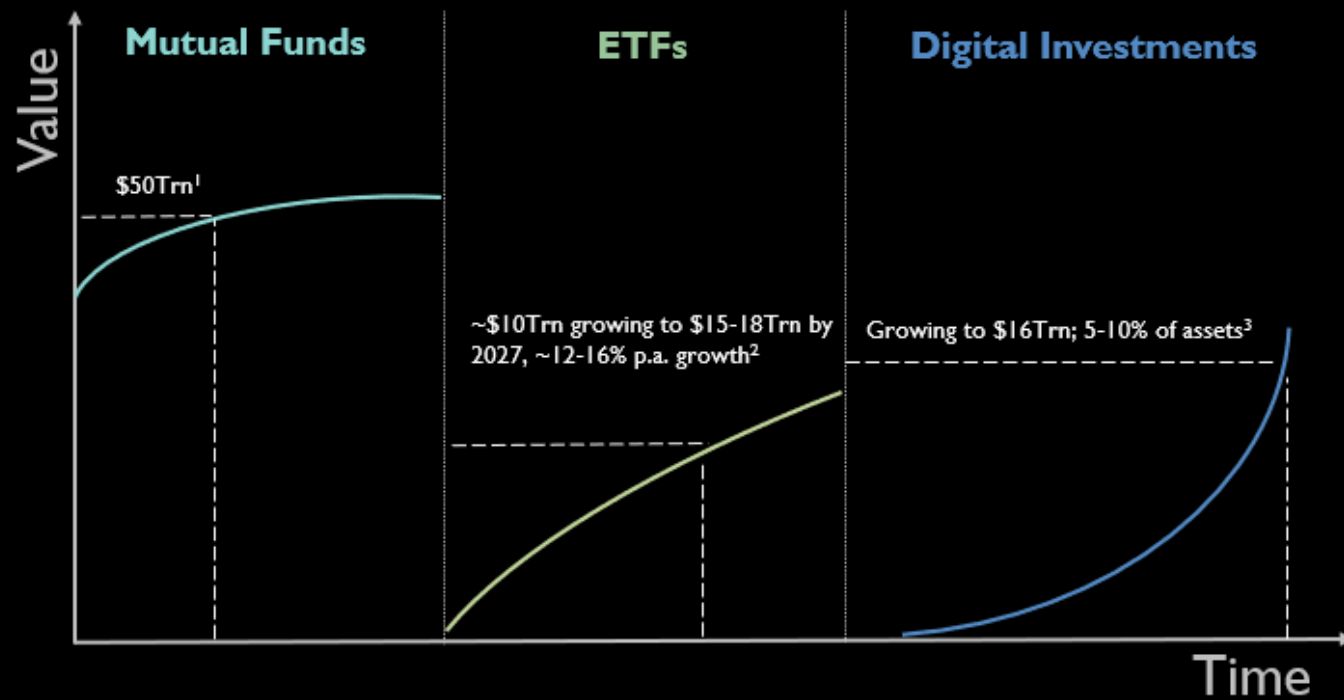


THE PATH TO DIGITAL – UNLOCKING EFFICIENCY AND AUTOMATION

Simon Keefe, Managing Director, Head of Market Solutions,
Calastone

A NATURAL EVOLUTION OF FUNDS IS UNDERWAY

2023 – 2030 Future Horizon View

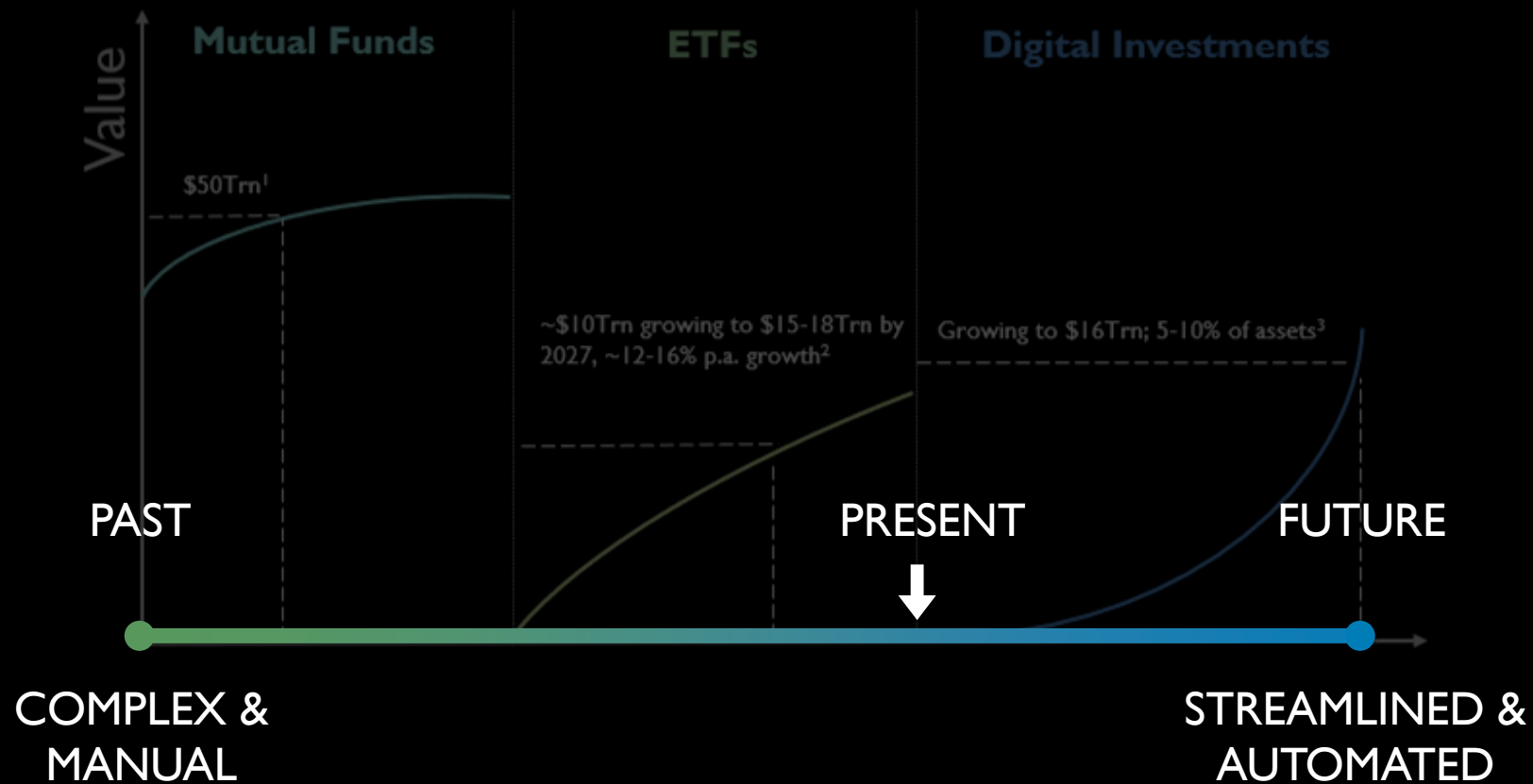


Sources:

1. <https://www.icifactbook.org/>
2. <https://etfgi.com/>; <https://www.pwc.com/gx/en/industries/financial-services/publications/future-of-etf-2027-survey.html>
3. <https://www.bcg.com/publications/2022/relevance-of-on-chain-asset-tokenization>

A NATURAL EVOLUTION OF FUNDS IS UNDERWAY

2023 – 2030 Future Horizon View



OUR MISSION

Reduce complexity and drive out risk and cost for all participants, enhancing the industry's ability to deliver greater value to the investor

