



Habib Bank AG Zurich

Shareholder Rights Directive II (EU) 2017/828: information on the disclosure of client data

For the ease of comprehension, Habib Bank AG Zurich (hereinafter "the Bank") uses only masculine pronouns in its documentation and legal framework. These are to be understood as including both genders.

1. Purpose of the Shareholder Rights Directive II (EU) 2017/828

The Shareholder Rights Directive II (EU) 2017/828 ("SRD II" or "Directive") is a directive of the European Union which came into force on 3 September 2020. It aims to increase transparency between companies and their investors and to promote long-term investor participation. In order to achieve these objectives, the Directive provides for the identification of investors, the transmission of information and the facilitation of the exercise of, in particular, shareholder rights. The minimum requirements in this respect are specified in the Implementing Regulation (EU) 2018/1212, which also came into force on 3 September 2020.

2. Scope of the Directive

The Directive and its national implementing decrees apply to companies established in the European Economic Area ("EEA"); this includes the member states of the European Union, as well as Iceland, Liechtenstein and Norway. The securities issued by companies must be approved for trading on a regulated market in the EEA or a third country.

The types of securities in the regulated markets in the EEA and outside the EEA that fall within the scope of the Directive ("Securities Concerned") depends on the national transposition laws of the EEA member states. SRD II applies primarily to shares traded on a regulated market. However, some national transposition laws go beyond the European minimum requirements for the Directive, thus extending its scope. For example, bonds, may also fall within the scope of application, provided that an EEA member state incorporates them into national law.

3. Disclosure of Client Data

Companies established in the EEA ("Companies") will have the right to obtain information on the identity of their investors in order to exchange information with them. The right to investor disclosure may be asserted worldwide by a Company against any institution that retains the company's Securities Concerned. As a consequence of this regulation, the Bank is also required to provide the Company with the client's identity at its request if the client holds Securities Concerned in his custody. Client data may also be sent abroad where the disclosure takes place. The data will no longer be subject to Swiss data protection law and bank client confidentiality. Third parties may have access to the data under local foreign law.

3.1. Is there a threshold for disclosing the identity of investors?

EEA member states may provide that Companies may request information on the identity of investors if a certain threshold of Securities Concerned or voting rights is exceeded. In some EEA member states, for example, identification is possible if an investor holds more than 0.5% of the securities or voting rights concerned.

3.2. Which client data is disclosed?

At the request of a Company, the minimum information to be provided includes:

- Name and contact details (including full address and if available, e-mail address);
- if the client is a legal entity, the national registration number or a unique identifier such as the "Legal Entity Identifier" must be provided;
- the number of securities held, and
- the categories or classes of the Securities Concerned and the date from which they are held.

3.3. Can an investor refuse to disclose his client data?

The Bank is required to disclose the identity of investors upon request. Bank clients cannot, therefore, opt out of disclosing the necessary information to the requesting Company if Securities Concerned are in their custody. If the client does not wish to disclose his client data, he must refrain from purchasing or holding Securities Concerned.

4. Facilitating the exercise of shareholder rights

The new rules require the Bank to facilitate the exchange of certain additional information between the Company and the investor. Therefore, after receiving information from a Company, the Bank informs its clients about general meetings and other corporate events. In addition, at the request of its clients, the Bank can facilitate registration for general meetings.