SRD - Shareholder Identification (SI)

3.0 / Public / November 2020

CENTRAL SECURITIES DEPOSITORY

OeKB
CSD GmbH

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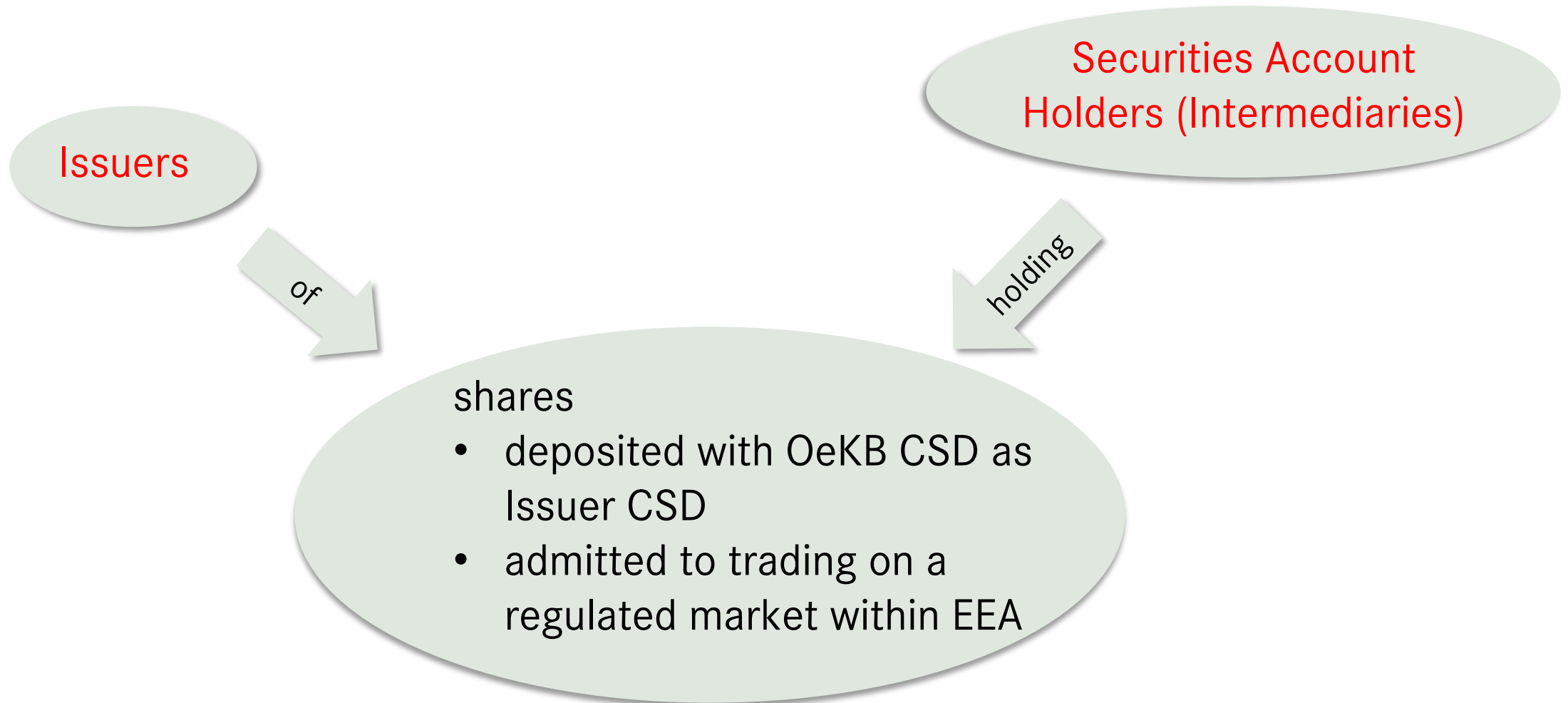- Technical and Functional Requirements
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Right of the Issuer to request the Disclosure of the Identity of Shareholders

- The Shareholders Rights Directive enables issuers

  - whose shares are listed on a regulated market within the EEA

  - to request the identity of their shareholders[1]

  - via the custody chain.

- Each issuer is free to make active use of this facility as of September 3rd, 2020[2]. There is no obligation on the issuer to make use of it.