CAL  STONE

**TRANSACTION
& MONEY
MARKET
SERVICES**

ORDER ROUTING
SETTLEMENTS

FUND SERVICES

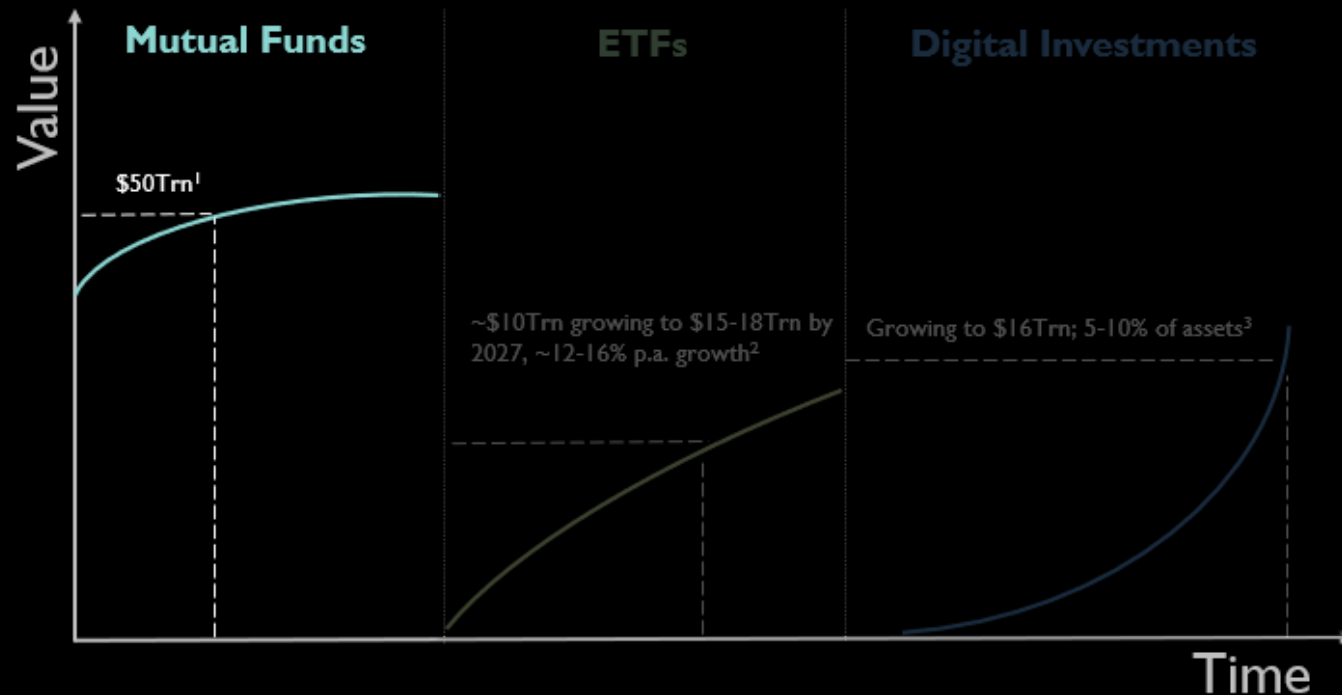
ETF SERVICING
TA SOLUTIONS

**DIGITAL
INVESTMENTS**

TOKENISATION
PERSONALISATION

A NATURAL EVOLUTION OF FUNDS IS UNDERWAY

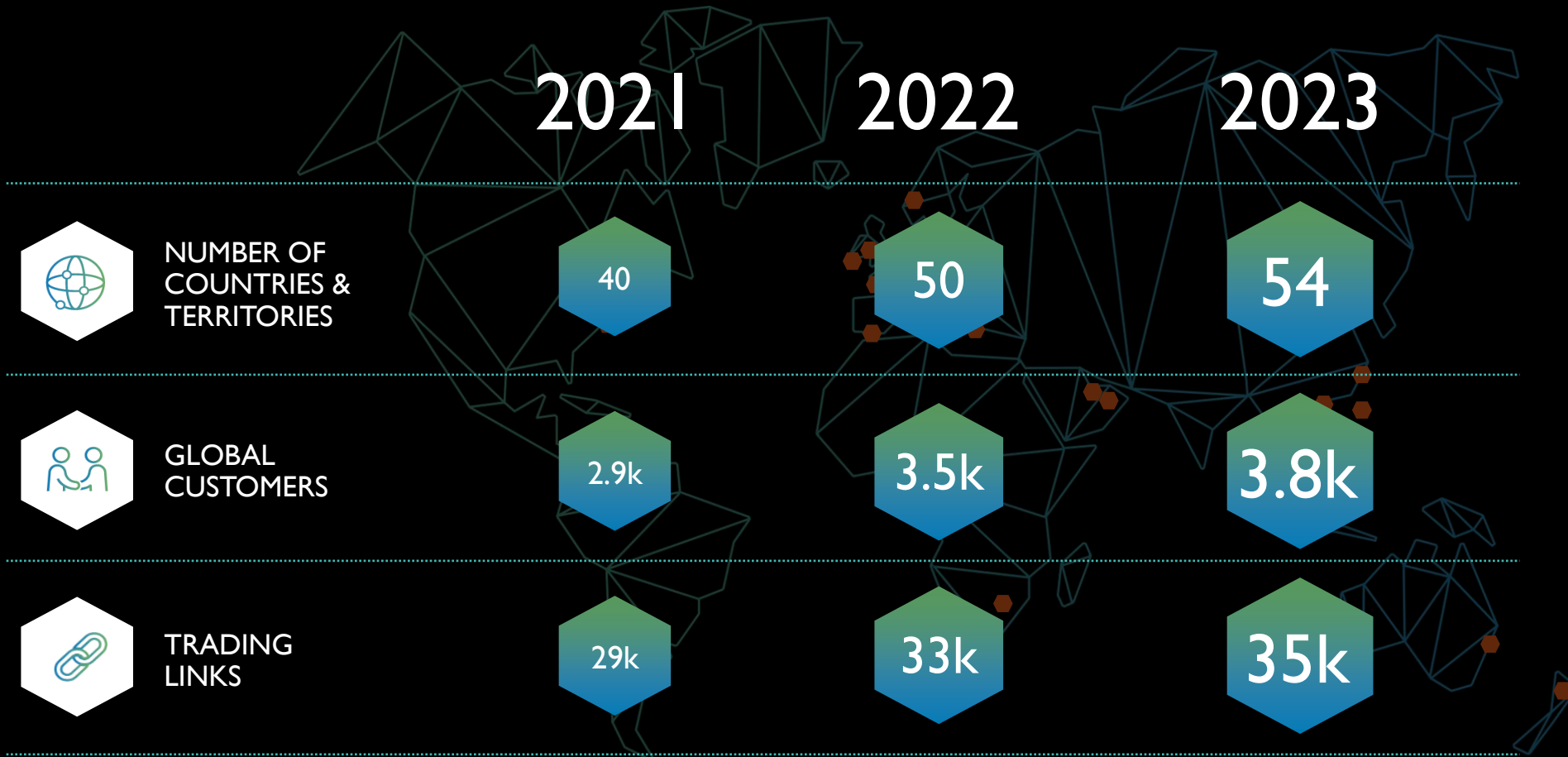
2023 – 2030 Future Horizon View



Sources:

1. <https://www.icifactbook.org/>
2. <https://etfigi.com/>; <https://www.pwc.com/gx/en/industries/financial-services/publications/future-of-etf-2027-survey.html>
3. <https://www.bcg.com/publications/2022/relevance-of-on-chain-asset-tokenization>

