

STEP – SHORT TERM EUROPEAN PAPER

Fast Facts:

What is it?

STEP is an initiative aimed to foster the integration of the European markets for short-term paper through the convergence of market standards and practices. Its main promoters are the Financial Markets Association and the European Money Markets Institute.

Who is it for?

Issuers (both financial and non-financial institutions) and investors.

What does it provide?

Enhanced market depth and liquidity, and increased diversification of opportunities for issuers and investors.



INTERBOLSA was approved by the STEP Market Committee as an accredited Securities Settlement System (a STEP-compliant SSS).

STEP Program Issuings: scope of the Project

- All commercial paper securities issued with an ISIN code under a program with the STEP label are covered.
- ISIN data that was previously registered in Interbolsa systems – meaning volumes and prices of the primary market, broken down by ISIN – is covered by STEP.
- Communication to ECB of the settlement of primary market operations and daily send out of information of amounts issued.

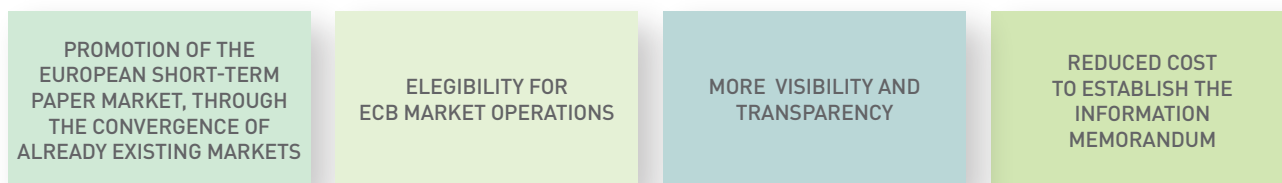
Objective: Enable the transmission of data from STEP programs to the European Central Bank (ECB), allowing it to produce statistics related to price and volumes – aggregated, or individual, by issuer – denominated STEP Information System

Interbolsa specializes in the management of securities settlement systems and central securities depository systems. A limited liability company, the share capital of which entirely held by Euronext Lisbon, Interbolsa is part of the Euronext Group.

Interbolsa provides infrastructures and high quality services to all participants of the securities market, namely to the financial intermediaries and issuer companies, fulfilling their needs with efficiency, safety and confidence. It renders services for settlement, issue registration, deposit and safekeeping of securities according to the best international practices and initiatives, such as STEP.

The **STEP** Secretariat is **managed by the European Money Markets Institute (EMMI)**, an international non-profit making association under Belgian law founded in 1999 with the launch of the Euro and based in Brussels. Its members are national banking associations in the Member States of the European Union which are involved in the Eurozone and the Euro-system.

MAIN BENEFITS OF THE STEP BRAND



Main benefits for Issuers

- Visibility and transparency
- Eligibility for ECB market operations
- Weekly statistics published by the ECB and the STEP portal
- Reduced cost to establish the information memorandum
- Promotion of the European short-term paper market, through the convergence of already existing markets.

Main benefits for Investors

- Transparency and frequent update, through harmonized documentation, prepared by the Issuers
- Commercial Paper with the STEP label is eligible as money market instrument
- Information of all Issuers available in the STEP portal – anonymous and free access to the portal; all process is monitored by the STEP Secretariat, with logistic support from the ECB in the data collection and calculation
- The STEP Market stats provide an evaluation of the exposure to credit in any program, regardless of the type of program
- Promotion of the European short-term paper market, through the convergence of already existing markets
- Commitments are followed by the STEP Secretariat, which monitors the attribution of the STEP label

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About Interbolsa

INTERBOLSA – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (INTERBOLSA) is a limited liability company, the share capital of which is entirely held by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.. In terms established in by-laws and in Decree-Law no. 357-C/2007, of 31st October (Managing Entities' Law), INTERBOLSA's main objectives are the management of settlement systems and the centralized securities system."

Interbolsa is a fully fledged central securities depository (CSD), one of the most advanced CSDs in Europe, developing and offering settlement and custody services and guaranteeing harmonization with the best international practices, namely in what concerns the treatment of corporate actions, investment funds management, securities lending and borrowing, amongst many other services it renders to institutional customers. With over 600 clients spread out in a vast local and international network, Interbolsa enables issuers and financial intermediaries from different geographies to access the financial instruments under its custody, which amount to €310 billion, translating in around 90 thousand settlements and account transfers per month.