

UniCredit Slovenia: Summary on SRDII

The aim of this paper is to provide a comprehensive overview of SRDII and its implementation in UniCredit Slovenia.

1. INTRODUCTION AND LEGAL BACKGROUND

On 3 September 2018 the European Commission issued the implementing regulation (EU) 2018/1212 establishing the minimum requirements for implementation of the provisions of the Directive commonly known as "SRD II" (Shareholder Directive II, i.e. Directive 2007/36/EC). The Directive focuses in particular on the identification of shareholders, the forwarding of information and facilitation of the exercise of shareholders' rights.

Changes to the Companies Act (ZGD-1K) were published in the Official Gazette nr. 18 on 9 February 2021 and is valid since 24 February 2021. Provisions relating SRDII provisions are applicable since 24 August 2021.

The Slovene CSD (KDD) will be the only entry point for receiving the responses regarding Shareholder Disclosure and General Meeting instructions.

2. SHAREHOLDERS IDENTIFICATION

The process of shareholder identification is applicable for shares held on fiduciary accounts. Shares held on segregated accounts in the name of beneficial owner will not be subject Shareholder's identification disclosure requests.

2.1. Identification information

- a) Natural person:
 - Name and unique personal identification no. or tax number
 - Permanent or temporary address of the shareholder
 - E-mail address, if it exists
- b) Legal entity
 - Name of the Legal entity
 - Registered or business address
 - Registration number of the Legal entity
 - Tax number
 - E-mail address, if it exists
- c) Additionally, if requested by the issuer, the following information has to be provided:
 - Number of owned shares
 - Type and class of shares
 - Date of acquisition of shares

2.2. Communication process – sending Shareholder's identification disclosure requests

- a) KDD will send the Shareholder's identification disclosure requests to its members on the following dates:
 - Before the record date (RD): sent to all the KDD members
 - After the record date (RD): sent to the KDD members with ISIN holding on RD.
- b) Shareholder's identification disclosure requests will be sent from UniCredit Slovenia to its clients and third party providers (Broadridge, ISS Governance and Proximity) by:

- e-mail using CSV file format (ISO 20022 standard)
or
 - SWIFT MT564 (corporate action indicator DSCL). The MT564 will include the following data:
 - Issuer disclosure request identification (unique identifier of the request provided by KDD)
 - Disclosure response recipient, which is always KDD:
 - Name: KDD - Centralna klirinsko depotna družba, d.o.o.
 - Address: Tivolska cesta 48, 1000 Ljubljana, Slovenija
 - LEI: 48510000JZ17NWGUA510
 - Issuer disclosure deadline
- c) Clients and third party providers (Broadridge, ISS Governance and Proximity) are urged:
- to inform UniCredit Slovenia which communication option for Shareholder's Identification Disclosure they prefer (SWIFT MT564 or e-mail),
 - to send UniCredit Slovenia the contact details for sending the Shareholder's Identification Disclosure requests via e-mail (contacts at client or at third party provider - Broadridge, ISS Governance and Proximity).

Communication via SWIFT ISO 20022 will be supported at a later stage.

2.3. Communication process – response to Shareholder's Identification Disclosure requests

- a) Each intermediary in the chain individually submits their response to the KDD. The responses to the KDD have to be sent via SWIFT ISO 20022 (seev.047-048); the process was adopted and defined by the KDD in its Rules and Regulations. Data of further intermediaries shall also be included in the Shareholder's Identification Response.
- KDD will also be able to collect the responses via the chain of intermediaries. This option only applies in case a specific foreign intermediary is not able to communicate via SWIFT ISO 20022, so the requested disclosure data is transmitted to the KDD via SWIFT ISO 20022 by the next intermediary in the chain.
- b) Communication between intermediaries and the KDD will be conducted only via SWIFT ISO 20022.

Intermediaries are required to exchange RMA in order to be able to communicate with the KDD. The details on exchange of RMA between the KDD and the intermediaries is described on the KDD web page:

<https://www-en.kdd.si/trending/rma-key-exchange-and-communication-via-swift>

In case of questions related to the RMA exchange please contact the KDD directly via e-mail on dk@kdd.si.

2.4. Important

- a) Minimum threshold for Shareholder's identification: not determined by regulation (Companies Act), therefore it is not expected that the issuers will define it in their requests.
- b) If the issuer does not receive disclosed shareholder's identification information within 14 days (or longer period, if such period is defined in the issuers' Articles of Association), voting rights from these shares shall be suspended until the shareholder's identification information is disclosed.

3. GENERAL MEETINGS

Communication related to the General Meetings is currently supported by SWIFT ISO 15022 standard. SWIFT ISO 20022 will be supported at a later stage.

