Group. All mission critical production systems have been tested in October 2022.

AGC: 81a, 81h.

Does your Business Recovery Plan include:

- Back-up of all computer files
- Back-up files stored and locked
- Off-site operations facility
- Off-site data storage
- OTHER: LuxCSD has a formal and comprehensive Business Continuity Management (BCM) process in place, as the unavailability of core processes and resources represents a substantial risk for LuxCSD, and a potential systemic risk to the markets as a whole. The BCM arrangements implemented at LuxCSD address not only the unavailability of systems, workspace and suppliers, but also the loss of significant numbers of staff in order to ensure the continuity of the most critical operations even in cases of catastrophe scenarios. The organisational roles and responsibilities, and the guiding principles to ensure operational resilience, are documented in a formal BCM policy. Exclusively-dedicated work facilities provide backup office space for mission critical staff in the event an office location becomes unavailable. These backup facilities are fully-equipped (SWIFT, PCs, printers, fax, and telephones) and networked to both the primary and secondary data centres, and are operational at all times. The backup office facility is located approx. 10 km from the primary location. Staff members are informed to report to the backup facility according to a formalized crisis management process. Incident Managers are appointed as the unique points of contact in their respective business areas to ensure the proper escalation up to the ComEx and cascading of the necessary information to the relevant staff. Mission critical units maintain a Unit Recovery Plan (URP) to document their business recovery requirements and action plan to ensure the continuation of the mission critical activities. Each mission critical unit has appointed a coordinator for the maintenance of its URP. URPs are reviewed at least on a 6-monthly basis (or ad hoc if required) and quality checks are performed by Risk Management according to established maintenance guidelines. Staff phone numbers are reviewed at a minimum as part of the 6-monthly review of the Unit Recovery Plans or ad hoc as required. Access to the backup building is restricted to authorized staff only via an electronic access control systems and on-site manned guarding.

AGC: 82

How quickly can the main system be reactivated in the event of an outage?

- 1 - 4 hours
- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours
- Not applicable

AGC: 83

If a back-up system exists, how quickly can the back-up system be activated in the event of the main system failing?

- 1 - 4 hours
- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours
- Not applicable
- Other: LuxCSD maintains a simultaneous working back-up system. Therefore, the back-up system can be activated in real-time.

AGC: 84

Will the CSD publicly announce any system interruption?

- Yes
- No
- Not applicable

AGC: 84a.

To whom will the CSD disclose any system interruptions?

- To all direct participants
- To the CSD regulators
- To direct and indirect participants
- To the public via the internet
- In the press
- OTHER:

AGC: 84b.

If so, please list webpage address:

[www.luxcsd.com](http://www.luxcsd.com)

AGC: 84c.

If so, please list all publications:

AGC: 84d.

Please explain:

AGC: 84e.

How will the CSD disclose any system interruptions?

- Public announcement
- By e-mail
- By telephone
- Press release
- OTHER: Information on incidents/crises and a related action taken by Clearstream is made available to customers via the regular communication channels: direct contact via Client Services and the relationship management teams, Xact web portal and CreationOnline alerts, website and e-mail.

AGC: 84f.

Please explain:

Information on incidents/crises and related actions taken by LuxCSD is made available to customers via the regular communication channels: direct contact with Client Services and the relationship management teams, website and email, and Xact Web Portal alerts. Such communication will happen as soon as the incident/crisis is known and once related actions are defined.

AGC: 85

In the past three years, has it been necessary to activate the recovery plan in a live situation?

Yes

No

Not applicable

Other: Business continuity plans were invoked to mitigate impacts by COVID-19. Business continuity plans were invoked in stages since the beginning of March 2020. A move to remote working to the maximum extent in various locations and stages was achieved in line with directives and recommendations by authorities. The transitions were always achieved in an orderly fashion with no impact to business operations. Staff working remotely do so on company owned devices via a secured VPN connection and have received specific direction on the treatment of confidential data. All services and processes were reviewed in the adjustment of the business continuity plan, to mitigate the risks and impact by COVID-19. A special focus and measures are in place for those functions that must be performed in a particular location. In most cases, adjustments and tests and the implementation of modifications enabled a full 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. Business Continuity Plans were updated to incorporate any changes/enhancements identified and implemented.