CONNECTING THE WORLD'S LARGEST COMMUNITY OF FUNDS



ISO CERTIFIED FOR
INFORMATION
SECURITY AND
BUSINESS
CONTINUITY

70+

NPS

RAPID ONBOARDING

CUTTING-EDGE CLOUD INFRASTRUCTURE
POWERED BY MICROSOFT PARTNERSHIP

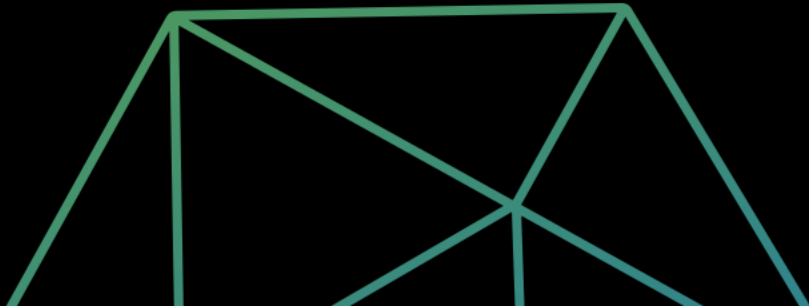
PROACTIVE
MONITORING
AND ALERTS

MACHINE-LEARNING POWERED INCIDENT
MANAGEMENT AND TRACKING

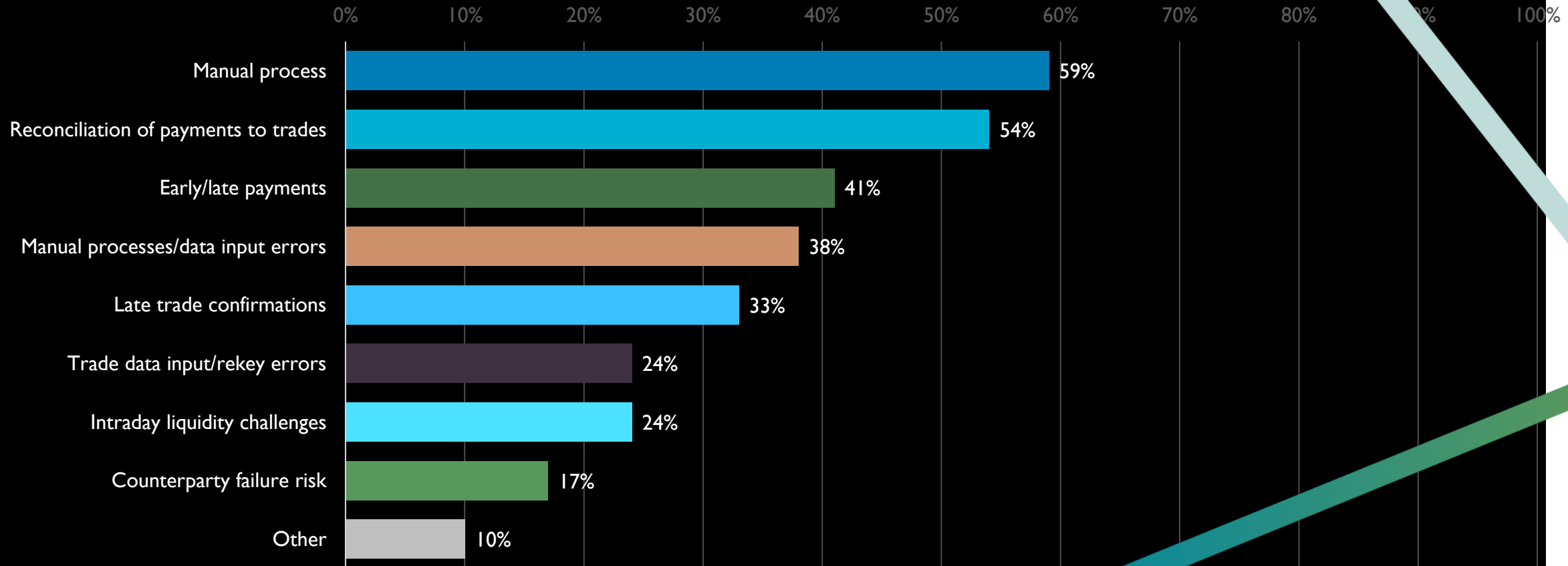
CONTAINERISED
APPLICATIONS
ENABLING HYBRID
CLOUD DEPLOYMENTS

RE-PLATFORMED
PRODUCTS PROVIDING
IMPROVED SECURITY,
AGILITY AND SCALABILITY

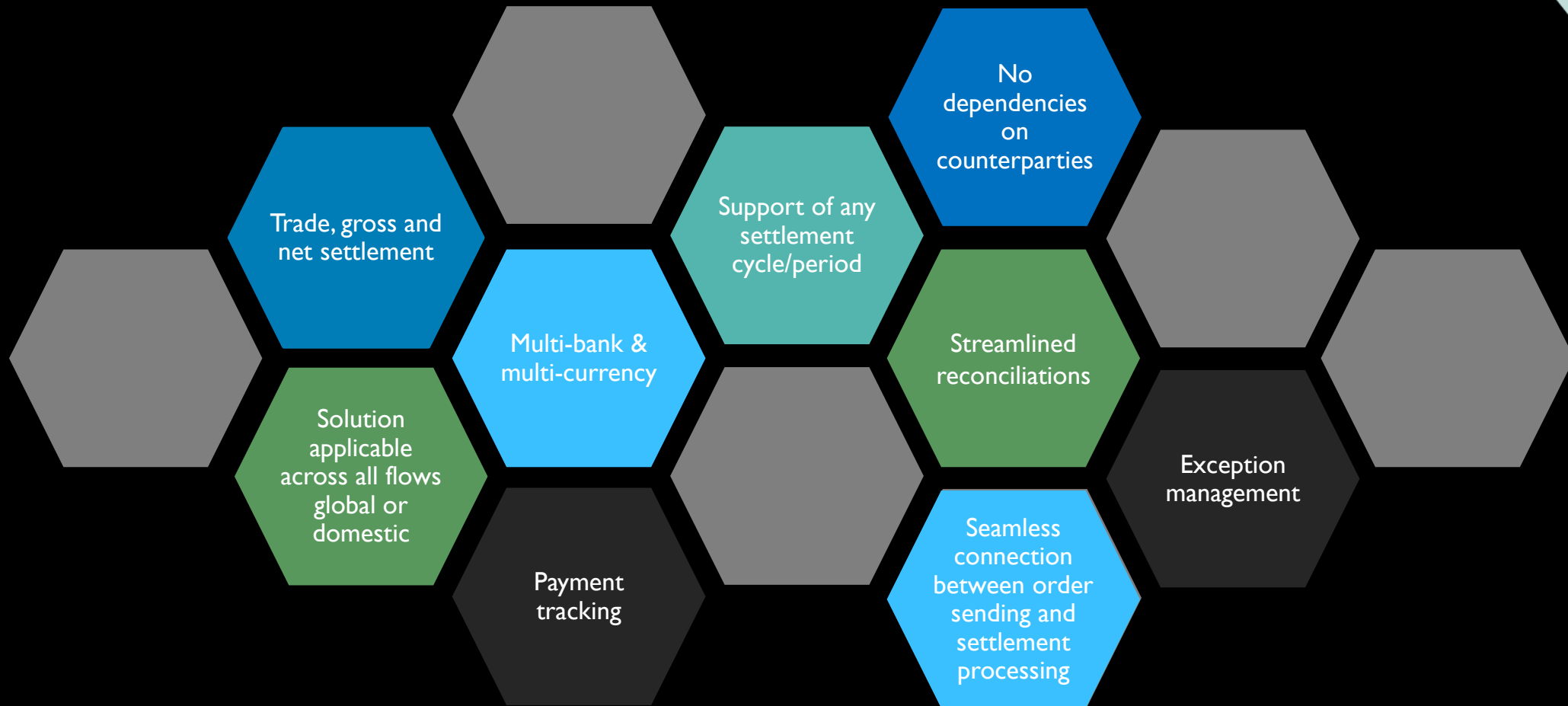
SETTLEMENTS



WHY IS THE CASH SETTLEMENT PROCESS A PROBLEM?



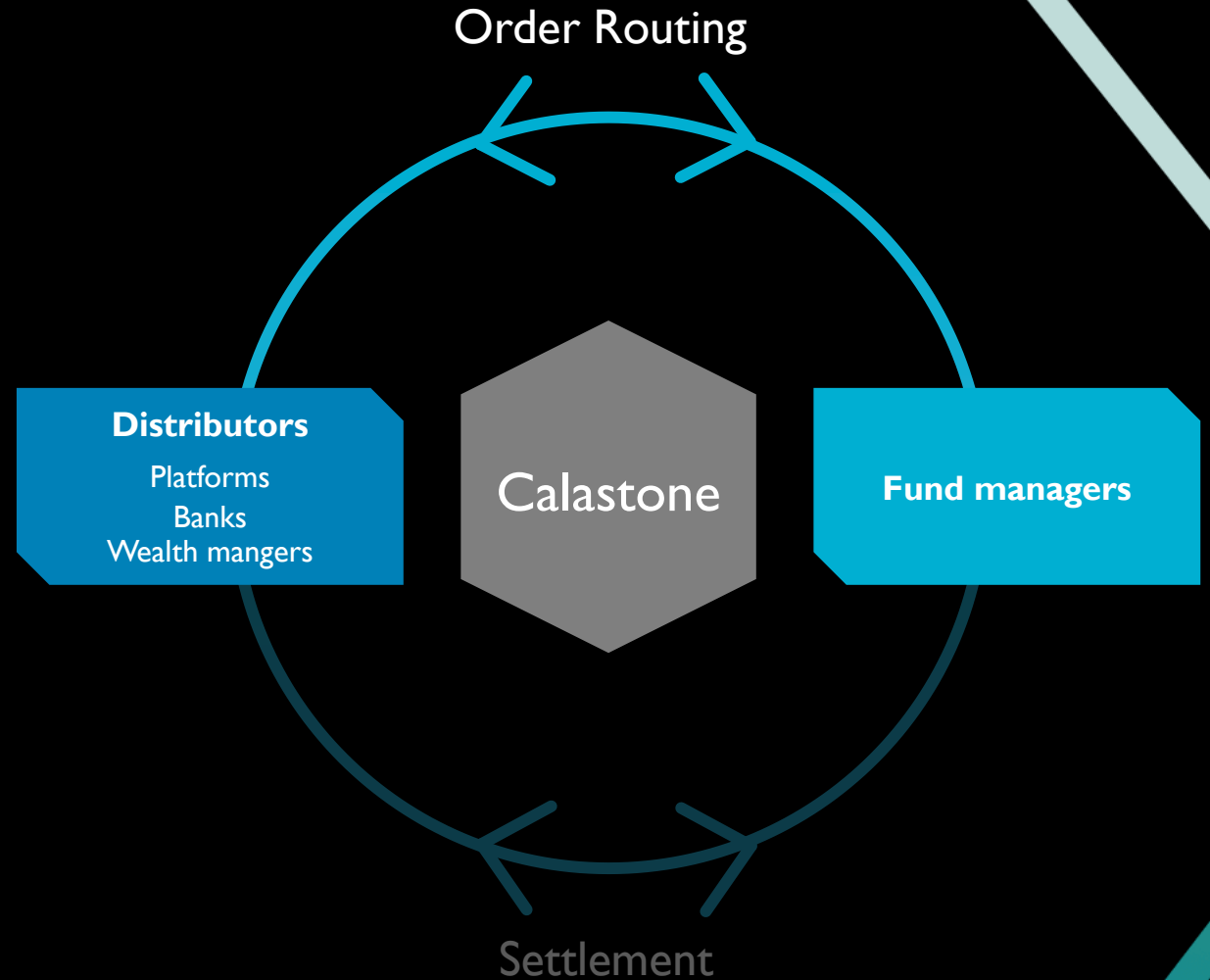
MARKET FEEDBACK – WHAT DO YOU WANT FROM A SETTLEMENTS SOLUTION



SOLVING THE PROBLEM

Order routing

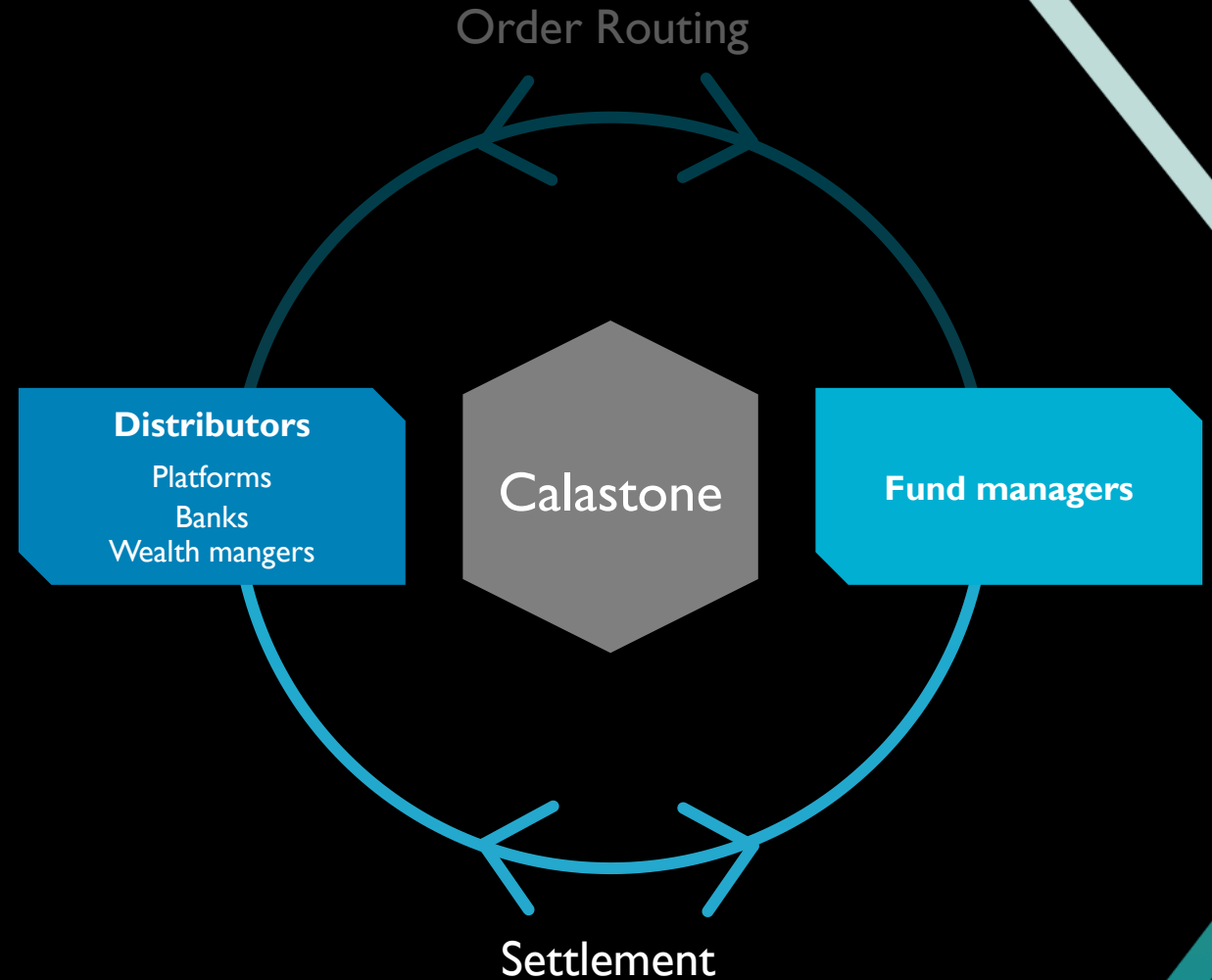
- Seamless connection between order sending & settlements
- Domestic & global flow coverage



