



**NATIONAL  
SETTLEMENT  
DEPOSITORY**  
MOSCOW EXCHANGE GROUP

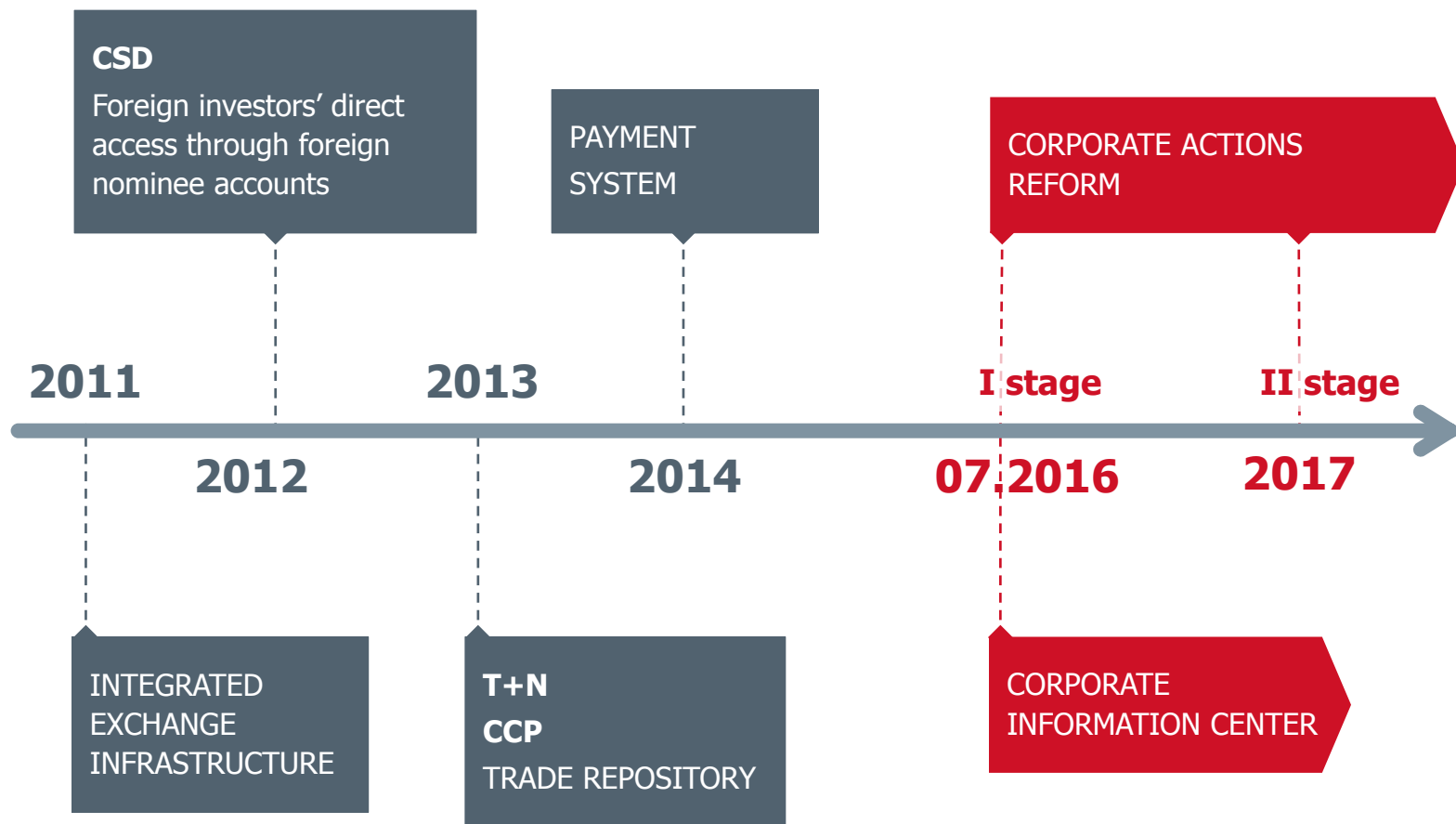
02 November 2017

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Managing Director for corporate information