AGC: 85a.

If yes, how much time was needed to implement the recovery plan?



- Less than 1 hour
- 1 - 2 hours
- 2 - 4 hours
- Longer than 4 hours

AGC: 85b.

How much time was needed to recover and restore business to normal operations?

- 1 - 4 hours
- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours

AGC: 85c, 85d.

What was the impact to the market?

- As a result of the system failure, all fines and penalties for late settlements were waived
- All cash settlements took place more than one business day late
- All securities settlements took place more than one business day late
- All cash settlements took place one business day late with value one day late
- All securities settlements took place one business day late with value one day late
- All cash settlements took place one business day late with good value
- All securities settlements took place one business day late with good value
- Even though there was a system failure, all fines and penalties for late settlements were still assessed
- All cash settlements took place as scheduled on the same day with good value
- All securities settlements took place as scheduled on the same day with good value
- OTHER:

AGC: 86

Has there been any material loss by the CSD during the past three years?

- Yes
- No
- Not applicable

AGC: 86a.

If there has been a loss, please describe the cause, the final impact and the action taken to prevent a recurrence:

AGC: 87

Has the CSD been subject to any litigation involving a participant during the past three years?

- Yes
- No
- Not applicable

AGC: 87a.

Please explain the circumstances and resolution:

AGC: 88, 88a

Has the CSD realized revenues sufficient to cover expenses during the past three years?

- Yes for all three years
- Yes for two of the last three years
- Yes for one of the last three years
- None of the last three years
- Not applicable
- Other: Please refer to the annual accounts of LuxCSD.

AGC: 89, 89b

Does the CSD maintain a reserve for operating losses?

- Yes
- No
- Not applicable

AGC: 89a.

Please describe and indicate reserve (for operating losses) amount:

AGC: 90

Has the regulatory body with oversight responsibility for the CSD issued public notice that the CSD is not in current compliance with any capital, solvency, insurance or similar financial strength requirements imposed by such regulatory body?

- Yes
- No
- Not applicable

AGC: 90a.

Please describe:

AGC: 90b.

In the case of such a notice having been issued, has such notice been withdrawn, or, has the remedy of such noncompliance been publicly announced by the CSD?

- Yes
- No

AGC: 90c.

If yes, please describe:

AGC: 90d.

If no, why not?

AGC: 91

Does the CSD have insurance to cover losses in the event of Default on settlement commitments by the CSD or a participant?

- Yes
- No
- Not applicable

AGC: 91a  
What is the amount of the coverage?

AGC: 91b  
What is the amount of the deductible?

AGC: 92  
Does the CSD have Fidelity insurance (that is, insurance to cover loss of securities or money resulting, for example, from acts such as forgery, theft, fraud and/or employee dishonesty)?

- Yes
- No
- Not applicable

AGC: 92a.  
What is the amount of the coverage?

Comprehensive Crime and Professional Liability Insurance (CCPL), which is a policy that covers Clearstream against claims made by customers for financial losses that include infidelity of employees, civil liability and electronic crime. Coverage includes a comprehensive crime and professional liability limit of EUR 5 million any one loss/claim and in the aggregate.

AGC: 92b.  
What is the amount of the deductible?

The amount of the deductible is €5 million.

AGC: 93

Does the CSD have insurance for Operational Errors?

- Yes
- No
- Not applicable

AGC: 93a.

What is the amount of the coverage?

Comprehensive Crime and Professional Liability Insurance (CCPL), which is a policy that covers Clearstream against claims made by customers for financial losses that include infidelity of employees, civil liability and electronic crime. Coverage includes a comprehensive crime and professional liability limit of EUR 5 million any one loss/claim and in the aggregate.

AGC: 93b.

What is the amount of the deductible?