SOLVING THE PROBLEM

Settlement

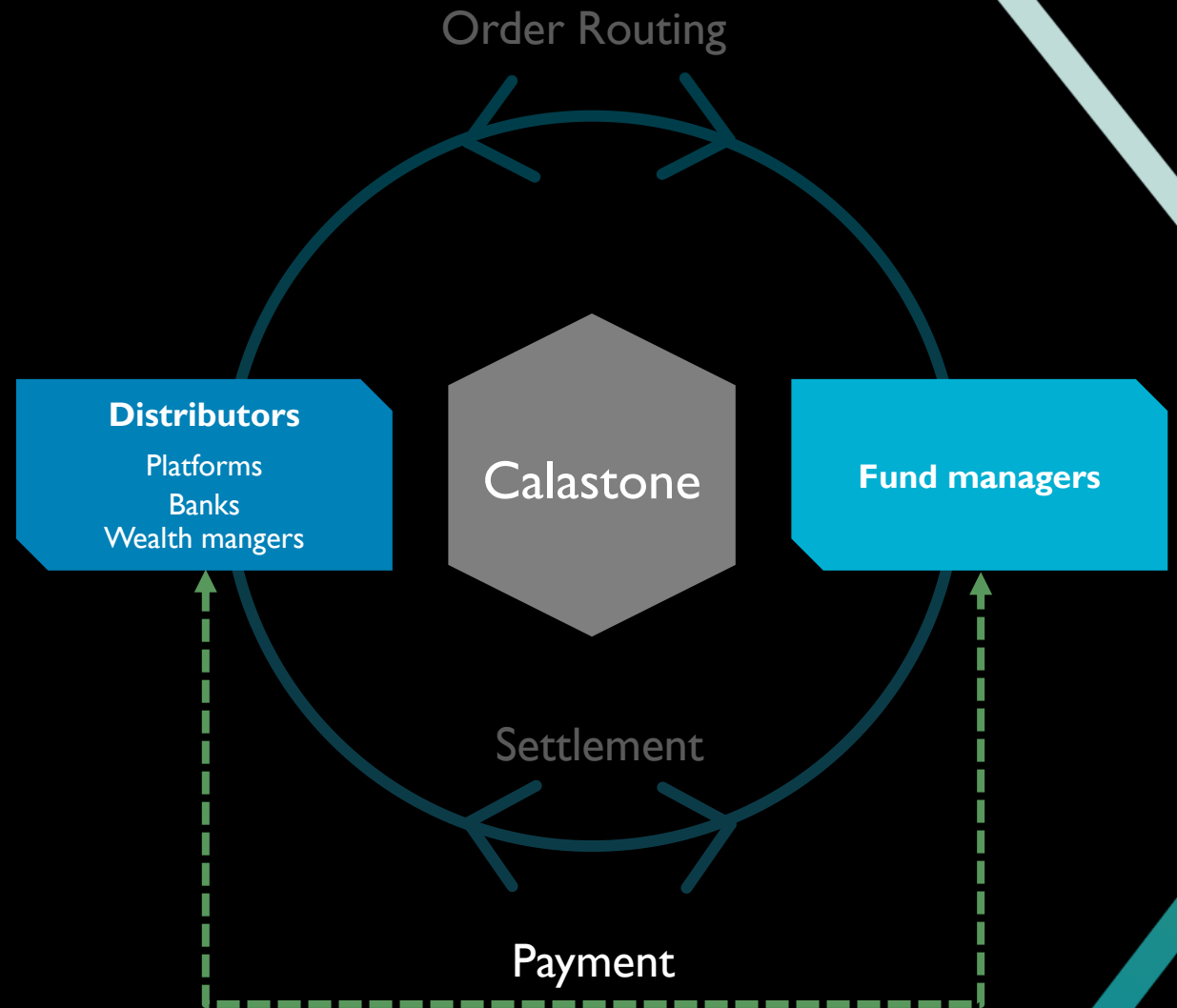
- No automation dependencies on counterparties
- Choose between settlement methods
- Support any settlement cycle/period



SOLVING THE PROBLEM

Payment

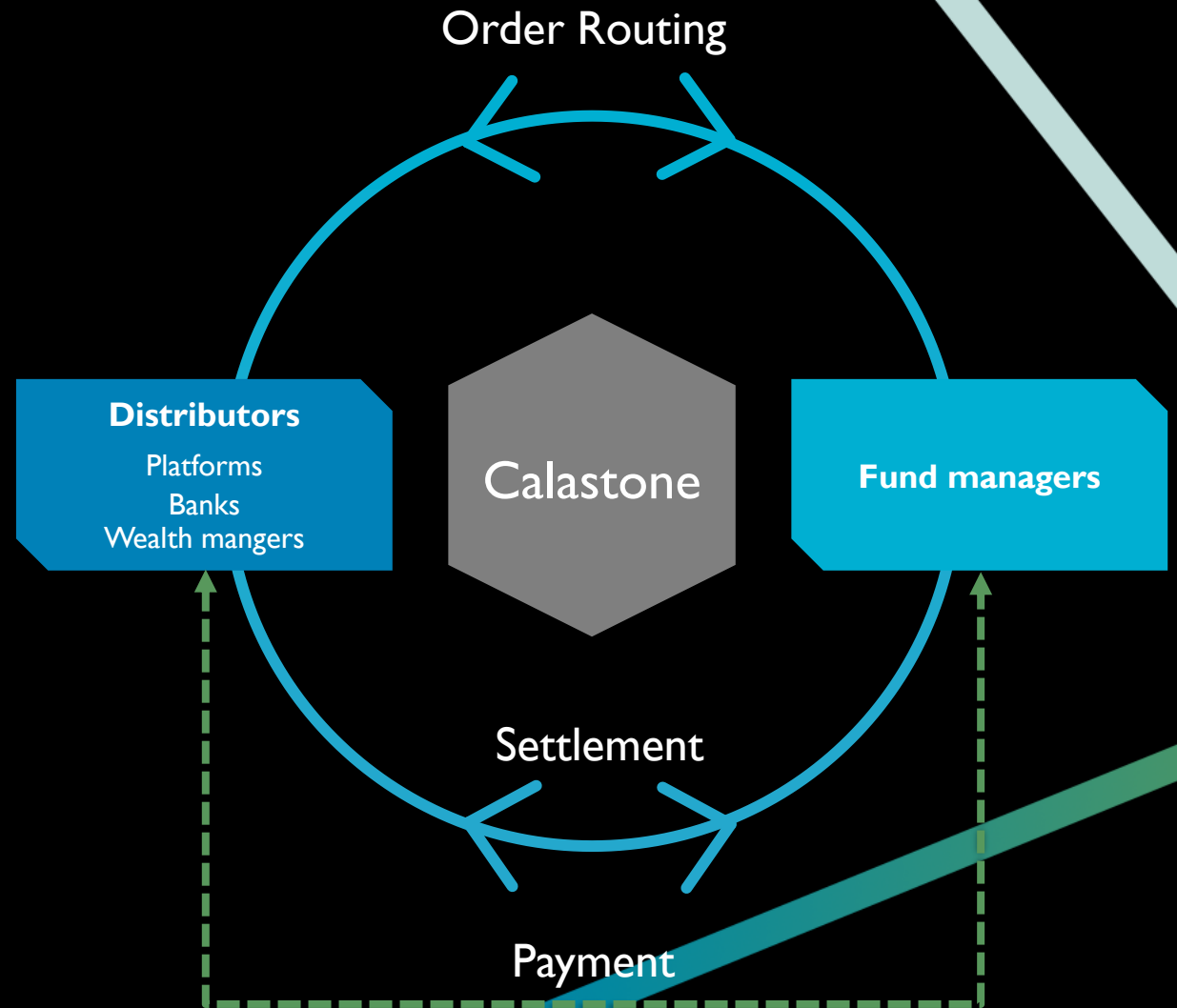
- Multi-bank & multi-currency
- Real time tracking



CALASTONE ORDER ROUTING & SETTLEMENTS

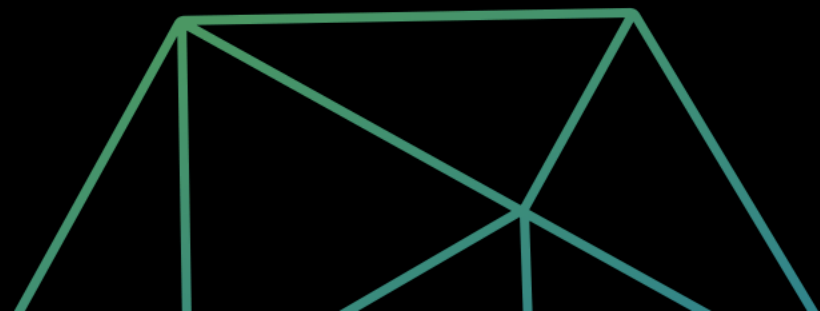
Key benefits

- More control over day-to-day liquidity and accurate cash forecasting
- Reduce risk and operational overheads
- Reduce transaction cost
- Enhance and speed up client experience



