Drive optimal funding, liquidity and collateral decisions … in *real-time*

Holistic data. Smarter solutions. Transformational results.

transcendstreet.com

Transcend at a glance

Transcend's modular solution suite empowers the profitability of collateralized businesses by **optimizing global inventory, funding and liquidity decisions.**

Unlike any other provider in the space, Transcend sits on top of your existing technology suite to accelerate ROI and holistically optimize your business.

100+ Industry Integrations	**$2.5T** Assets on Platform	**35+** Solutions Implemented
135+ Team Members	**100%** Client Retention	**3-7** Average Months to Implement

SOLUTIONS FOR THE ENTIRE CAPITAL MARKETS ECOSYSTEM ...

- Banks
- Dealers
- Custodians
- Buy-side

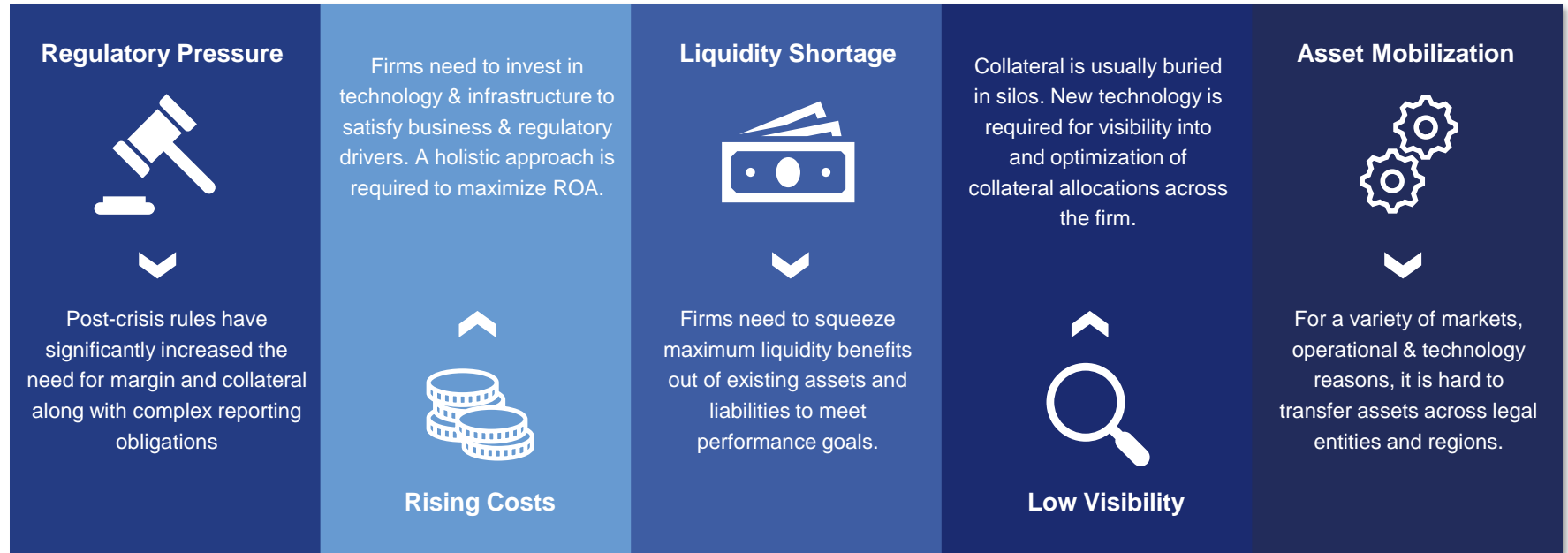**SERVING A BROAD SET OF BUSINESS AREAS ...**

- Securities Finance
- Funding
- Treasury
- Operations
- Derivatives
- FCMs
- Prime Services
- Risk & Regulatory

Pressures and complexity continue to grow

"With costly increases in financial resource requirements following regulatory reform, intensified margin pressures and [market] volatility, collateral optimization presents a significant opportunity to drive efficiency."

- ERNST AND YOUNG

Regulatory Pressure

Post-crisis rules have significantly increased the need for margin and collateral along with complex reporting obligations

Firms need to invest in technology & infrastructure to satisfy business & regulatory drivers. A holistic approach is required to maximize ROA.

Rising Costs

Liquidity Shortage

Firms need to squeeze maximum liquidity benefits out of existing assets and liabilities to meet performance goals.

Collateral is usually buried in silos. New technology is required for visibility into and optimization of collateral allocations across the firm.

Low Visibility

Asset Mobilization

For a variety of markets, operational & technology reasons, it is hard to transfer assets across legal entities and regions.