The amount of the deductible is €5 million.

AGC: 94

Does the CSD have Errors and Omissions insurance?

- Yes
- No
- Not applicable

AGC: 94a.

What is the amount of the coverage?

Comprehensive Crime and Professional Liability Insurance (CCPL), which is a policy that covers Clearstream against claims made by customers for financial losses that include infidelity of employees, civil liability and electronic crime. Coverage includes a comprehensive crime and professional liability limit of EUR 5 million any one loss/claim and in the aggregate.

AGC: 94b.

What is the amount of the deductible?

The amount of the deductible is €5 million.

AGC: 95

Does the CSD have insurance for the Premises?

- Yes
- No
- Not applicable

AGC: 95a.

What is the amount of the coverage?

The amount of coverage is up to €260 million.

AGC: 95b.

What is the amount of the deductible?

The level of deductible depends on the category of risk.

AGC: 96a.

If so, what is it for?

LuxCSD has a Directors and Officers' Liability insurance in place.

AGC: 96b.

What is the amount of the coverage?

We consider this information confidential.

AGC: 96c.

What is the amount of the deductible?

We consider this information confidential.

AGC: 96, 96d

Does the CSD have any other insurance?

- Yes
- No
- Not applicable

AGC: 97

Who is the insurance carrier? If more than one insurance carrier, please list each carrier here and provide your responses to questions 97a and 97b in corresponding order.

Comprehensive Crime and Professional Liability Insurance: The lead insurer is Zurich Insurance All Risks of Physical Loss or Damage of Shipment of Securities and at the Premises, which is an "All Risk" policy: The carrier is Liberty Directors' and Officers' Liability: The lead insurer is Zurich Insurance.

AGC: 97a.

Who is the insurance carrier's parent company, if applicable? (If inapplicable, simply type n/a.)

Please refer to 97.

AGC: 97b.

What is the term of the policy?

Annual. Please refer to the insurance certificates attached to this questionnaire.

AGC: 97c, 97d

Who does the insurance cover?

- CSD
- Direct CSD participants
- Final investors
- Not applicable
- OTHER:



AGC: 98

If you feel that you would like to provide additional details on any of the given answers, feel free to provide any additional comments here (maximum of 5,000 characters) or prepare an additional document identifying the question(s) you are commenting on and upload the document under 98a:

Please note that the answers contained in the Questionnaire of the Association of Global Custodians are provided for information purposes only. Information in this document is subject to change and does not represent a commitment on the part of LuxCSD. LuxCSD expressly disclaims liability for errors or omissions in the information contained in this document. Please find attached under point 98a the additional Annexes.

AGC: 98a.

filecount - Upload document here:

Combined Insurance Certificate 2022-2023.pdf (2795KB)	DBAG combined insurance certificate 2022- 2023	
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AGC: 99

The WFC, the AGC, CPMI and IOSCO encourage respondents to make their disclosure reports publicly available. Do you agree to make your response publicly available?

- Yes, my full response will be publicly available. I agree that my response can be published on the website of the WFC and on the website of the regional CSD association(s) which my CSD is a member of.
- Yes, my response will be public, but only for my answers to AGC questions.
- Yes, my response will be public, but only for my answers to PFMI questions.
- No, I do not wish my response to be publicly available.

AGC: 99a

How will you be making your answers publicly available?

Upon request

Website

OTHER:

AGC: 99b

This disclosure can also be found at the following web address(es):

<https://www.luxcsd.com/luxcsd-en/products-and-services/disclosures-luxcsd-1313244>

AGC: 99c

First and Last Name of the contact person:

Mariella Sifara

AGC: 99d

How do you prefer to be contacted?

mail/air courier

Fax

Telephone

e-mail

AGC: 99e

Telephone number (please include the international country code):

-

AGC: 99f

Fax number

-

AGC: 99g

What is the preferred street address for mailing requests?