- The custody chain starts with the CSD (i.e. Central Securities Depository) where the shares are deposited. For that specific share this CSD

  - acts as the Issuer CSD

  - and has the role of first intermediary.

[1] under Austrian law: only if in control of at least 0.5% of the outstanding shares
[2] date of entry of COMMISSION IMPLEMENTATION REGULATION (EU) 2018/1212 into force

Stakeholders affected by OeKB CSD's Implementation Project

Securities Account
Holders (Intermediaries)

Issuers

of

holding

shares
- deposited with OeKB CSD as Issuer CSD
- admitted to trading on a regulated market within EEA

Appointment of the responsible Information Provider

- In the course of June 2020, issuers were invited to submit to OeKB CSD the
  - name,
  - address &
  - BIC code

  of the Information Provider that has been appointed by the issuer as being responsible for transmitting the Disclosure Requests (SI) to OeKB CSD.

- The Information Provider may be
  - either the issuer himself or
  - any agent appointed by the issuer.

- Any Information Provider needs to be capable to correctly create and send
  - messages in ISO 20022 format
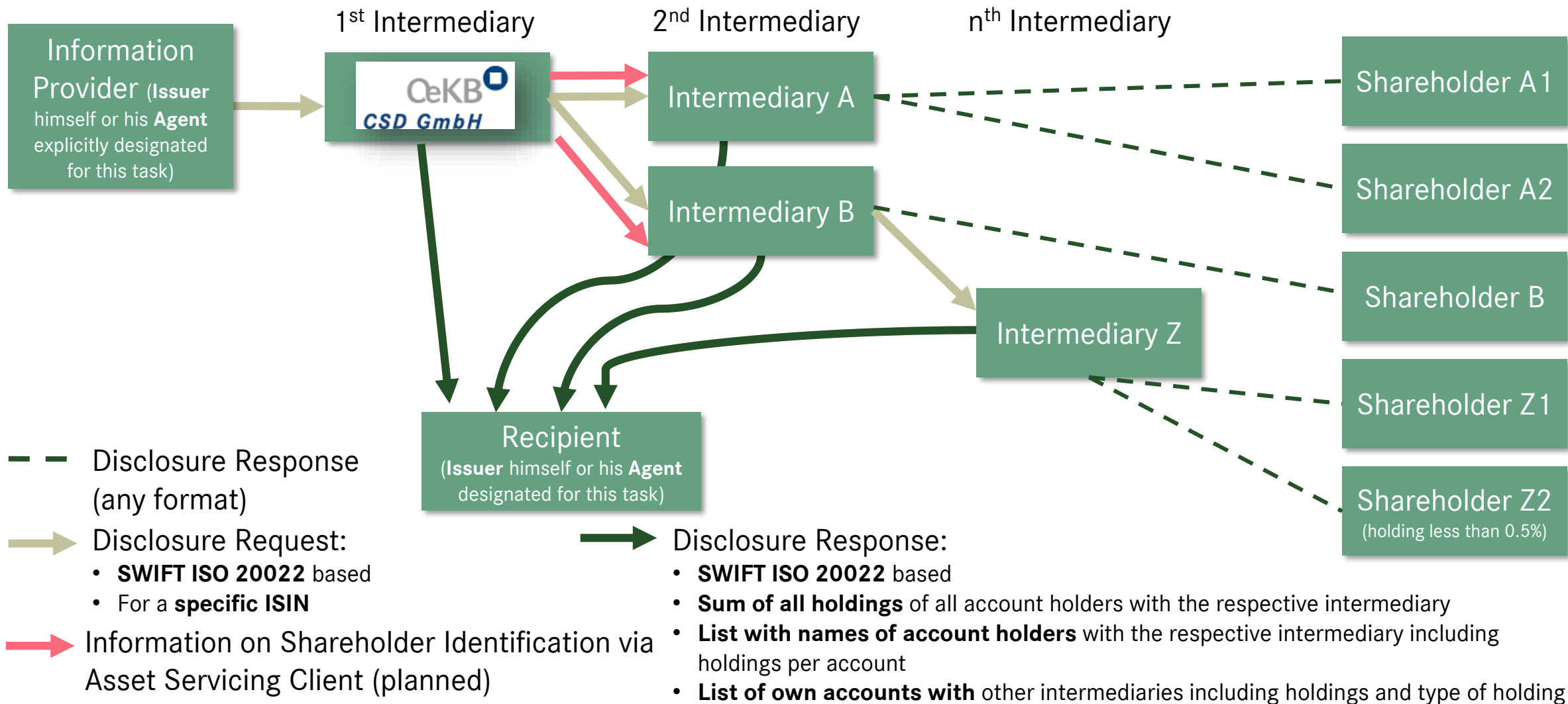 - via the SWIFT network.

