

Shareholder Rights Directive II of the EU

(For shareholders of listed companies headquartered in the EU/EEA)

This information sheet informs you, as a client, of the new rights and obligations contained in the revised Shareholder Rights Directive II of the EU.

Since 3 September 2020, the revised Shareholder Rights Directive II of the EU (“SRD II”) has brought about changes **for shareholders of listed companies headquartered in the EU or EEA**. The Directive is intended to strengthen shareholders’ participation rights, promote the flow of information and improve communication between shareholders and companies. For both you and St.Galler Kantonalbank AG (“SGKB”), it entails new rights and obligations.

1. Scope

SRD II has applied since 3 September 2020 for all financial institutions that hold equities in a listed company headquartered in the EU or EEA (hereinafter “Company”) for its clients. Accordingly, both SGKB and you as a client are affected by this Directive if you hold such financial instruments in your investment portfolio.

2. Disclosure of shareholders

SRD II gives such a Company the right to identify its shareholders. If you hold equities from a Company in your investment portfolio, SGKB must provide the Company with details about you as a shareholder at any time at the request of the Company. This information includes (where available) the name of the shareholder, their unique identifier (e.g. passport number for natural persons or Legal Entity Identifier [LEI] for legal entities), their address and the number of equities. The disclosure of these details takes place based on the respectively valid basic documents (General Terms and Conditions, provisions for portfolio business) of SGKB.

3. Transfer of information

In addition, in accordance with SRD II, such a Company has the right to provide its shareholders with information about so-called corporate actions. These include invitations to general meetings, which SGKB will send to you. SGKB will forward your registration for the general meeting to the Company on your instructions.

Generally, SGKB’s clients do not want to receive such additional correspondence. Through our form “Waiver of invitations to general meetings of listed companies headquartered in the EU or EEA”, you can expressly decline the sending of invitations from such companies.

Based on its provisions for portfolio business, SGKB will continue to send you information about corporate actions offering you a choice (e.g. an equity buyback offer from the Company). You will be informed of corporate actions not offering any choice (e.g. dividend distributions) via your statement as before.

Your advisor will be happy to answer any questions you may have regarding this information.

St.Galler Kantonalbank AG, St. Gallen, October 2020