42, avenue JF Kennedy, L-1855 Luxembourg

AGC: 99h

Email address of the contact person:

mariella.siafara@clearstream.com

AGC: 100

AGC members from time to time receive requests from their direct investor-clients for an informational copy of a CSD's completed questionnaire. Such requests typically lead to interactions between personnel at the CSD in question and member personnel or client personnel, or both. Those interactions take time and impose costs on both members and depositories. Do you approve of AGC members delivering a copy of your completed questionnaire to the member's direct client in response to the client's request?

Yes

No

AGC: 101

Does your organization have a documented cyber security policy in place?

Yes

No

LuxCSD has approved the Deutsche Börse (DBAG) Information Security Policy (ISP) and has outsourced information security services to Clearstream. The scope of the ISP encompasses Cybersecurity.

The Information Security Framework (ISF) is a foundational element of Clearstream's Cyber Resilience. It specifies the hierarchy of documents to define Information Security (IS) control requirements along the assets to be protected and their implementation as well as their surveillance to reach and maintain an adequate state of cyber resilience at Clearstream based on their risk appetite and disposition.

To implement a holistic approach, the ISF is substantiated by the following documents:

1. · Level 1: IS Charter: describes the group wide mission to achieve the objectives of the IS function, the three Lines of Defense model, the components of the IS Framework, the roles and responsibilities of the IS function.
2. · Level 2: IS Policies: define Information Security objectives in specific areas as well as major relevant roles and responsibilities within these areas (e.g. Access Control, Infrastructure Security, Acceptable Use).
3. · Level 3: IS Standards: focus on what must be achieved, by providing a set of control requirements. These requirements specify organisational, process or technical controls that must be implemented to support the information security objectives of the IS Policies and define the concrete target level of Information Security within Clearstream.
4. · Level 4: Guidelines: ensure uniform appearance and consistency in compliance with respective IS Policies and IS Standards.
5. · Supporting documents (e.g. processes, procedures, etc.).

The ISF structure ensures that each document addresses relevant user groups and IS requirements in detail. The Executive Board approves the IS Charter, IS Policies and IS Standards. Documents are reviewed at least annually.

Security measures are designed and implemented to mitigate identified cyber risks and to address relevant IS requirements including applicable regulatory requirements. Security measures address risk areas such as access control to information assets, acceptable use of these assets, applications and underlying infrastructure security, data leakage prevention, vulnerability management, secure software development, information security incident management, human

resources and suppliers' security. They are based on industry-level standards (ISO 27001, NIST Cybersecurity Framework).

These measures are submitted to regular testing by various independent parties including Clearstream 2LoD Information Security function and 3LoD Internal Audit function, as well as external auditors/assessors and supervisory authorities, in order to confirm their operating effectiveness.

The respective Boards of DBAG entities approve the information security policies and standards, which are reviewed on an annual basis. The policies are made known to internal staff via the intranet and is shared with all relevant external parties. Regular mandatory trainings are in place and completion is monitored.

Within the framework of DBAG's cyber security policy, both external and internal risks are taken into account. Clearstream considers the following three risk categories to be most serious:

1. · External Threat: Malicious software coming from links, attachments, downloads etc. compromising PCs and mobile devices. Potential impacts are: information leakage, data manipulation, unauthorised remote access and application outage to name just a few examples. In order to mitigate these risks, extensive preventive and detective measures are in place. For example, access control mechanisms, hardening and vulnerability management tools and procedures, real-time antivirus detection tools, etc.
2. · External Threat: Direct attacks on Internet facing servers. Potential impacts are that these servers are flooded and compromised, business applications become unavailable or business data is manipulated or disclosed. In order to mitigate these risks, Clearstream has a network intrusion prevention and detection system in place. Furthermore, a Computer Emergency Response Team (CERT) is performing regular vulnerability scans. A Host intrusion detection system and a security information and event management system (SIEM) is deployed to detect and alert on potential malicious activities.
3. · Internal Threats: Malicious and accidental acts which allow for the disclosure of confidential information, loss of information, phishing, identity theft and fraud, physical damage and the potential intrusion of outsiders. In order to mitigate these risks, IT administration activities are monitored, logged and monitored by the security information and event management system (SIEM), to detect and alert on control bypasses. Users' access is based on a need-to-know basis and a range of access control mechanisms is in place. USB connectivity is restricted and a data loss/leakage protection (DLP) is deployed. Data encryption is performed using mutually authenticated TLS.