Driving business benefits

Transcend's solutions enable firms to drive significant efficiencies across the enterprise

Holistic Framework

Connectivity
Direct integrations with CCPs, tri-party agents, utilities, etc.

Analytics
Illuminate inefficiencies / risks in liquidity, funding, and collateral.

Optimization
Identify the smartest collateral allocations and trades to meet obligations.

Automation
Execute thousands of complex collateral movements and trades in minutes.

Efficiency Drivers

Cost Savings
Improve financial resource utilization and operational efficiency.

Operational Efficiency
Mobilize collateral / margin across complex ecosystems for STP.
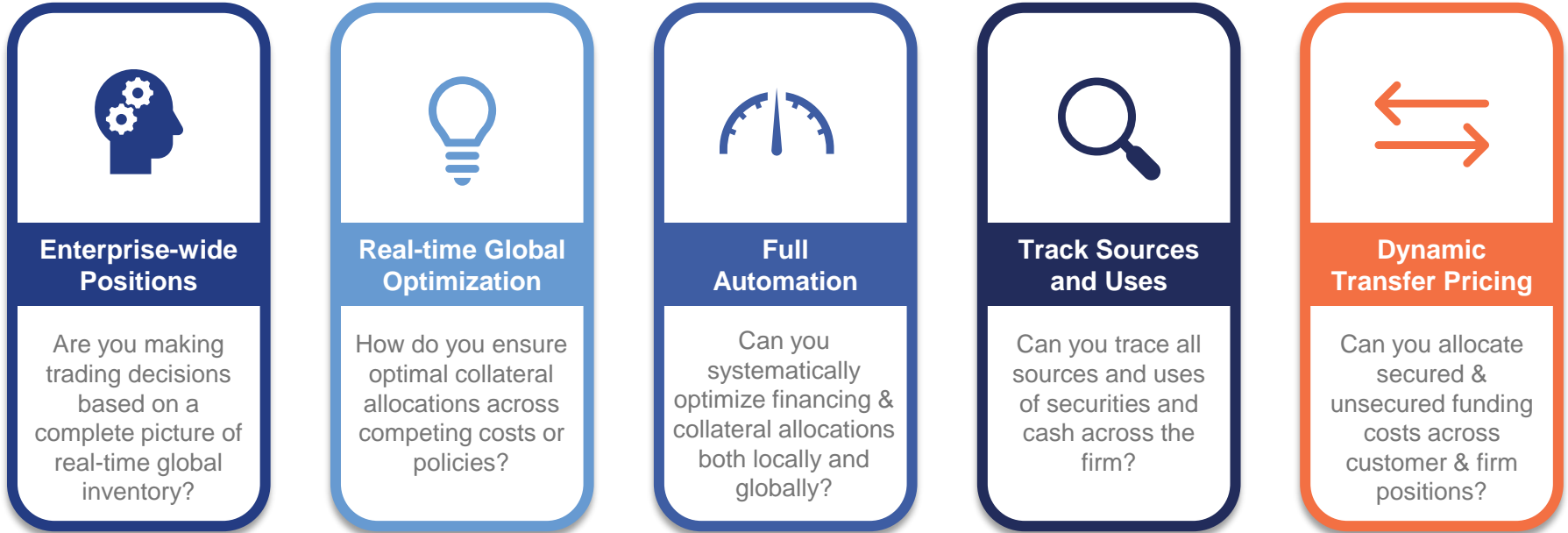
Risk Mitigation
Drive cross-functional transparency with real-time alerts to potential risks.

Realization of 5-15 bps efficiencies

The future of collateralized businesses

Enterprise-wide Positions

Are you making trading decisions based on a complete picture of real-time global inventory?

Real-time Global Optimization

How do you ensure optimal collateral allocations across competing costs or policies?

Full Automation

Can you systematically optimize financing & collateral allocations both locally and globally?

Track Sources and Uses

Can you trace all sources and uses of securities and cash across the firm?

Dynamic Transfer Pricing

Can you allocate secured & unsecured funding costs across customer & firm positions?