  Due to related regulatory reporting obligations predating SRD II with regard to disclosure requests, it may make sense to appoint agents who are already entrusted with similar reporting obligations.

- The Issuer may at any time replace the Information Provider by another Information Provider.

Shareholder Identification (SI)

1st Intermediary

2nd Intermediary

nth Intermediary

Information Provider (**Issuer** himself or his **Agent** explicitly designated for this task)

OeKB CSD GmbH

Intermediary A

Intermediary B

Intermediary Z

Recipient (**Issuer** himself or his **Agent** designated for this task)

Shareholder A1

Shareholder A2

Shareholder B

Shareholder Z1

Shareholder Z2 (holding less than 0.5%)

- - - Disclosure Response (any format)

→ Disclosure Request:
- **SWIFT ISO 20022** based
- For a **specific ISIN**

→ Information on Shareholder Identification via Asset Servicing Client (planned)

→ Disclosure Response:
- **SWIFT ISO 20022** based
- **Sum of all holdings** of all account holders with the respective intermediary
- **List with names of account holders** with the respective intermediary including holdings per account
- **List of own accounts with** other intermediaries including holdings and type of holding

Recipient of the Responses to a Disclosure Request

- The Disclosure Request has to specify the Recipient appointed to receive the responses to the Disclosure Request.

- The Recipient of the responses specified in the Disclosure Request must be able

  - to receive relevant SWIFT ISO 20022 messages correctly,

  - to communicate with all intermediaries[1] in the custody chain on a SWIFT basis[2] and

  - to interpret and consolidate the responses.

[1] possibly a comprehensive list of market participants from countries inside and outside the European Union

[2] including the exchange of encryption keys, SWIFT certificates and SWIFT RMAs

Process of initiating a Disclosure Request via OeKB CSD

- In order to transmit a Disclosure Request in the custody chain via OeKB CSD the notification process of the Information Provider must have been positively completed (see slide 5).

- The Information Provider must meet both the technical and professional requirements:

  - Confirmation of successful processing and (technical) readiness for receipt by OeKB CSD:

    - Up to 2 weeks after completion of the notification of the Information Provider.

    - Confirms that Disclosure Requests can be (technically) received from the Recipient and processed in accordance with the SRD II.

  - (Technical) transmission of the disclosure request:

    - ISO 20022 via SWIFT as defined by SRD II.

    - Processing approach of OeKB CSD is based on the recommendations of relevant market standards.

  - Processing of the Disclosure Request in the custody chain:

    - See illustration in slide 6.

Technical and Functional Requirements

- All communication regarding the execution of Disclosure Request is based on the ISO 20022 standard and uses SWIFT as the communication channel.

- Messages to OeKB CSD

  - must comply with the respective technical standards[1].

  - must comply with the technical requirements of the Commission Implementing Regulation[2].

  - shall follow the recommendations of the Securities Market Practice Group[3]. It should be emphasized that OeKB CSD, taking into account the underlying idea of straight through processing and market standardization of the Directive, can only process complete, correct and consistent Disclosure Requests (in the sense of the recommendations of the Securities Market Practice Group) without additional effort and associated delays.

- Interpretation of the requests and processing procedures as well as responses of OeKB CSD to issuers / their agents

  - comply with the technical standard[4].

  - comply with the technical requirements of the Commission Implementing Regulation[5].

  - are based on the recommendations of the Securities Market Practice Group[3].

[1] see here, chapter „Securities Events", seev.045 (seev.046, seev.049)

[2] see here, Annex Table 1

[3] see here, published at finalization

[4] see here, chapter „Securities Events", seev.047 (seev.048)

[5] see here, Annex Table 2

Contact

Any questions? Please contact us!

Harald Seisenbacher

Relationship Management Issuers

T +43 1 53127–2016

rm-issuers@oekb-csd.at