Clearstream uses industry standards (e.g. ISO, NIST), consultancy and reports from major centres of expertise regarding cyber security as a point of orientation to identify best practices regarding cyber security. Clearstream also regularly

participates in relevant IT and cyber security conferences, trainings and forums. Clearstream's risk analysis methodology is used to identify relevant controls, covering the specific risks of our activities, processes, applications, networks, infrastructure and operating environment.

Clearstream's cyber security policies take legal and regulatory requirements into account and are subject to peer review.

AGC: 102

Please confirm that your staff receive relevant training about this policy.

Yes

No

Security is DBAG group's our greatest assets. All DBAG staff receives mandatory information security awareness training on a regular basis. Relevant recent awareness topics include:

6. Information Security – handling information and documents securely
7. Acceptable Use – covers security and use of the Group's information and data
8. Data Leakage Prevention – classifying and handling documents responsibly
9. Cyber Security –securing information in the age of increasing cyber attacks
10. Corporate security – physical and travel security

Human Resources constantly monitors the quality of internal and external training events and the relevant organisers.

AGC: 103

Please provide an overview of your policy for continuity of business in the event of a large data breach or cyber attack against your organization.

An incident management process is established, and Incident Managers appointed as single point of contact in their respective business areas to ensure the coordinated handling of incidents and disruptions. They also ensure the proper communication and escalation up to the LuxCSD ComEx and Board of Directors if required.

An alert system classifies incidents and crises according to colour codes relating to a respective level of business impact. The alert system ensures an adequate response to incidents and crises, including the potential activation of business continuity plans. The system also provides for the timely notification of relevant internal and external parties.

A dedicated Computer Emergency Response Team (CERT) is in place which includes security incident handling and forensics. The CERT is in charge of managing information security incidents.

Information on incidents and related actions taken is made available to customers via the regular communication channels: direct contact with Client Services and the relationship management teams, website and email, and Xact Web alerts. Such communication will happen as soon as the incident/crisis is known, and once the related actions are defined.

AGC: 104

In the last 12 months have there been any changes to the policy?

Yes

No

The Information Security Framework (ISF) has been recently revamped to further align with the ISO27001 standard and define information security principles and requirements in a more comprehensive manner. Please refer to the description of the updated ISF in question AGC 101.

AGC: 105

Please advise how often you review the policy.

Annually

Semi-annually

Other

AGC: 106

filecount - Please provide (as an attachment) a diagram showing where your cyber security function resides and who it reports to.

Clearstream Functional Org Chart\_September 2022.pdf  
(82KB)

Clearstream  
Organisation  
Chart 2022

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AGC: 107

How does your organization identify which business functions carry a cyber risk

Clearstream's information security risk assessment process plays a key role in ensuring that relevant cyber risks are identified, addressed and managed in all aspects of the organisation (i.e. its people, processes, technology, operations and new business initiatives). Information Owners, appointed by the Executive Board, define and take ownership of the information assets processed in their area of responsibility and classify their criticality. Based on this classification, information security risk assessments are performed to quantify inherent and residual cyber risks, ensuring proper implementation of required security controls. This helps determining adequate steps to reduce the risk level to the agreed cyber risk appetite in relation to the identified risks. An output of this process is to identify specific unmitigated risks against a standardised mandatory controls framework that reflects a formal set of security controls. Information security policies and standards inform which control requirements in the control framework apply to Clearstream environment.

AGC: 108

Do you conduct ongoing testing and monitoring processes to ensure that all internal and external connectivity and system configurations are not at risk of cybersecurity breaches?



Yes

No

DBG performs both regular vulnerability assessments and penetration tests.