Critical capabilities for the next generation of collateralized businesses to drive efficiencies and growth

Transcend's modular solutions

Real-Time Inventory Intelligence
See detail-rich position or trade inventory for the desk, region or business, in real-time, in one place

Sources and Uses & Transfer Pricing
Allocate and analyze the sources and uses of global inventory and enforce funding policies

Eligibility Central
Gain insights into legal agreements to analyze, manage & validate eligibility

Holistic Global Optimization
Identify and automatically execute the most optimal collateral moves and trades for tri-party, bilateral, CCP and other obligations

Margin Intelligence
Manage margin activity and exposure across the business or enterprise from one place

CCP Central
Leverage out-of-the-box connectivity to global CCPs and automate margin optimization and movements

Cash and Liquidity Intelligence
Consolidate cash and securities movements, exposures and projections.
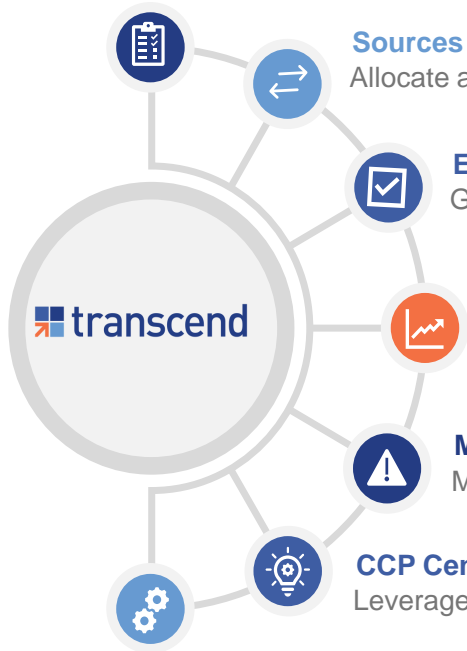
Real-time analytics

Real-time integration of front, middle, and back-office activity

Drill down to anatomic trades, positions, balances and movements

Seamless connectivity with network of custodians, tri-parties, and CCPs

Inventory visibility across legal entities, asset types, collateral uses, liquidity, and funding

Powerful dashboards for targeted business metrics and actionable intelligence

Trusted by industry leaders to power critical capabilities

Analytics

- Major bank using Inventory and **Sources & Uses** to assess collateral and funding usage across regions and business lines

- Tier 1 European bank live with **Transfer Pricing** for Global Equities

- Global bank extended Transcend to enterprise risk management for visibility into **failed/disputed margin and collateral**

- G-SIB **forecasting cash** usage across funding silos and flows

Optimization

- Custodian leveraging Transcend for **Inventory Management, Triparty Optimization & Booking Automation** to help clients comply with UMR

- **CCP Central** launched with Tier 1 bank partner. The new module harmonizes global eligibility schedules, margin & collateral data coupled with STP

- Global bank's operations team leveraging optimization algorithm to drive **optimization efficiencies, while limiting collateral moves**

Automation

- Outbound SWIFT messages enabled to **mobilize collateral at custodians and triparty agents**

- UK bank expanding client directed allocation **connectivity with JPM and Euroclear**

- New "Reserve & Release" ensures **proper usage of shared inventory** across business lines and functions

Compliance

- Successfully met client's regulatory reporting mandate with full implementation of Transcend **QFC Recordkeeping**

- Asian broker-dealer **validated received collateral** to ensure compliance with business and legal terms

- Canadian bank enforced **tight exposure controls** with a sophisticated alert framework

- Helped client meet **Reg YY**

Powered by state-of-the-art technology

Holistic Ecosystem for Collateral, Liquidity, and Funding Information

- **Out of the box integration with industry ecosystem** across depositories, tri-parties, CCPs and vendors

- **Powerful Integration** layer for ease of client integration & deployments

- **Industry leading** analytics and best-practices embedded in solutions

Modern User Interface Lets Users Define their Experience

- **Powerful** dashboards for targeted analytics and decision making

- **Permission users** for data access, personalized views, and editing rights

- **No-code** environment for client configurations
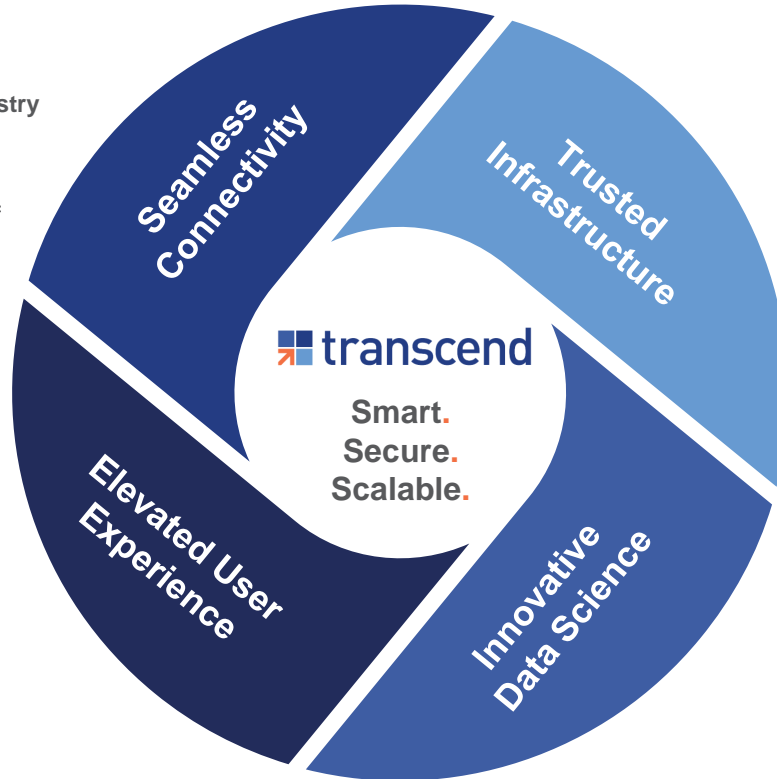
Secure and Scalable Infrastructure Protects Your Data and the Future of Your Business

