

# *Profile* THE DEPOSITORY TRUST & CLEARING CORPORATION

For more than 35 years, DTCC's family of companies has helped automate, centralize, standardize and streamline processes that are critical to the safety and soundness of the capital markets. DTCC, through its subsidiaries, provides clearing, settlement and information services for equities, corporate and municipal bonds, government and mortgage-backed securities, money market instruments and over-the-counter derivatives. In addition, DTCC is a leading processor of mutual funds and insurance transactions, linking funds and carriers with their distribution networks. DTCC's depository provides custody and asset servicing for more than 3.6 million securities issues from the United States and 121 other countries and territories, valued at \$36.5 trillion. In 2010, DTCC settled nearly \$1.66 quadrillion in securities transactions. The company is user-owned, and overseen by a Board of Directors comprised of these users. The Southern Business Center (SBC), located in Tampa, FL, was established in 2004 following the events of 9/11 to further decentralize the clearance and settlement functions of the financial industry. Since its opening, the facility has grown to more than 500 employees, serving as a critical component of DTCC's business continuity strategy.

A proud recipient of numerous awards and a recognized leader in the financial services industry for performance excellence, DTCC has been inducted into the Kaplan and Norton Balanced Score Card Hall of Fame; awarded Six Sigma CEO of the Year; and recognized as the first U.S. financial services company to receive Capability Maturity Model Integration (CMMI) Level 3 certification across its entire enterprise. DTCC's strong commitment to performance excellence is also represented by the number of employees who have sharpened their Six Sigma skills through rigorous certifications programs. To date, DTCC is home to four Six Sigma Master Black Belts, eight Black Belts, more than 100 Green Belts, and more than 150 Lean Yellow Belts.

## OUR MISSION

We protect our clients and financial markets and systems as a whole. We leverage our scale and expertise to perfect a more robust, unified infrastructure and promote solutions that systematically reduce risks, amplify operating efficiency and minimize cost.

## OUR VISION

We are unwavering in our commitment to drive out risks and costs. To achieve this, we partner with clients to bring stability to the global financial markets and create efficiencies for an ever-expanding industry.

## OUR VALUES

DTCC's core values are the foundation upon which our mission and purpose are built. These values are:

- Integrity and Trust
- Quality and Excellence
- Customer Focus
- Employee Focus and Respect
- Innovation
- Teamwork

## LEADERSHIP

The SBC leadership team is comprised of a Managing Director, and 13 Vice Presidents representing Operations, Application Development and Maintenance (ADM), Human Resources, Finance, Legal, Risk, New Business and Audit functions. DTCC employs a matrix management structure, enabling a multi-site reporting structure. SBC's management team leads by example and sets the tone of ethical behavior and compliance, making sure there is a consistent application of corporate policies and procedures at the facility. This leadership team is also responsible for communicating corporate direction and performance to maintain employee alignment with the company's strategic direction. This is accomplished in a variety of ways, including site-wide quarterly town hall sessions.



GOVERNOR'S  
STERLING AWARD

## STRATEGIC PLANNING

DTCC's strategic planning processes are completed in conjunction with the annual business planning, budgeting, and corporate performance review processes. Information is culled from a variety of sources, including performance data from the organization, input from all Managing Directors, several regulatory agencies, and the Board of Directors, which is comprised of senior leaders from several customer organizations within financial services. The strategic planning process culminates in the enterprise-wide deployment of the annual corporate goals. Corporate goals are embedded throughout the organization, incorporating them in departmental goals, managerial goals, and individual performance goals. DTCC also communicates its corporate goals to all external stakeholders by publishing a development agenda, which is updated quarterly and is available via the corporate web site, dtcc.com.