DBG IS Engineering team is in charge of performing regular vulnerability scans on all IT (incl. network devices) infrastructure (e.g. daily tests on Internet-facing systems and applications). DBG IS Assurance is in charge of assessing, coordinating and following-up the implementation of the security patches by the IT administrators.

DBG CERT is in charge of coordinating regular penetration tests (e.g. min. 1/year) on Internet-facing systems and applications, on ad-hoc basis on other physical and internal IT infrastructure. These tests are performed by specialised external companies. There is a rotation in place ensuring that it is not always the same company that performs these tests.

Penetration tests are performed also on client-facing applications Xact Web Portal.

AGC: 109

What technological controls and protections are in place for your systems and networks?

Data and applications within Clearstream are protected by coherent security architecture. This architecture has been designed to meet the specific needs of Clearstream and combines a number of components in order to ensure true end-to-end security and defence in depth. The major components of this architecture are as follows:

11. · Perimeter defence components (Multi-layered Firewalls, network zoning and Network Intrusion Detection Systems (NIDS));
12. · Cryptographic protocols on exposed network segments;
13. · Cryptographically enabled applications;
14. · A Public Key Infrastructure (PKI) system, using hardware key storage, to support cryptographic services;
15. · A multitiered framework for handling viruses and malicious code;
16. · Secure mail and SPAM filtering software;
17. · Identity and Access Management Platform for the user lifecycle management;
18. · Host-based and network-based scanning software for detecting vulnerability;
19. · Privilege access management;
20. · Standard secure configurations for all major native operating systems;
21. · Extensive use of Oracle security mechanisms, such as password protected roles, to prevent access to data from unauthorised individuals or applications;
22. · Centralised Security information and event management (SIEM): collection/normalisation of event data, and correlation of impact of incidents based on criticality to business operations;
23. · Strong authentication: Two factor authentication, biometrics, network access control (NAC);
24. · Managed file transfer;
25. · Protection of Web Interfacing Systems against Cyber Threats (e.g. DDoS, Web defacement);
26. · Real-time database security and monitoring.

For its online access applications Xact Web Portal and CreationOnline, Clearstream provides a security subsystem that has been designed with true end-to-end security in mind and based on sound architectural principles. This subsystem is deployed as a series of components designed to work together to deliver a number of security services, such as:

1. · Authentication
2. · Protection of confidentiality
3. · Protection of integrity (both session and data integrity)
4. · Non-repudiation
5. · Logging and audit trail.

Real-time antivirus scanning is implemented. The antivirus scanning is done for all files with the default file extensions defined by the antivirus vendors/products. In case of infection detection, the antivirus software cleans, quarantines or

deletes the responsible software. Notifications are automatically sent to a central location and to systems administrators.

New virus signatures are automatically downloaded from antivirus vendors' web sites and automatically deployed to:

4. · Email gateways.
5. · Windows servers: infrastructure, file and application servers.
6. · Workstations when the end user logs on.
7. · Laptops when the end user connects to the DBAG network or when the end user request an update from the antivirus vendor's web site

The IT Security team assesses the patches released by the vendors. Regular deployment is done on all Windows servers. There is a process in place to facilitate emergency signature updates.

The Information Security Policy (ISP) prohibits users from disabling the antivirus products. This is also technically enforced (end users do not have local administrators' rights which are required to disable the antivirus).

These procedures and measures are in line with industry standards. Clearstream is audited annually by Deloitte in accordance with ISAE 3402 standards. The ISAE 3402 report includes, among others, control objectives and descriptions of controls covering physical access, logical access, the integrity and security of data transmissions between Clearstream and its customers and the protection of data centre assets. In addition, PwC perform an annual audit and issues a Long Form Report for the CSSF, the Luxembourg supervisory body for financial institutions. The Long Form Report includes sections on IT and Information Security.

AGC: 110

Does your organization use multi-factor authentication

Yes

No

For internal applications, the VPN is secured by mutual authentication using certificates at the device level. Users additionally authenticate using a multi-factor authentication.

The access to the Xact Web Portal application is based on a strong authentication mechanism.