3.1. Meeting notice

- a) Notifications on the General Meetings, including amendments and cancellation, will be provided via SWIFT MT564 (no change to the current procedure), with bullet point agenda in English in accordance with the recommendation of the SMPG.
- b) The MT564 General Meeting notification will include following information in the narrative (if provided by the issuer/KDD):
 - Participation method: MAIL (Correspondence), PXYS (in Person), PHNV (Not Voting), PRXY (Proxy), VIRT (Virtual), EVOT (Electronic Voting)
 - Issuer deadline for voting
 - Additional documentation URL address (if available)
- c) General Meeting reminder and replacement messages will also be sent via MT564 (function of the message: RMDR, REPL).

3.2. Notice of participation

- a) Voting instructions is accepted via MT565 – no change to the current procedure.
- b) When instructing meeting participation via SWIFT MT565, the intermediaries and third party providers should include following information in the additional text:
 - Participation method: MAIL (Correspondence), PXYS (in Person), PHNV (Not Voting), PRXY (Proxy), VIRT (Virtual), EVOT (Electronic Voting)
 - Proxy type: DISC – Discretionary (should be included in case UCB Slovenia will be acting as the proxy and attending the GM)
 - Shareholder details:
 - Name and surname of shareholder, address, e-mail, type and identification number
 - Unique identifier of shareholder in case of a legal person:
 - A unique national registration number preceded by the country code for its country of registration or LEI, or
 - where neither a LEI nor a registration number is available, a Bank Identifier Code (BIC) preceded by the country code for its country of registration, or
 - a client code, which uniquely identifies every legal entity or structure, in any jurisdiction, preceded by the country code regarding its country of registration.
 - Unique identifier of shareholder in case of a natural person: The national identifier within the meaning of Article 6 of Commission Delegated Regulation (EU) 2017/59.
 - Proxy details:
 - Name of proxy: UniCredit Banka Slovenija d.d.,
 - Address of Proxy: Ameriska ulica 2, SI-1000 Ljubljana
 - Email address: GSSInbound@unicreditgroup.si
 - Unique identifier of proxy: 4930002UN9JLME31F08 (UniCredit Slovenia LEI)

3.3. Receipt of voting instruction

Confirmation of receipt of the voting instruction and rejection of the voting instruction are provided via SWIFT MT567 on safekeeping account level (no change to the current procedure).

3.4. General Meeting results and voting confirmations

General Meeting results and voting confirmations will continue to be sent via MT568.

3.5. Personal attendance of shareholder on the General meeting

In case the shareholder would like to attend the GM in person, UniCredit Slovenia will provide Statement of holding by sending the Confirmation of entitlement (SWIFT MT564; function of the message: REPE) to the intermediary who will provide it to the next intermediary in the chain or to the end shareholder. The Statement of holding can also be requested from the KDD and will be charged according to the KDD Price list.

3.6. Documentation requirements for registration of participation on the General meeting

According to the new Companies Act (adopted in February 2021), only the notice of participation in electronic format (MT565) is required to register attendance at the General Meeting, so the documents (POA, Registration form, ASL, other potentially requested documents) which were required for registering the attendance to each General Meeting prior the implementation of the amended Companies Act should no longer be requested by our clients.

However, the KDD agreed that this process cannot be confirmed for all the issuers - certain issuers may interpret the new legislation differently and still require signed forms.

4. GENERAL TOPICS

4.1. Application of the SRDII requirements

The main difference between EU Directive and the amended Companies Act is that the SRDII requirements imposed by the Act are applicable to all issuers and not only to the issuers listed on the Ljubljana Stock Exchange.

4.2. Definition of Shareholders and Owners of shares

The amended Companies Act provides a clear definition of both “shareholder” and “owner of shares”:

- “shareholder” is the final beneficial owner,
- the “owner of shares” is the financial intermediary who hold shares on behalf of the undisclosed third parties (when shares are held on fiduciary account).

4.3. Deadlines for passing on information

According to the local regulation, the intermediary is obliged to forward the information (shareholder's identification request and GM announcements, including cancellations and amendments) no later than the same day of receipt of the request / announcement. If the request or announcement (including cancellation and amendment) is received after 4pm, the information should be forwarded not later than 10am the following day.

4.4. Fee disclosure

UniCredit Slovenia approach towards the **fee disclosure** as per Article 3d of the Shareholder Rights Directive II (EU 2017/828) is not to charge disclosure notifications as such. KDD will charge the fee related to the automated receipt of order for registering the participation on the GM of shareholders in the amount EUR 5.82 per order or part of order of each final shareholder (Fee charged monthly). This fee will be charged to our Intermediary clients.

4.5. Changes to the procedures described in this document

The information provided in this document will be applicable from the implementation of SRDII in the market (24 August 2021) until the implementation of UniCredit Slovenia new custody system currently scheduled for **3Q 2022**. Any enhancements resulting from the new system will be communicated in due course. The solution to support the new ISO 20022 format messages for Shareholder's disclosure and General meeting is planned to be available in 4Q 2021 and will be used until the deployment of the new custody system.