

CC&G and CCP.RO BUCHAREST S.A. sign landmark CCP clearing agreement

- **CC&G, part of LSEG, will provide CCP.RO BUCHAREST S.A. of the Bucharest Stock Exchange Group with CC&G's Clearing and Risk Management solution**
- **CC&G provides technology and expertise to CCP.RO BUCHAREST S.A., enabling centralised clearing services for Romania's capital and energy markets**
- **Agreement demonstrates CC&G increased international reach and its ability to provide innovative services to other CCPs**

Cassa di Compensazione e Garanzia (CC&G), a leading provider of post trade services, and part of London Stock Exchange Group (LSEG), today announces it has entered into an agreement to provide CCP.RO BUCHAREST S.A., part of Bucharest Stock Exchange (BVB) Group, with consultancy and technological support to clearing and risk management services that will be managed by CCP.RO BUCHAREST S.A. for all asset classes traded in the Romanian market. CCP RO BUCHAREST S.A. is establishing a central counterparty clearinghouse (CCP) for Romanian markets.

Each legal entity will remain fully responsible for its own distinct CCP activity. The seven-year agreement adds a new dimension to CCP cooperation by allowing the Romanian central counterparty to focus on its market requirements while leveraging CC&G's clearing and risk management expertise and robust IT architecture.

Marco Polito, CEO, CC&G said: "CC&G's agreement with CCP.RO BUCHAREST S.A. represents a landmark project, beneficial to the entire Romanian financial community. This agreement is part of our commitment to simultaneously supporting multiple CCPs across geographies, fostering financial growth and ensuring full compliance with the current European CCP regulatory framework of EMIR and world-wide CCP principles. This agreement is a further step towards the growth of the CC&G clearing services internationally and will lead to further positive developments for both parties and stakeholder communities."

Adrian Tanase, CEO Bucharest Stock Exchange said: "We are pleased to announce the initiation of this vital CCP project for Romanian capital and energy markets. The collaboration with CC&G, a well-recognized CCP in the EU, is a very important element for reaching our goal of making centralised clearing services available for all the capital markets operated by Bucharest Stock Exchange and the energy market operated by the Romanian Gas and Market Electricity Operator (OPCOM). CC&G has just deployed a similar solution in Austria, and I want to congratulate them for this achievement. Together with CC&G, we are looking forward to working closely with all the local stakeholders, including local authorities, the Financial Supervisory Authority, National Bank of Romania, and Romanian Energy Regulatory Authority, to have CCP.RO BUCHAREST S.A. functioning in the most efficient way, so to be able to launch financial derivative instruments and to increase risk management capabilities for our markets."

Victor Ionescu, CEO OPCOM said: "From the very beginning, OPCOM was convinced of the necessity, opportunity and feasibility of the CCP.RO institutional construction and related functional and technology project. The partnership with Bucharest Stock Exchange is also one of the aspects that OPCOM considered for a long time, given the connections between the Stock Exchange and the Power Exchange, and that is proved through its participation and commitment as shareholder of CCP.RO. A CCP brings many benefits to the market from a risk management perspective: transparency, security and daily mark-to-market of cleared positions, all of these in a neutral approach to counterparty risk exposure. Clearing through a Central Counterparty is a step forward in the evolution of the energy markets that will bring energy trades to the next level of liquidity for the benefit of whole economic community, industry, investors and final clients. The contract between CC&G and CCP.RO is part of the committed and solid

For more information, please contact OPCOM S.A.

Victor Ionescu, CEO, telephone +4 021 3071 450

fax +4 021 3071 400

also available on www.opcom.ro

base that OPCOM is looking for CCP.RO to benefit in its way to commercial operation of related trades clearing operations.”

Rodica Popa, CEO CCP.RO BUCHAREST S.A. said: “Romanian capital and energy markets have proved during their evolution the strong commitment of their market operators, Bucharest Stock Exchange and Romanian Power Market Operator, to high technology standards as an important element in markets’ robustness that plays a vital role in the continuous development of a market place. Through the agreement signed with CC&G, CCP.RO is committed to provide stakeholders with the possibility to enhance post-trade capabilities based on high level technology and support for the launch of an independent CCP. This means also that we have to move to the next level of business infrastructure by implementing the specialised technology for margining and risk management operations on a real-time basis and for data reporting. The CCP.RO team believes that the agreement will also provide a valuable opportunity to learn from CC&G’s experience and knowledge, sharing within and between project teams.”

CCP.RO BUCHAREST S.A. will host the infrastructure that will relaunch the derivatives market in Romania and will provide new mechanisms for mitigating and transferring the risks for the markets operated by BVB and OPCOM, thus enhancing the confidence and activity in these markets. The CCP will interpose between the parties of the transaction becoming a counterparty for each buyer, respectively the seller, and will guarantee the completion of the settlement of the transaction by applying specific mechanisms for risk management. For the investors or the participants operating on the local capital market, the existence of the CCP will allow the introduction and development of transactions with derivative financial instruments (having as underlying assets equities, commodities, bonds, indices, exchange rates, etc.).

[Bucharest Stock Exchange \(BVB\)](#) runs markets for shares, bonds and other instruments, through regulated platforms and alternative systems, and provides a wide range of services to participants of financial markets in Romania. The Romanian stock market is on track to be promoted to Secondary Emerging Markets status in September 2020 by FTSE Russell, a leading global index provider. Further information about BVB is available on www.bvb.ro.

CCP.RO BUCHAREST S.A. was founded on November 4, 2019, with an initial capital of app. EUR 17 million. BVB is a majority shareholder with 59.52% of the shares, and the Romanian Gas and Market Electricity Operator „OPCOM” S.A. (OPCOM) retains 19.06%. Other shareholders in the CCP.RO project are: Enel Romania S.A., Banca Transilvania S.A, Tinmar Energy S.A., S.I.F. Banat-Crisana S.A., S.I.F. Transilvania S.A., S.I.F Muntenia S.A. and S.S.I.F. BRK Financial Group S.A.

OPCOM is the Romanian Electricity and Gas Market Operator. Since 2000, OPCOM has been committed to strengthen a market place where energy and environmental certificates are traded in conditions of transparency and integrity. Today, the trading portfolio offered by OPCOM ranges from electricity products to gas products, as well as green certificates. More than 900 companies are using the products available for trading on short-term electricity, gas and green certificates markets as well as on term markets for electricity, gas and green certificates bilateral contracts. In addition to this role, OPCOM is responsible for settlement of the transactions concluded on short-term energy markets, Balancing Market as well as the Imbalances of the Balancing Responsible Parties. OPCOM also manages the Green Certificates Register. Today, OPCOM is acting as Registered Reporting Mechanism under REMIT managing more than 480 reporting agreements on its electricity and gas markets. OPCOM was designated by the Romanian Energy Regulatory Authority as Nominated Electricity Market Operator (NEMO) in accordance with the Regulation (EU) 2015/1222 for fulfilling tasks related to the coupling of the day-ahead and intraday markets.

OPCOM applies the Quality Management System complying with ISO 9001 - SR EN ISO 9001, respectively the Information Security Management System complying with ISO/IEC 27001 - SR EN ISO/IEC 27001, both systems being certified by Lloyd’s Register LRQA.

For more information about OPCOM, please visit us at www.opcom.ro.