AGC: 111

Where your organization has outsourced activities or functions to a third-party provider, is your cyber risk exposure documented?

Yes

No

Core IT functions are handled by entities of the group via outsourcing arrangements. Supplier security risks are consistently managed within the DBG Information Security Risk Management process, as defined in the Supplier Security Policy and Supplier Security Standard.

Within DBG supplier management processes, information security requirements are identified and contractually implemented through the Information Security Annex. Contracts with suppliers include relevant security requirements in accordance with the determined risk level. Fulfilment of security requirements by suppliers is continuously monitored and regularly audited by the responsible contract owner as part of overall supplier monitoring.

AGC: 112

What measures does your organization have to ensure early detection of a cyber attack?

A dedicated Computer Emergency Response Team (CERT) is in place whose tasks include security incident handling and forensics. Cyber Attacks detection mainly relies on use cases definition and alerts implementation based on multiple sources of information such as Threat Intelligence reports, Indicators of Compromise (IoCs) feeds, lessons learned from previous security incidents and best practices all mapped into a widely known and industry accepted frameworks.

Active participation to Information Sharing communities such as DAX30 CERT, FS-ISAC and TF-CSIRT also improves also our detection capabilities through shared information about Threat Actors and Techniques adopted in the wild and targeting companies and institutions in the Finance Sector.

Please refer to our answers to question AGC 111 and for the security architecture protecting data and applications.

AGC: 113

What is the agreed resumption time for critical operations following a cyber attack?

Clearstream's recovery time objective (RTO) is set at two hours. This includes resumption of systems and operations. Depending on the nature of the incident, recovery can be achieved quicker or may be influenced by factors not under Clearstream's control.

AGC: 114

How would you advise clients of a successful cyber attack against your organization?

Information on incidents/crises and related actions taken by Clearstream is made available to customers via the regular communication channels: direct contact with Client Services and the relationship management teams, website and email, and Xact Web Portal alerts. Such communication will happen as soon as the incident/crisis is known, and once related actions are defined.

Generally speaking, Clearstream would aim to inform customers affected by such an incident as soon as possible (within 72 hours). However, this might differ depending on the situation.

AGC: 115

In the last 12 months has your organization been subject to a cyber attack that impacted the service you provide to us? If yes, please provide details.

- Yes
- No

We regard this information as strictly confidential. In case of an impact on services to customers resulting from a cyber-attack, the information is shared as per applicable contractual obligations.

AGC: 116

Are the following elements of your cybersecurity framework tested pre and post deployment of changes?

- Vulnerability assessment
- Scenario based penetration tests
- Testing of incident response process and technical/business/operations (e.g. table-top exercise)
- OTHER: Amongst other things, vulnerability management process and vulnerability scanning tools are running covering internal and internet-facing systems. Also, regular penetration tests performed ensuring the effectiveness of the controls in place. Code review and security tests are performed during the testing phase. Regular systems unavailability tests form part of Clearstream's BCM testing cycles.

AGC: 117

For cloud technology and associated cyber security risks, do you have procedures and controls in place to protect our information from mishandling or theft?

In the comments section could you please explain how these procedures and controls tie back to your record retention policy?

Yes

No

AGC: 118

Does your organization conduct dark web searches for signs of a breach (internet protocol or customer/client personally identified information for sale)?

Yes

No

AGC: 119

Is your organization aware of SWIFT's Customer Security Program (CSP)?

Yes

No

AGC: 120

Does your organization ensure compliance with SWIFT's CSP controls?

Yes

No

Clearstream is compliant with all mandatory controls.

AGC: 121

Does your organization respond to requests for your institution's attestations?

- Yes
- No

The documentation requested is considered confidential. We confirm that Clearstream is compliant with all mandatory controls of the SWIFT CSP.

AGC: 122

Does your organization request the attestation details of your counterparties and incorporate the responses into ongoing relationship and risk management programs?

- Yes
- No

Clearstream is using the AFME Questionnaire, as part of comprehensive due diligence exercises.