- **On-prem, AWS cloud or hybrid** deployments

- **Microservices architecture** empowers seamless scalability

- Robust network security controls and standards (**SOC-2 Certification**)

Cutting Edge Analytics Fuel Smarter Decisions

- **Sophisticated analytics** and business intelligence across the platform

- **Powerful algorithmic** decision making with flexible use controls & dials

- **Rich harmonized data** enable use cases for AI enabled solutions

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Smart.
Secure.
Scalable.

Seamless Connectivity

Trusted Infrastructure

Elevated User Experience

Innovative Data Science

Delivery Advantage

Strategic Partner

Domain Expertise

Solution-oriented

Agile & Flexible

Deep Commitment

Quick Results

Strategy & Planning

"Transcend truly understands the real-world complexities around financing, collateral and liquidity. Their innovative solutions helped us address key challenges within our business which we then scaled for the whole enterprise.

- **HEAD OF INVESTOR SERVICES, GLOBAL BANK**

Implementation

"Transcend redefined our expectations around vendor implementations. The high-quality development was sharp, as is the Transcend implementation team. They are engaged, responsive, and knowledgeable.

- **PROJECT MANAGER, ASIAN INVESTMENT BANK**

Customer Success

"Transcend's innovative and comprehensive technology is helping us achieve our key business challenges today, and it is the only solution in the market that has the scalability and integration we will need tomorrow.

- **SENIOR MANAGING DIRECTOR, GLOBAL CUSTODY BANK**

Modules Overview – High Level

Optimize collateral, liquidity & funding through innovative technology

Inventory Intelligence

Harmonize global assets across businesses, legal entities, accounts, jurisdictions, etc. all in one place to gain insights into the composition, utilization, and sources of your inventory for optimal liquidity, funding, and collateral decisions.
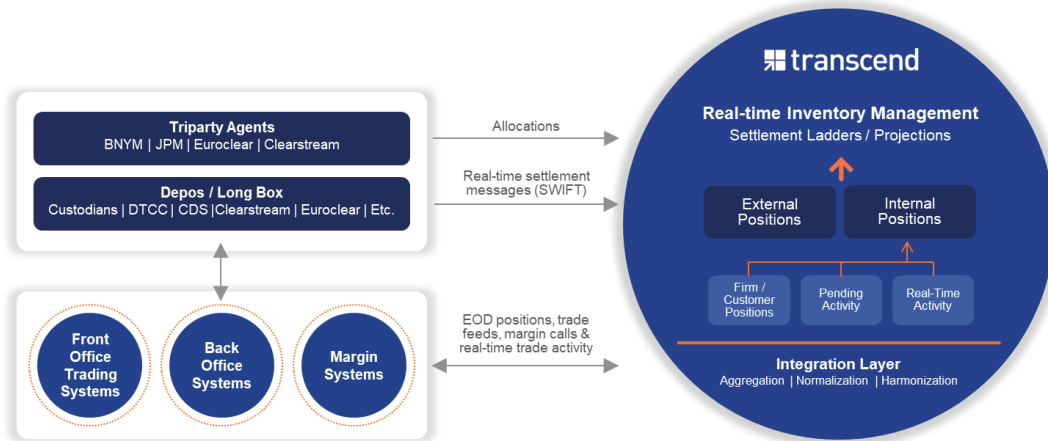
Notable Features

- Holistic forecasting of projected settlement ladders

- Integration Service with seamless connectivity to tri-party agents, custodians, CCPs, trading systems, and more

- Configurable dashboards with historical trends & analysis

- Integrated Booking Service for push-button execution and STP

Key Benefits

- Understand your global inventory in real-time to make the best funding, collateral allocation and trading decisions