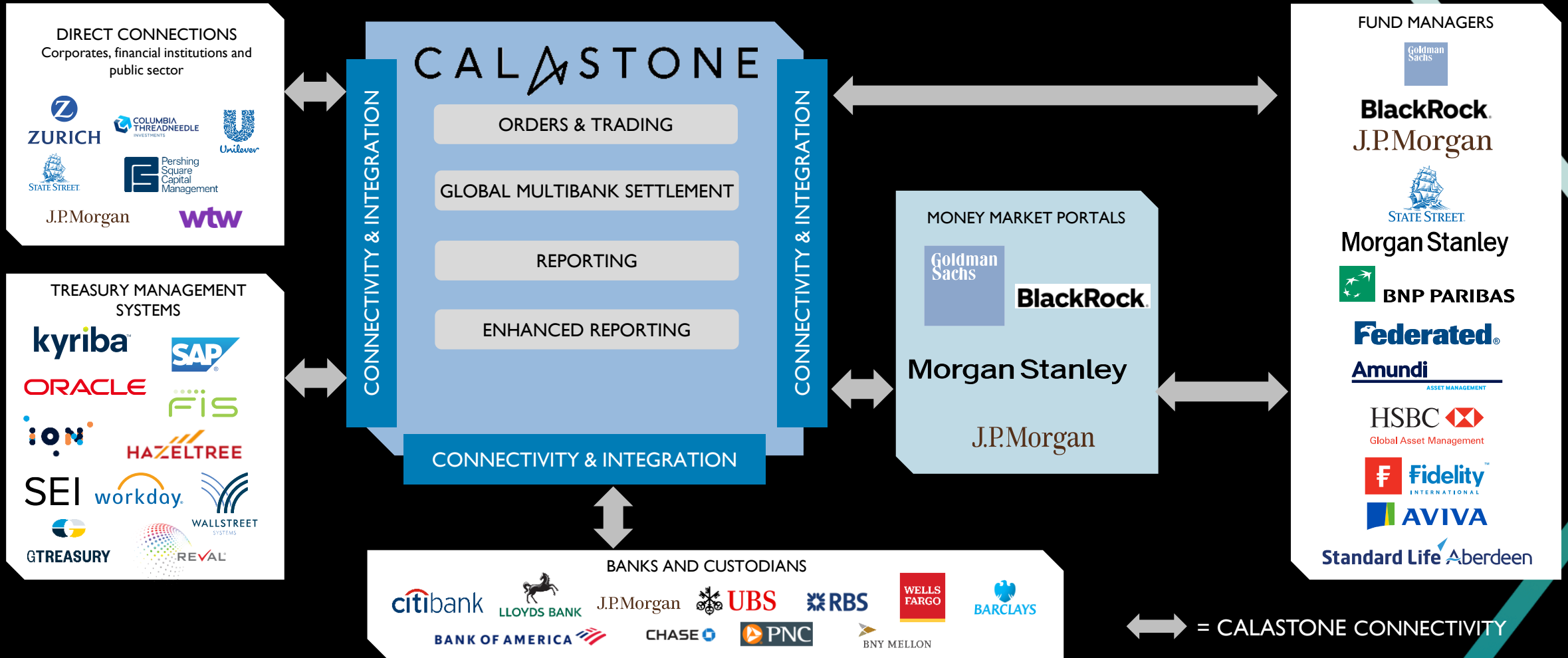
SUPPORTING MONEY MARKET FUNDS

Grace Lee, Associate Director, Client Relationship Management,
Asia, Calastone



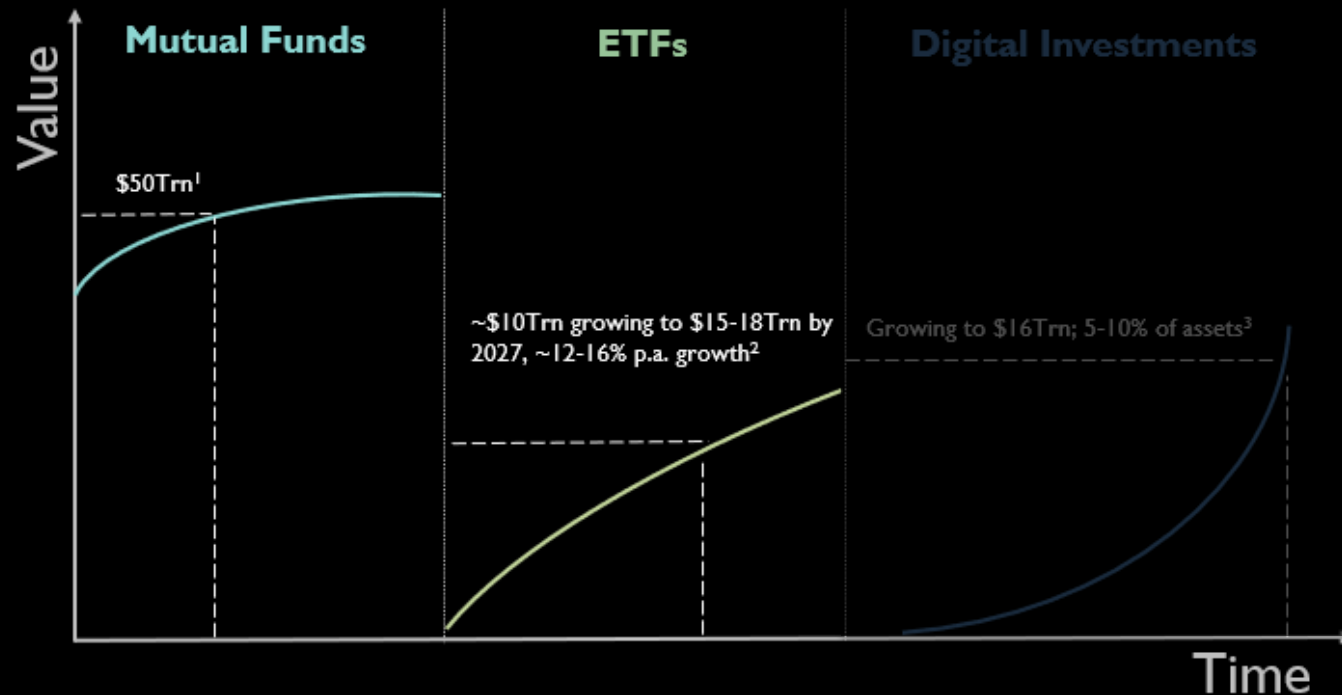
SUPPORTING TODAY'S MMF INDUSTRY

MONEY MARKET PORTALS, FUND MANAGERS, TMS AND FINANCIAL INSTITUTIONS



A NATURAL EVOLUTION OF FUNDS IS UNDERWAY

2023 – 2030 Future Horizon View

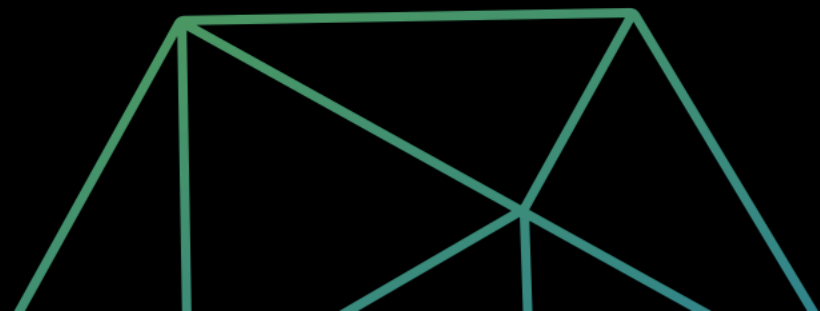


Sources:

1. <https://www.icifactbook.org/>
2. <https://etfigi.com/>; <https://www.pwc.com/gx/en/industries/financial-services/publications/future-of-etf-2027-survey.html>
3. <https://www.bcg.com/publications/2022/relevance-of-on-chain-asset-tokenization>

MUTUAL FUND ADMINISTRATION

Yumi Yung, Director, Client Relationship Management, Asia,
Calastone



WHY CDSC AND WHY CALASTONE CDSC SOLUTION

CDSC (contingent deferred sales charges) share class

Investors pay an exit fee when they sell their CDSC fund within a number of years from the original purchase date.