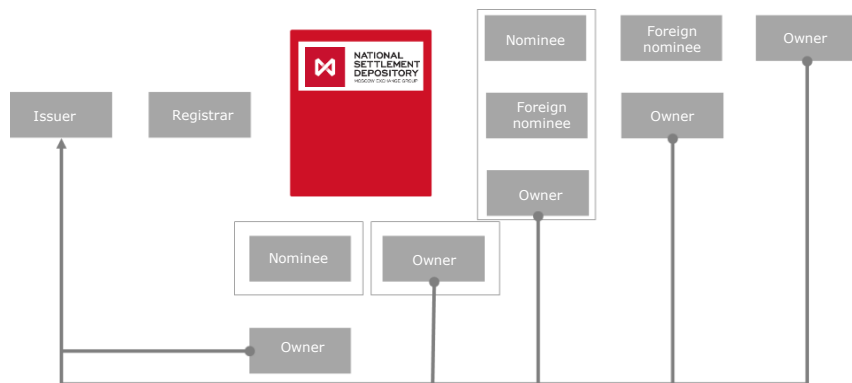
## **RECENT CHANGES IN THE RUSSIAN FINANCIAL MARKET INFRASTRUCTURE**

# DEVELOPMENT OF RUSSIAN FINANCIAL MARKET INFRASTRUCTURE



# A NEW APPROACH TO CORPORATE ACTIONS PROCESSING

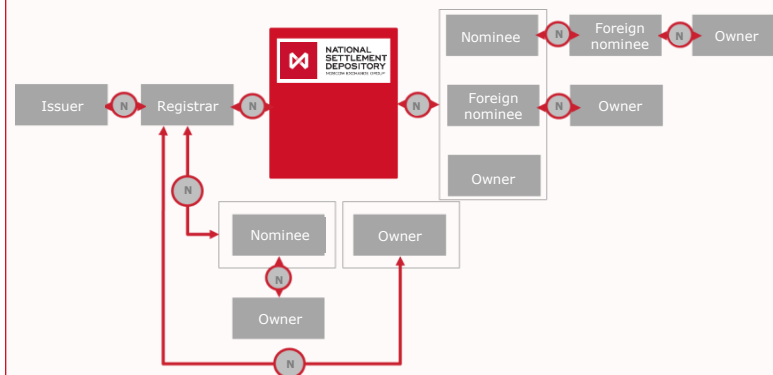
## Restraints of the Former Approach



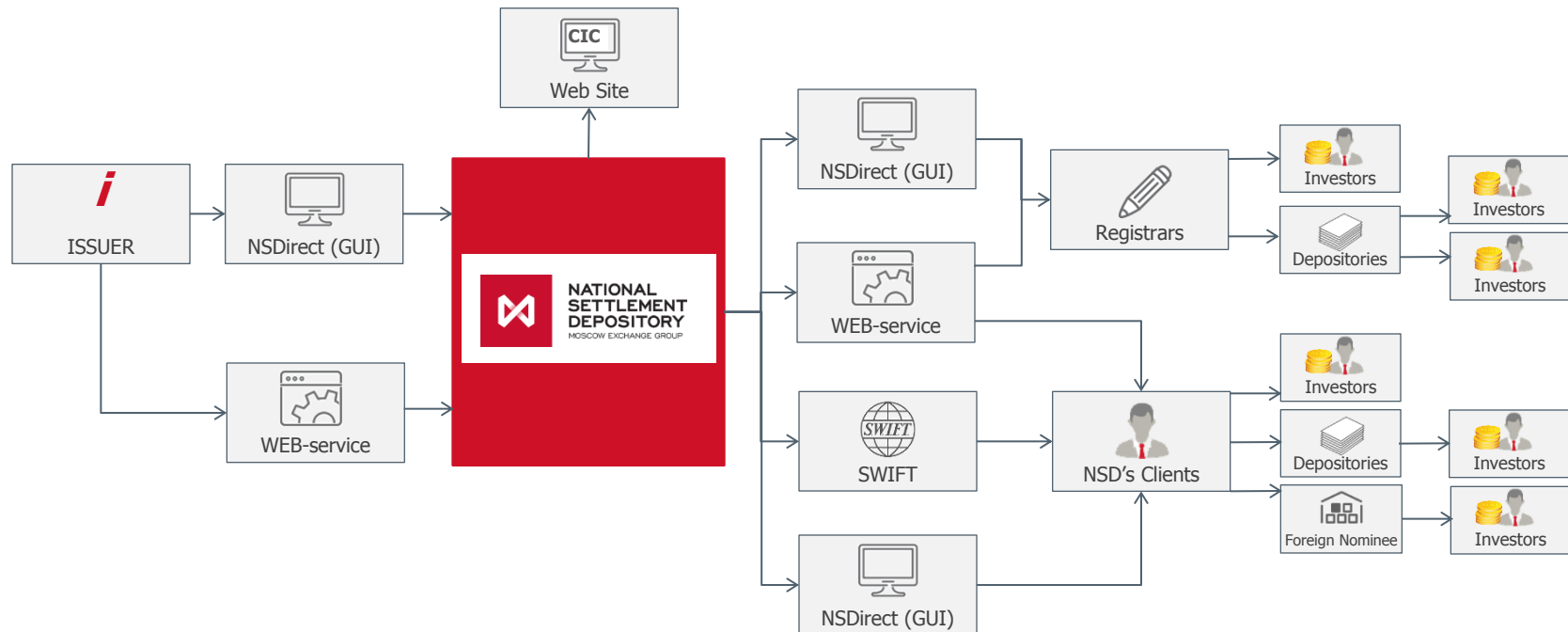
- 1 Custodians and registrars are not involved in interaction between an issuer and shareholders
- 2 Use of hard-copy documents
- 3 Difficulties faced by both domestic and foreign investors in exercising their rights attached to securities
- 4 A high level of operational risks