- Enable more powerful analytics, optimization, and mobilization

Sources and Uses

A rules-based allocation engine that identifies where collateral and funding is sourced, and how that collateral is being deployed, providing critical insights into the utilization and efficiency of financial resources across the enterprise.
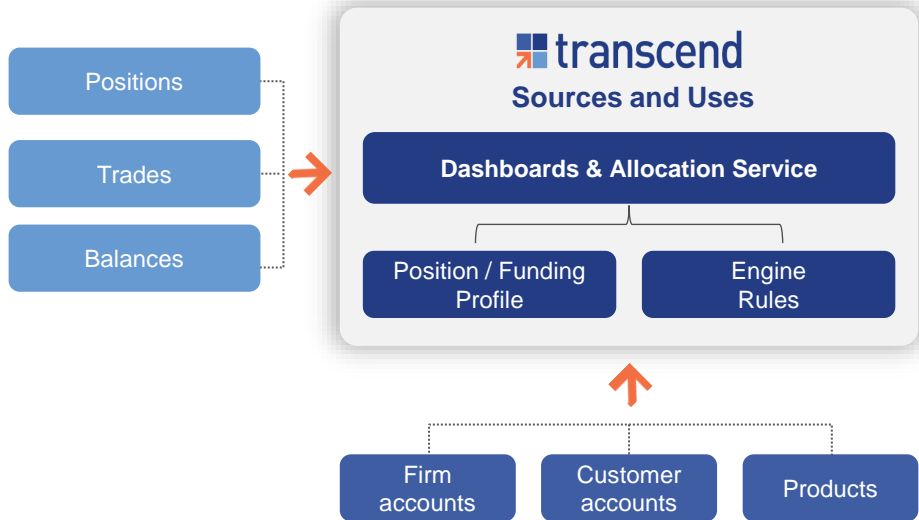
Notable Features

- Rules-based allocations that connect the source of each asset to its use

- Customizable allocation framework

- Trading and financing activity fully traced back to inventory positions

- Ability to drill into trade or book level details

- Support for trading inventory, derivative hedges and Prime Brokerage balances

Key Benefits

- Identify inefficient collateral usage

- Monetize assets that trade at a premium

- Run proactive trading with projected end-of-day position details

- Fund securities and derivatives trading more effectively

- Understand the usage of unsecured funding

Positions
Trades
Balances

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Sources and Uses

Dashboards & Allocation Service

Position / Funding Profile

Engine Rules

Firm accounts

Customer accounts

Products

Transfer Pricing

A rules-based allocation engine that allocates the costs and benefits of both secured and unsecured financing activities back to each business, desk and trader in order to effectively charge and incentivize business activity.
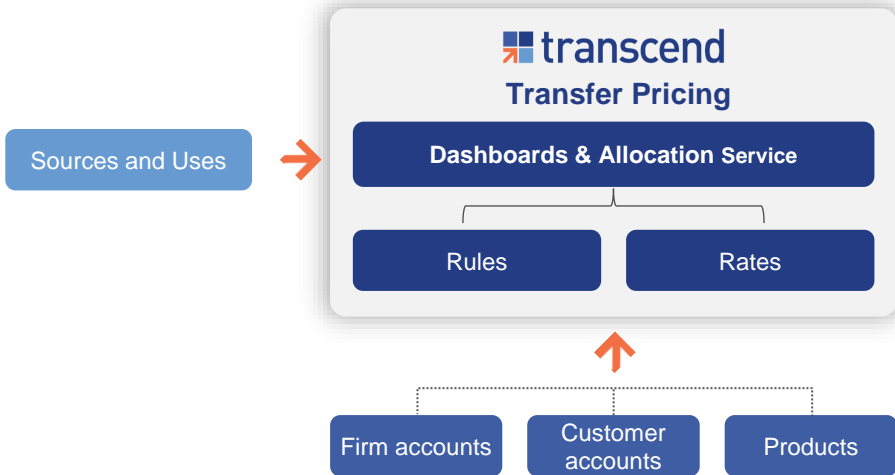
Notable Features

- Configurable rules engine to support attribution of funding and liquidity charges

- Ability to flexibly charge benchmark, security-specific or client-driven rates to business groups