1 Legacy System



2 Operational inefficiency



3 Reputation

CONTINGENT DEFERRED SALES CHARGE - CDSC



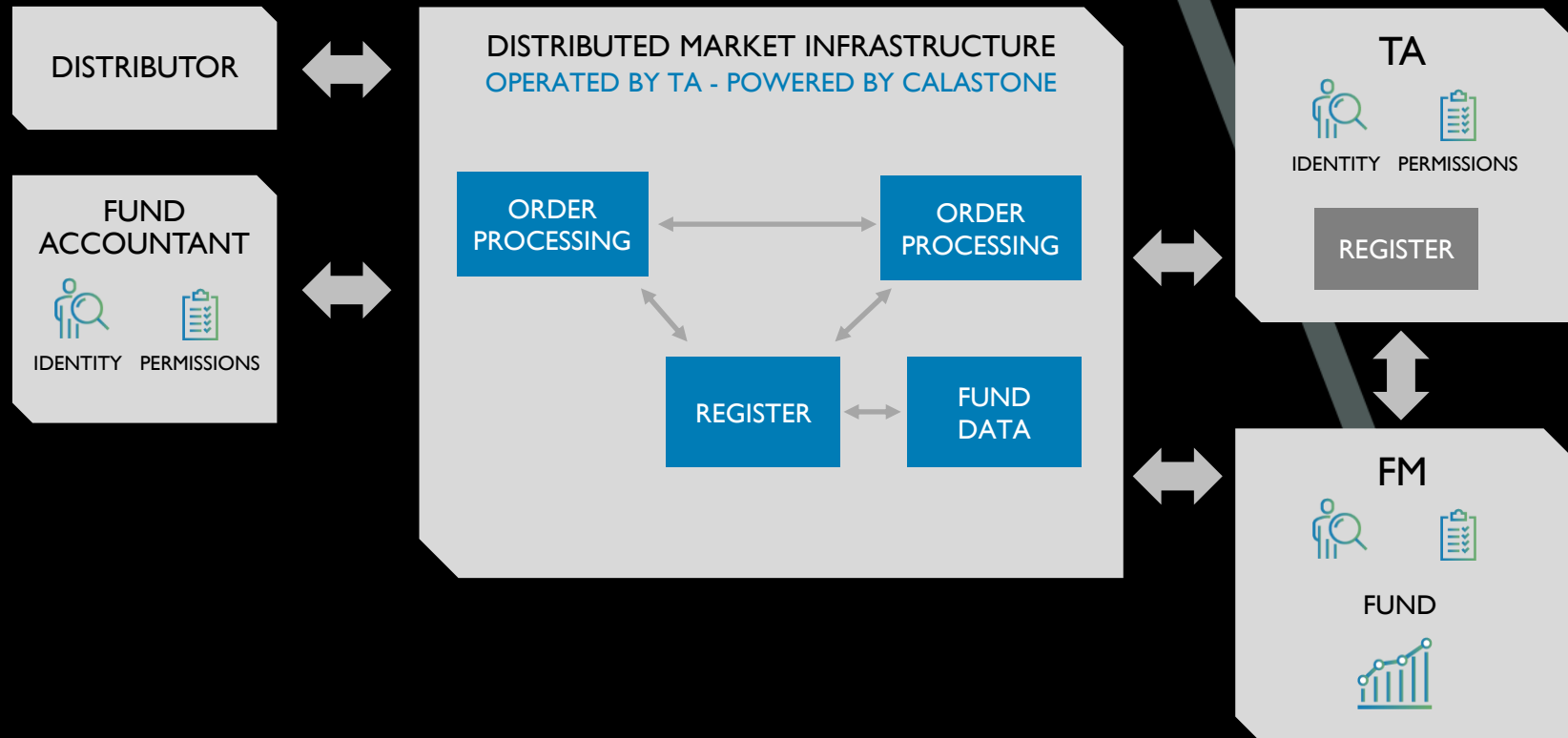
TRACKING POSITIONS
AT AN INVESTOR LEVEL



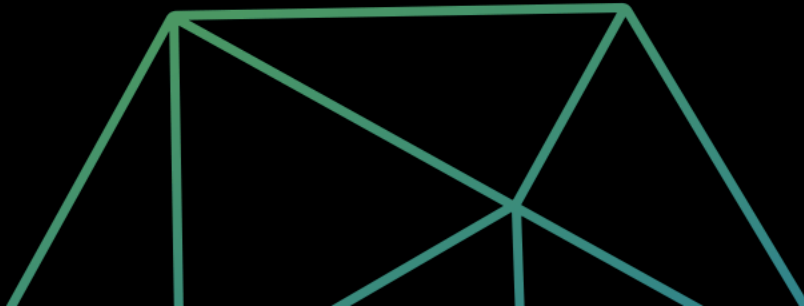
SEAMLESS
INTEGRATION



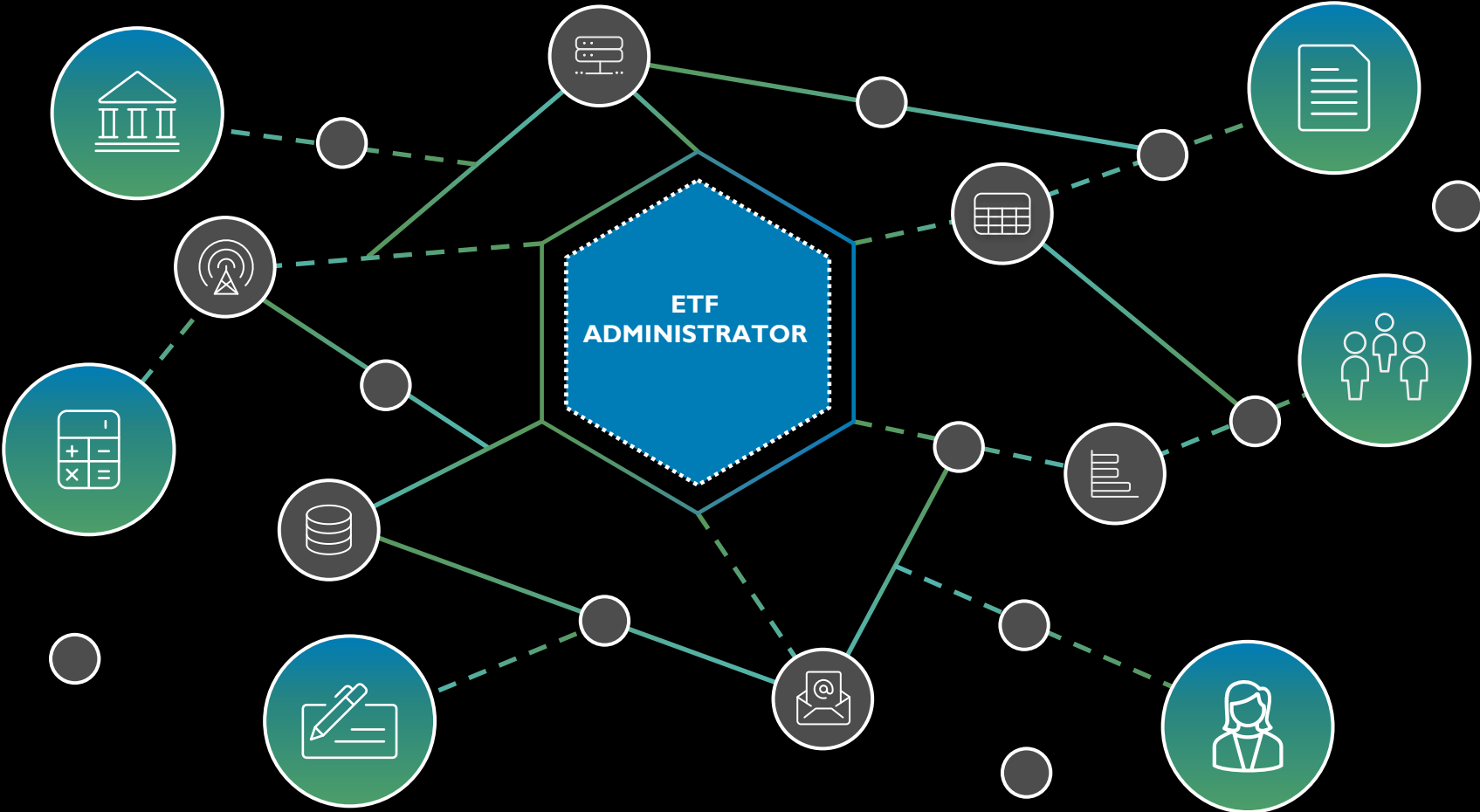
SPEEDY PRODUCT
LAUNCH



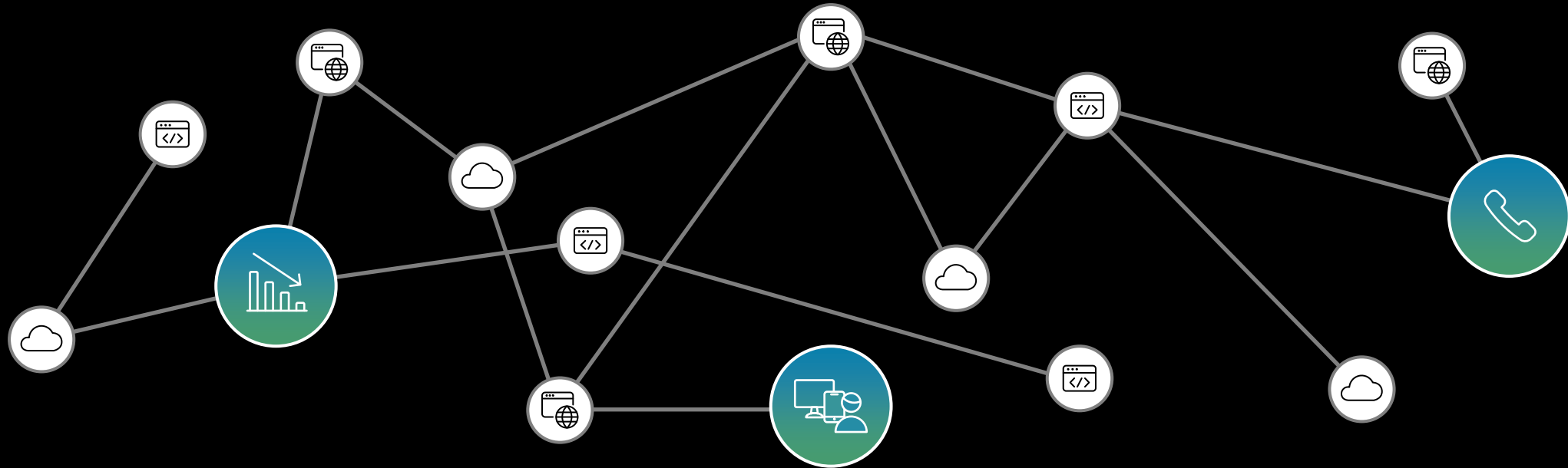
ETF SERVICING



DISCONNECTED ETF ECOSYSTEM



SCALABILITY LIMITATIONS OF SOFTWARE ADD-ONS



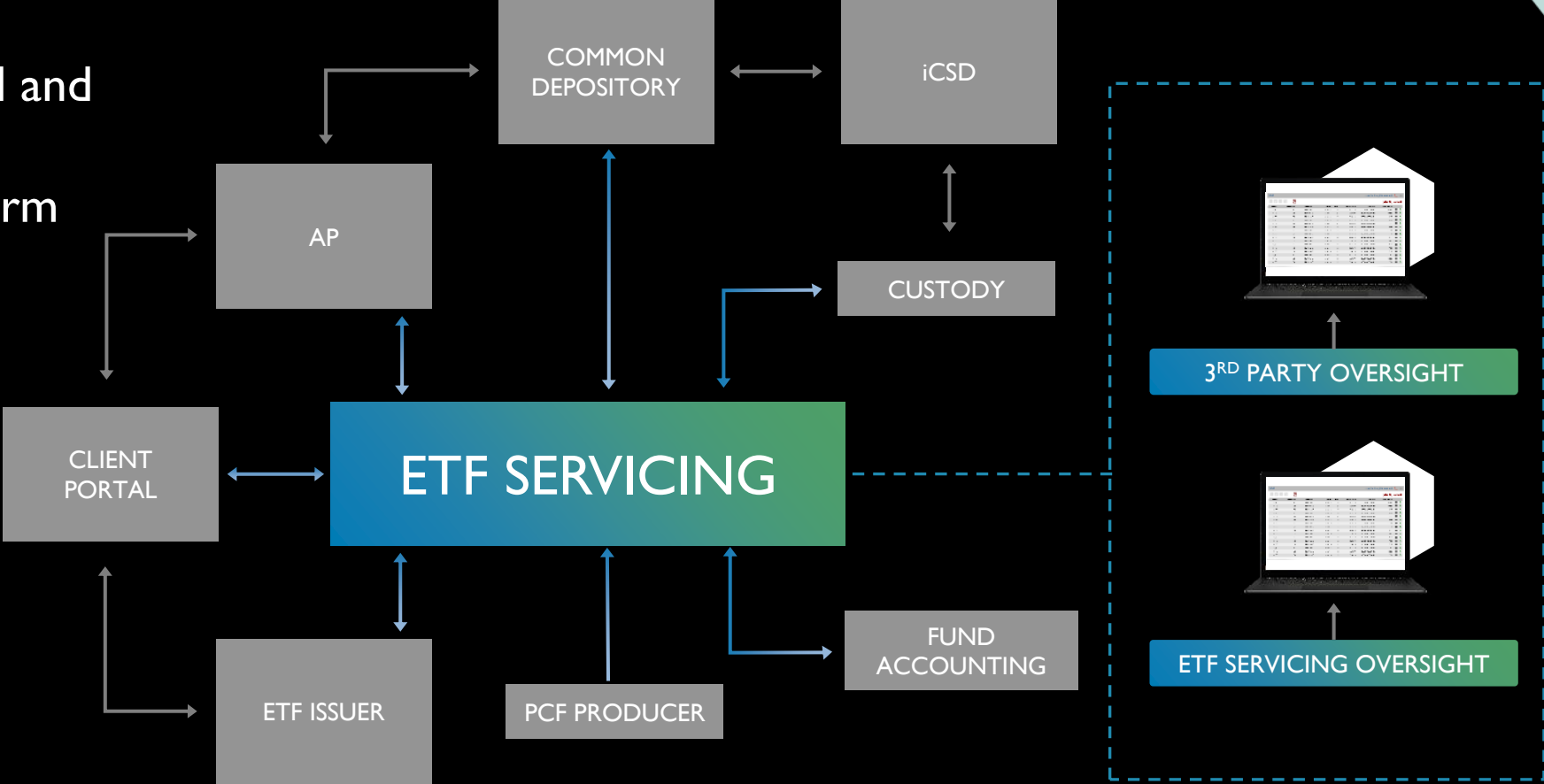
LABOUR INTENSIVE / COSTLY

RISK OF ERROR

DATA DISPARITY

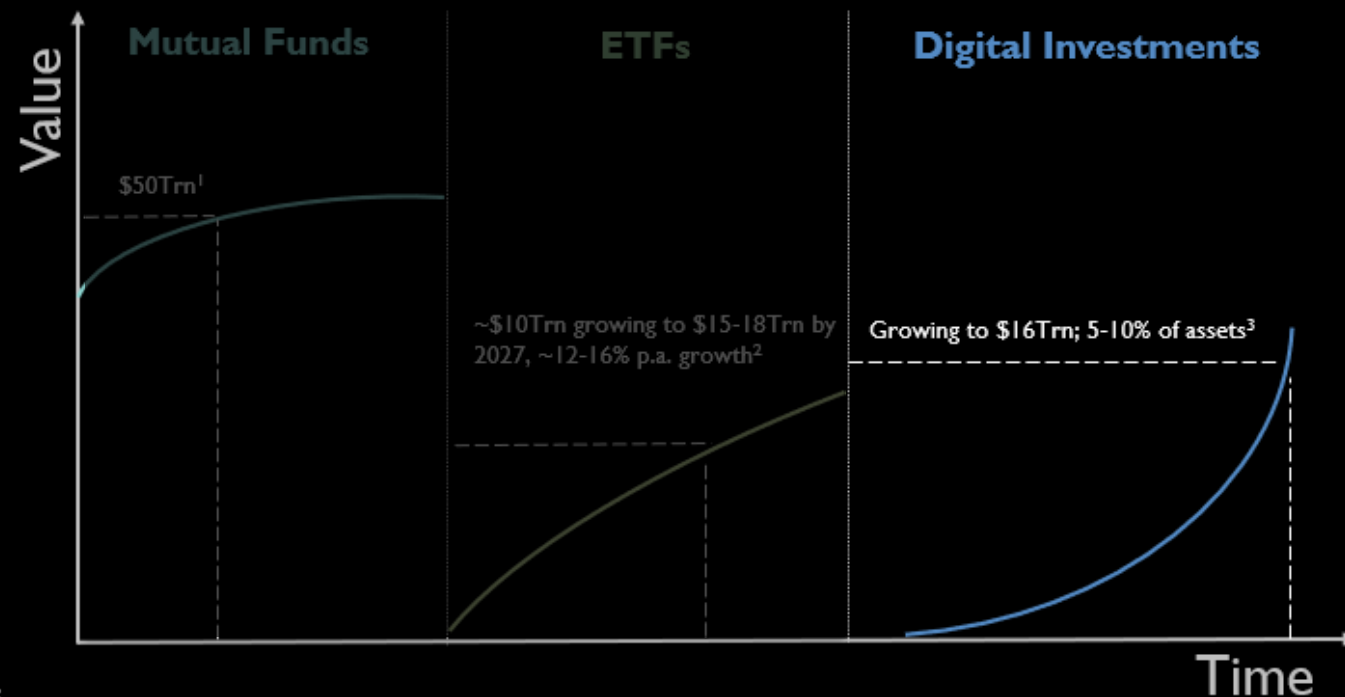
CONNECTED ECOSYSTEM

Fully integrated and connected ETF servicing platform



A NATURAL EVOLUTION OF FUNDS IS UNDERWAY

2023 – 2030 Future Horizon View



Sources:

1. <https://www.icifactbook.org/>
2. <https://etfgi.com/>; <https://www.pwc.com/gx/en/industries/financial-services/publications/future-of-etf-2027-survey.html>
3. <https://www.bcg.com/publications/2022/relevance-of-on-chain-asset-tokenization>

TOKENISATION – THE NEXT INVESTMENT VEHICLE



'I believe the next generation for markets, the next generation for securities, will be the tokenisation of securities.' – Larry Fink, CEO of BlackRock

BCG

With a 50-fold increase predicted between 2022 and 2030, from US\$310 billion to US\$16.1 trillion, tokenised assets are expected to make up 10% of global GDP by the end of the decade