## New Approach

- Processing any and all corporate actions in a centralized manner, through custodians, CSD and registrars
- Custodians are authorized to act on behalf of their clients under a depository agreement (no PoA needed)
- Source documents are kept by a custodian, acting on behalf of the respective securities owners
- Increased automation of corporate actions processing



# CORPORATE INFORMATION CENTER



- Issuer supplies information directly to NSD's systems
- Information can be accessed by all market participants
- Information is distributed practically simultaneously via electronic channels
- Information received and distributed in the standardized form easily processed and used
- Information is recognized as official

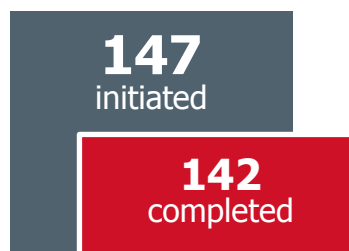
# CORPORATE ACTIONS STATISTICS

## NEW WAY OF PROCESSING

### GENERAL MEETINGS (MEET, XMET)



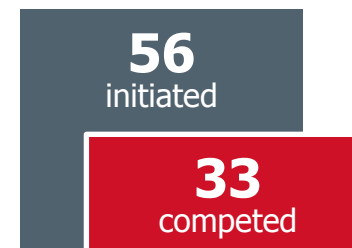
### BONDHOLDERS MEETINGS (BMET)



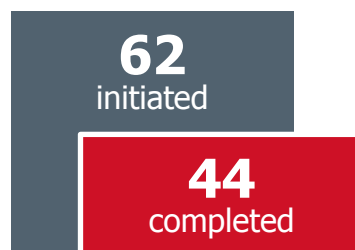
### BUY-BACK (BIDS)



### PRIORITY ISSUE (PRIO)



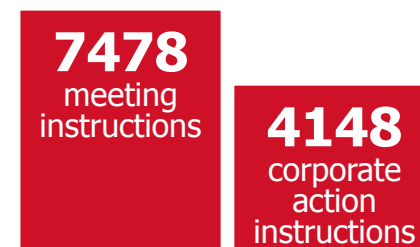
### TENDER OFFER (TEND)



### SQUEEZE OUT BID (TEND95)



### NUMBER OF INSTRUCTIONS PROCESSED



# THANK YOU!



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  - Perception of market services offered by the Company and its subsidiaries
  - Volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate
  - Changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets
  - Competition increase from new players on the Russian market
  - The ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company's and its subsidiaries' customers
  - The ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness
  - The ability to attract new customers on the domestic market and in foreign jurisdictions
  - The ability to increase the offer of products in foreign jurisdictions
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