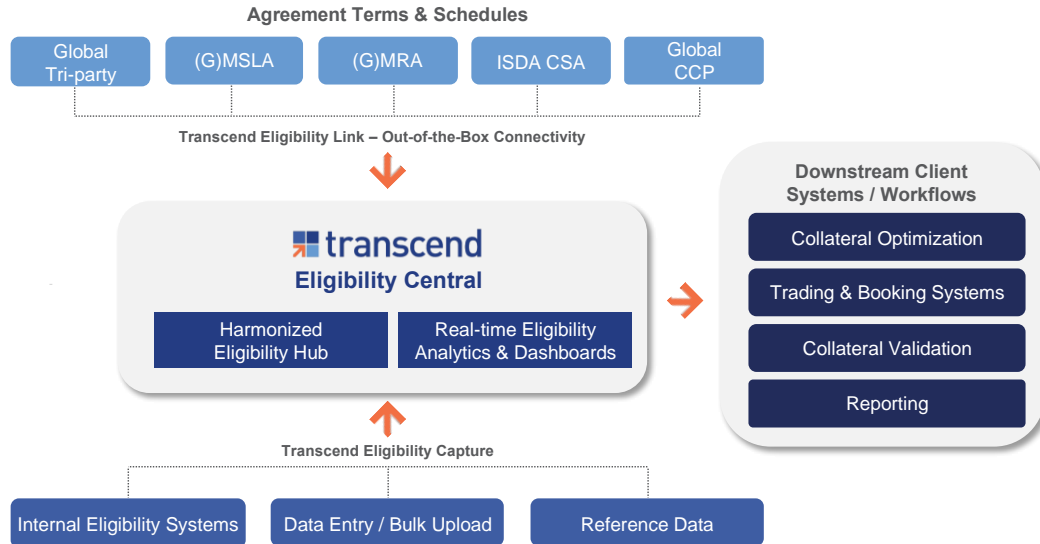- Daily or historical client and firm P&L calculations, with full picture into funding activity

Key Benefits

- Encourage smarter trading and funding decisions with insights into secured and unsecured funding and liquidity costs across the enterprise

- Ensure consistency and neutrality across the firm's business lines by enforcing consistent funding policies

- Incentivize the best use of collateral and funding through consistent and transparent allocation of funding costs

Sources and Uses →

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Transfer Pricing

Dashboards & Allocation Service

Rules | Rates

Firm accounts | Customer accounts | Products

Eligibility Central

An end-to-end platform that digitizes, harmonizes, and analyzes eligibility schedules spread across legal agreements, exposing more options for informed funding decisions and driving quicker implementations of optimization and mobilization strategies.

Agreement Terms & Schedules

| Global Tri-party | (G)MSLA | (G)MRA | ISDA CSA | Global CCP |

Transcend Eligibility Link – Out-of-the-Box Connectivity

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Eligibility Central

| Harmonized Eligibility Hub | Real-time Eligibility Analytics & Dashboards |

Transcend Eligibility Capture

| Internal Eligibility Systems | Data Entry / Bulk Upload | Reference Data |

Downstream Client Systems / Workflows

- Collateral Optimization
- Trading & Booking Systems
- Collateral Validation
- Reporting

Notable Features

- Out-of-the-box connectivity to tri-party agents, CCPs, and central banks

- Integrations with internal systems for ISDA/CSA and bi-lateral finance (MRA/MSLA)

- An intuitive user interface for ad hoc eligibility capture and modification

- Real-time eligibility analytics / dashboards

- Integration with downstream optimization, validation and execution solutions

Key Benefits

- Accelerate the time-to-value for various initiatives from collateral optimization to collateral mobilization and STP.

- Ensure you are realizing the greatest funding value from your assets

Enterprise Optimization

Transcend's Enterprise Optimization engine identifies the best use of collateral across existing counterparty transactions and investment options. Seamlessly evaluate collateral eligibility, funding / capital costs, and operational parameters across Tri-party, CCPs, bilateral, and derivatives margin requirements.

Key Benefits

- Realize savings of 5-15bps on use of collateral

- Optimize across business line and legal entity silos

- Dynamically respond to changes in the market or regulatory environment through real-time updates to cost inputs and collateral constraint objectives

- Improve liquidity risk management and retention of most valuable assets

- Reduce haircuts / unsecured funding usage

Notable Features

- Out-of-the-box connectivity to CCPs, Tri-party Custodians, and trading/margin systems

- Robust collateral profile integrates tenor, collateral source, and status data to drive improved optimization results

- No-code configuration allows business users to define optimization objectives for algorithmic and rules-based decision making

- Integrated Booking Service to automatically execute optimal recommendations
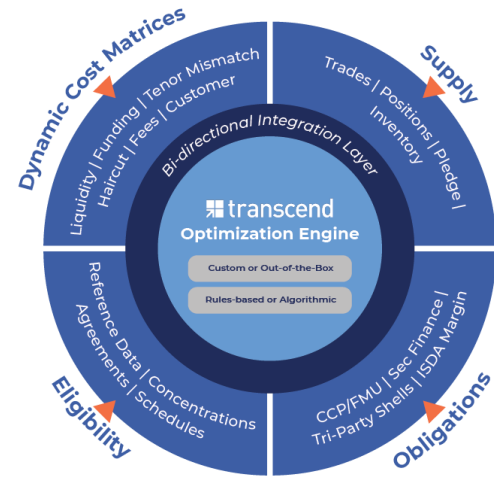
Tri-party Optimization