TOKENISATION – AN EVOLVING LANDSCAPE

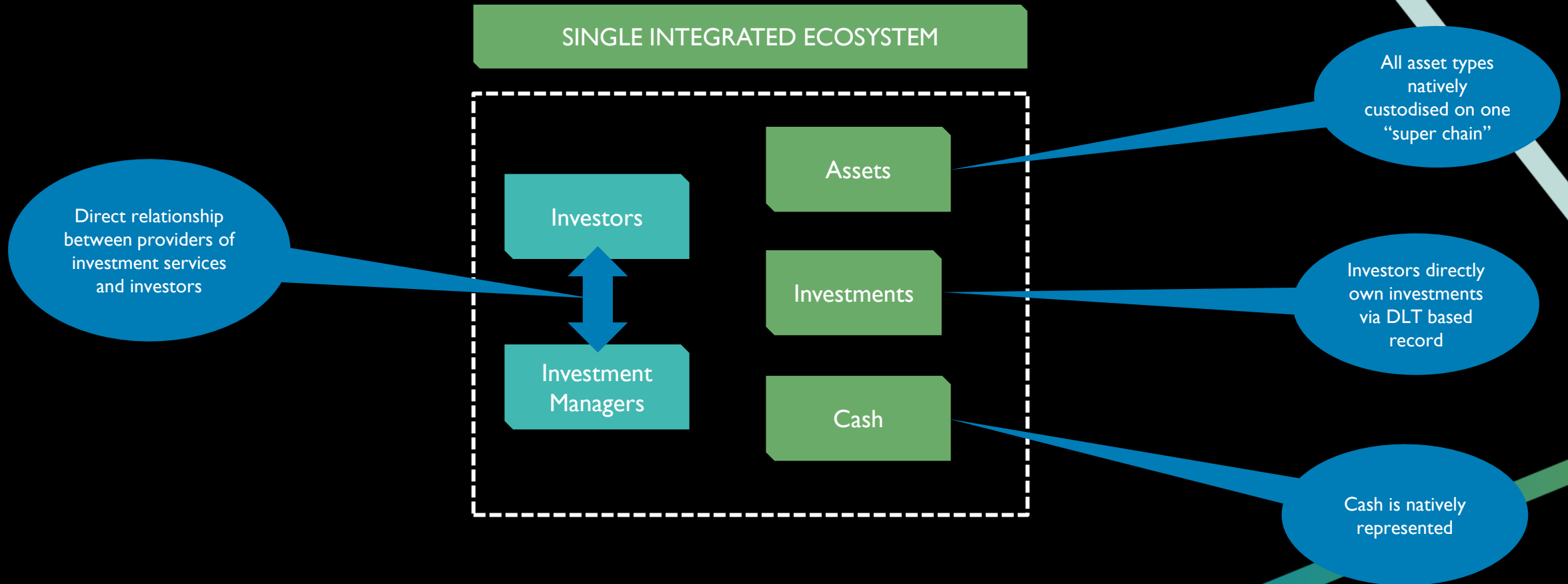


KKR
CALASTONE

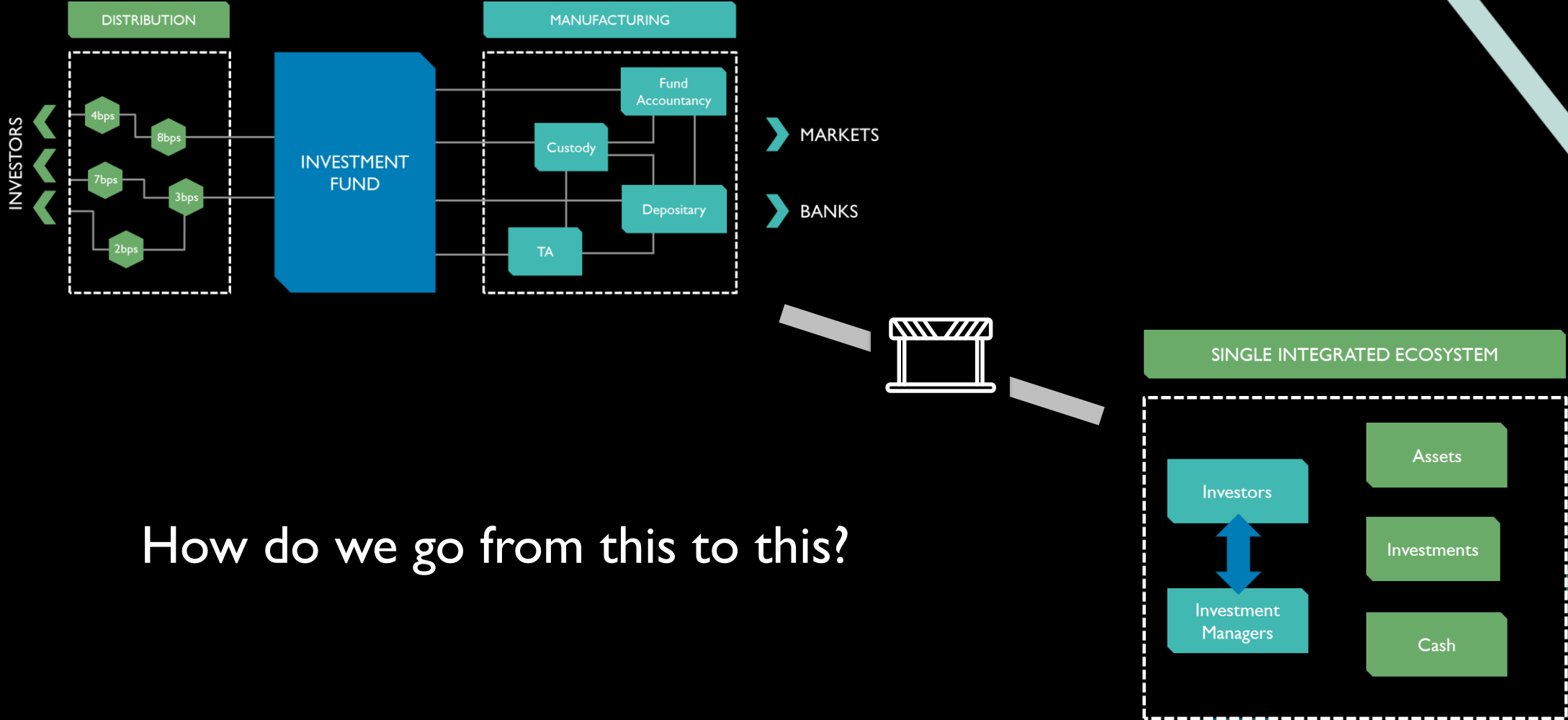
BlackRock



A POTENTIAL END STATE

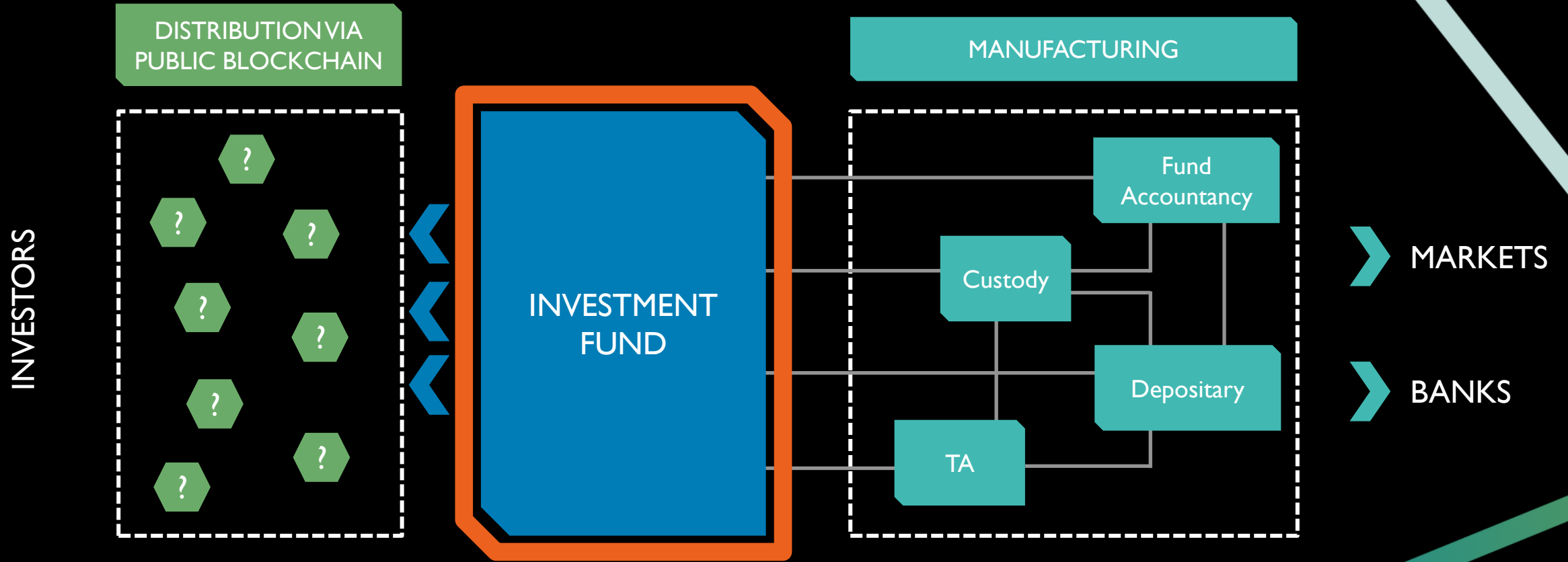


TRANSITION – WHERE TO FOCUS?

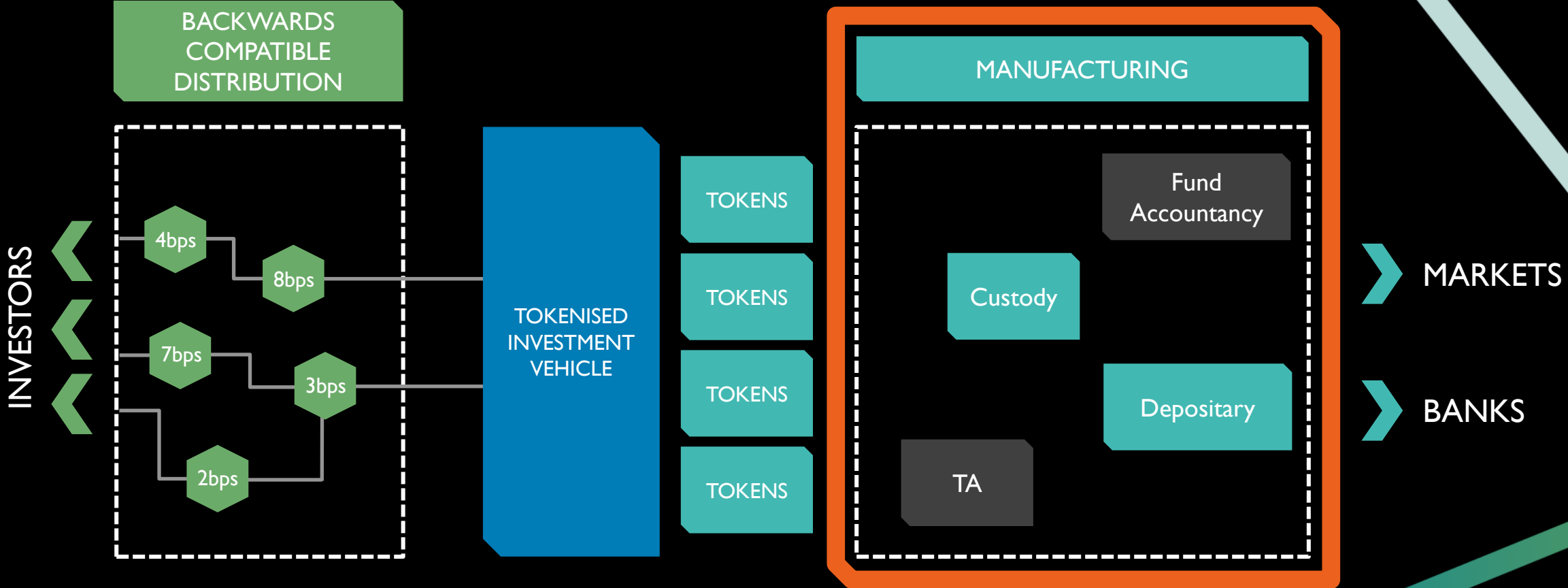


How do we go from this to this?

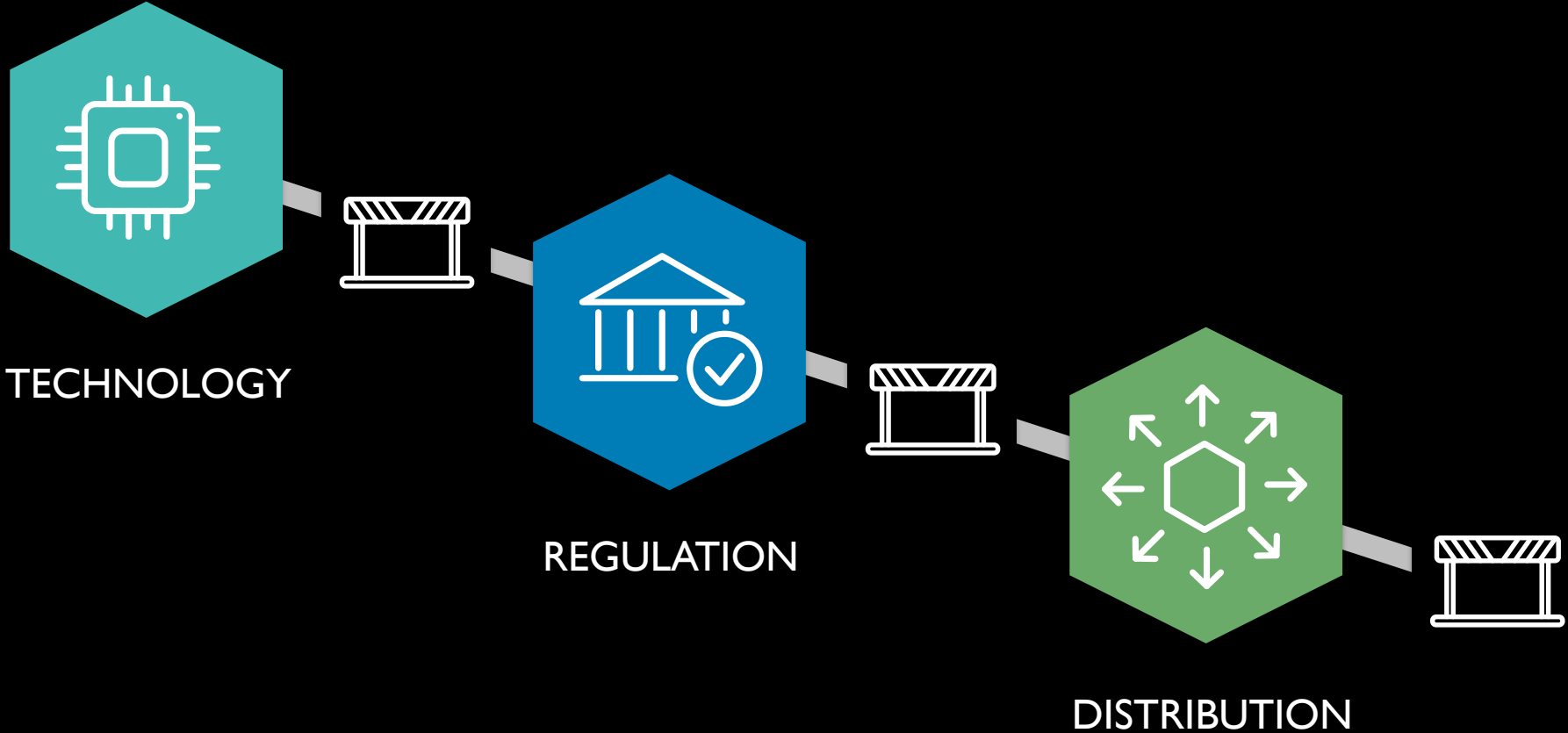
TOKENISING FUND UNITS AND DISTRIBUTING VIA PUBLIC BLOCKCHAIN



TOKENISING UNDERLYING ASSETS



SETTING THE COURSE TO DIGITAL INVESTMENT



OUR MISSION

Reduce complexity and drive out risk and cost for all participants, enhancing the industry's ability to deliver greater value to the investor

CAL  STONE