## CUSTOMER FOCUS

The customer experience is paramount to DTCC. Customers are segmented into five primary groups: Asset Services, Equities, Fixed Income, Insurance and Retirement, and Mutual Funds. DTCC maintains open communications with its customers through a variety of methods, including annual satisfaction surveys; experience surveys conducted after a customer has an interaction with DTCC; and conferences and user groups hosted by DTCC, which gives customers an opportunity to provide feedback and have direct interaction with DTCC's product managers, relationship managers and customer service representatives. Additionally, DTCC has enabled customers to interact with the organization through several channels, including traditional phone and email communication, as well as web-based inquiry technology. DTCC offers customers onsite and offsite products and systems training, and as extensive ongoing customer support prior to launching a new service offered by DTCC's subsidiaries. These and other communication and engagement methods have enabled DTCC to maintain a 91% customer satisfaction rating for five consecutive years. This is equal to the 80th percentile of organizations measured by the American Customer Service Index, and exceeds similar financial service companies for each year measured.

## MEASUREMENT, ANALYSIS, & KNOWLEDGE MANAGEMENT

DTCC strives for top performance in everything it does. Therefore, its business management model is heavily reliant upon data- and metrics-based tools that are embedded throughout the organization, including the strategic planning process. In fact, data is reviewed at all levels of the company and across multiple departments to enable the most timely and accurate delivery of services. This is supported by an expansive use of the Six Sigma methodology and best-in-class use of the Balanced Business Scorecard (BBS), which contains enterprise-wide measures and data targets from various functional or departmental scorecards. In addition, best-practice sharing occurs across DTCC, including its depository subsidiary DTC where teams host operations information sessions, post-implementation reviews and all employee town halls. This ensures that all employees have access to the information and data, and are empowered to make data-based decisions.

## WORKFORCE FOCUS

The SBC is comprised of more than 500 employees with a mix of talent, experience and tenure. With nearly 30 methods used to communicate and engage employees, DTCC's corporate value of Employee Focus and Respect is demonstrated on a daily basis. DTCC's communications methods include town halls; skip level meetings; annual reviews; 360 reviews; the employee publication, The View; the customer magazine, @DTCC; and one-on-one meetings. With retention rates in excess of 95%, DTCC is a demonstrated employer of choice in the Tampa area. Employee development needs are fulfilled internally through on-the-job training, rotational programs, and hundreds of Education Center classes offered on an annual basis, including a variety of certifications, external collaborative partnerships and a tuition reimbursement program. DTCC employees also support the communities where they live and work directly supporting corporate green initiatives for battery recycling and paper reduction, as well as community involvement such as charitable donations and offsite volunteer activities.

## PROCESS MANAGEMENT

DTCC's ability to continue to exceed customer expectations is based on extensive

use of process management practices, which are used to drive innovation as well as ensure robust capabilities and service availability. By incorporating CMMI methodologies as well as Six Sigma and Kaizen improvement methodologies, DTCC has continuously improved its resiliency and uptime capabilities. This underscores its value of Quality and Excellence. In addition, through extensive use of other quality programs, DTCC has raised the bar on its own performance and has extended its performance excellence capabilities to benefit the industry as a whole through partnerships, joint projects and publication of performance indicators.

## RESULTS

- As a testament to DTCC's continuity activities and resiliency as a service provider, the company consistently completes settlement for the financial industry, bringing greater safety and soundness to the U.S. financial marketplace.
- DTCC's systems maintain world-class levels for uptime greater than 99%
- DTCC's retention of employees is greater than 95%
- DTCC's key work processes maintain greater than 95% for both timeliness and accuracy
- DTCC has received a 91% customer satisfaction rating for five consecutive years
- DTCC's cost per transaction for equities clearing is globally the lowest price at \$0.0031

*"The Florida Sterling standards will complement the existing process improvement initiatives and methodologies we use at DTCC, advancing cohesive strategic alignment across the organization while further strengthening our organizational performance and customer satisfaction."*

- Eric Miller, Managing Director and Head of Southern Business Center  
The Depository Trust & Clearing Corporation

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