Elevate tri-party collateral decisions and automation with holistic optimization across a global network of tri-party agents for even greater financial and operational efficiencies.
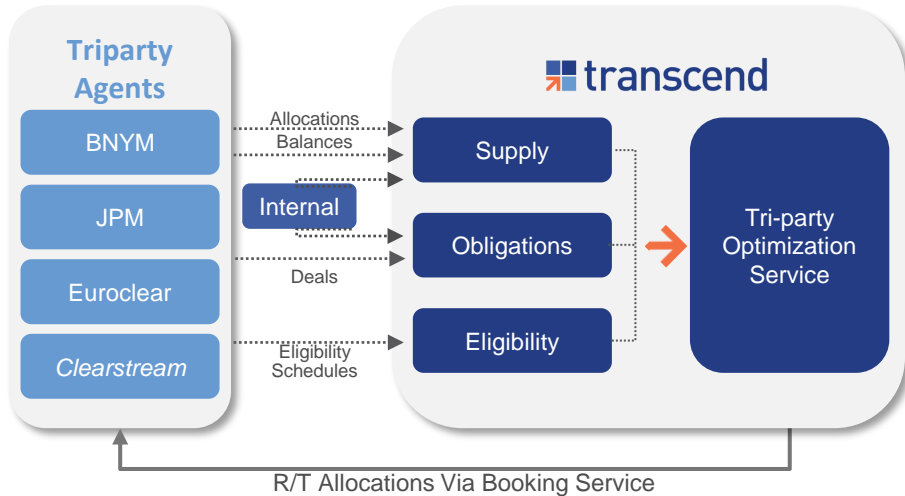
Notable Features

- Out-of-the-box connectivity to global tri-party custodians

- Harmonization and integration of digitized eligibility criteria across tri-party providers

- Ability to configure dynamic scenario objectives through rules, cost inputs, and collateral constraints

- Holistic optimization with consideration of multiple factors (ex: tenor, liquidity, customer vs. firm, etc.)
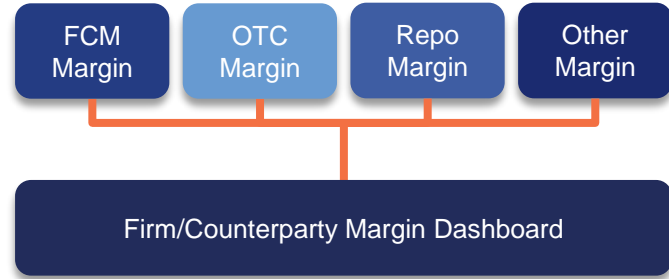
Key Benefits

- Realize significant collateral and funding cost savings by optimizing across tri-party agents, rather than in silos

- Optimize liquidity and funding costs that are not visible directly at triparty agents

- Substantially reduce operational costs and increase risk mitigation with end-to-end STP

Intraday Margin Intelligence

A single, harmonized platform that integrates margin calls, pledges and collateral balances intraday across disparate business-line specific margin workflow systems.

Key Benefits

- Increase transparency of margin activity across OTC Derivatives, Futures & Cleared Derivatives, Repo, TBAs and Securities lending

- Improve risk management with transparency into margin call status, disputes, and fails for counterparty exposures

- Seamlessly integrate margin requirements into optimization and booking service capabilities to determine the best collateral to meet margin requirements and automate the mobilization of those assets
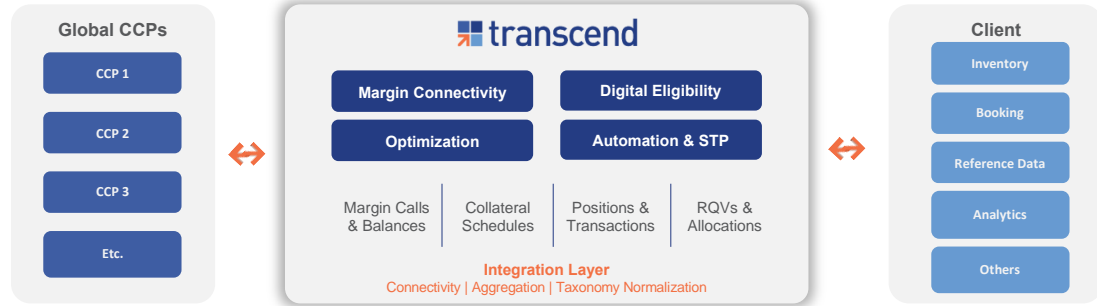
Notable Features

- Seamless connectivity into existing margin infrastructure across asset classes

- Ability to drill into margin activity by counterparty / customer, currency, legal entity, business etc.

- Integration with Transcend's Collateral Optimization solution for effective management of complex margin call demands while minimizing overhead and risk

- Direct access to governing legal agreements and reference data

CCP Central

An end-to-end platform that integrates and harmonizes margin, collateral and eligibility data across a global network of CCPs, providing full transparency into CCP margin activity with the optimization and automation of collateral postings.

Global CCPs
- CCP 1
- CCP 2
- CCP 3
- Etc.

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- Margin Connectivity
- Digital Eligibility
- Optimization
- Automation & STP

Margin Calls & Balances	Collateral Schedules	Positions & Transactions	RQVs & Allocations

Integration Layer
Connectivity | Aggregation | Taxonomy Normalization

Client
- Inventory
- Booking
- Reference Data
- Analytics
- Others

Key Benefits

- Improved financial performance and increased cost savings by optimizing collateral usage to meet margin needs across CCPs

- Increase process automation and reduce operational costs, removing the risk of human error in the process

- Break down information gaps between Treasury, Operations, and Trading to improve liquidity controls and drive better CCP funding even in periods of high volatility.
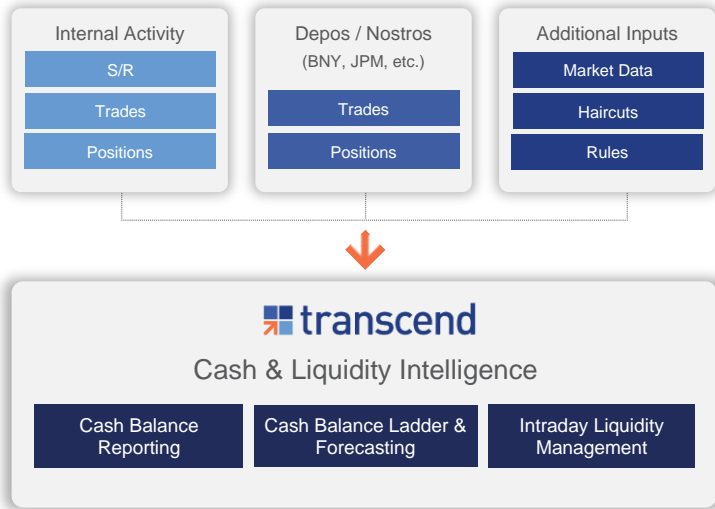
Notable Features

- Out-of-the-box connectivity to a global network of CCPs

- CCP eligibility schedules centrally maintained by Transcend

- Real-time capture of intraday margin workflows

- Eligibility assessments and analysis via normalized asset class taxonomy

- Optimization of margin postings by integrating available inventory, CCP eligibility and optimization costs/constraints

- Automatic executions of margin allocations

Cash and Liquidity Intelligence

Transcend Cash and Liquidity Intelligence harmonizes, analyzes, and projects cash and securities balances across depos, nostros, and internal accounts for more effective cash and liquidity management.

Internal Activity
- S/R
- Trades
- Positions

Depos / Nostros (BNY, JPM, etc.)
- Trades
- Positions

Additional Inputs
- Market Data
- Haircuts
- Rules

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Cash & Liquidity Intelligence
- Cash Balance Reporting
- Cash Balance Ladder & Forecasting
- Intraday Liquidity Management

Notable Features

- Intraday cash flow / liquidity projections at specified time intervals
- Real-time integration of cash activity at nostro providers
- Ability to analyze cash ladders across various dimensions including currency, transaction type, derivative payments, corporate actions, custodian, paying agent, etc.
- Automated alerts for external nostro limit breaches
- Insights into highest / lowest activity levels during the day

Key Benefits

- Improve financial performance through more efficient cash usage
- Avoid and proactively cure cash deficits
- Prevent unnecessary draws from credit lines
- Limit the size of cash buffers in accounts
- Improve forecasting across funds / accounts

Booking STP Service

A full stack of services to mobilize your assets and execute the movement of cash and collateral across Triparty Agents, CCPs, Bilateral counterparties and internal systems.
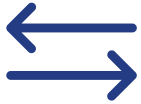
Comprehensive Transaction Support

Supports multiple transaction types for executing Tri-party allocations, margin movements and financing contracts

Support for Multiple Sources

Booking service is integrated with internal modules and provides an interface that can connect to client systems via a common API

Configurable Rules

Provides a flexible framework to configure rules to instruct movements between triparty agents, CCPs and bilateral counterparties

Booking UI for Transparency

Displays real-time execution updates and results in a native booking STP UI, with support for full execution, approval and audit workflows