

## **Information on the disclosure of customer data in connection with the Shareholders' Rights Directive II (EU) 2017/828**

This letter explains Section 16 of the General Terms and Conditions of Basler Kantonalbank (the "Bank") and supplements the information published by the Swiss Bankers Association on the disclosure of customer data.

For ease of comprehension, the masculine form is used throughout these conditions; these references are intended to include also female clients of the Bank.

### **1. Purpose of the Shareholders' Rights Directive II (EU) 2017/828**

The Shareholders' Rights Directive II (EU) 2017/828 is a directive of the European Union (the "Directive") which will apply from 3 September 2020. The Directive 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 will also apply from 3 September 2020.

### **2. Scope of the Directive**

The Directive and its national implementing decrees apply to companies established in the European Economic Area (the "EEA"); this will include the member states of the European Union, as well as Iceland, Liechtenstein and Norway. On the other hand, 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 (the "Securities Concerned") depend on the national transposition laws of the EEA member states. The Directive applies primarily to shares traded on a regulated market. However, some national transposition laws go beyond the European minimum requirements for the Directive and extend its scope. Therefore, bonds, for example, may also fall within the scope of application, provided that an EEA member state incorporates them into national law.

### **3. Disclosure of Customer Data**

Companies established in the EEA (the "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 your identity at its request if you hold Securities Concerned in your custody. Your customer data is also sent abroad where a disclosure takes place. The data will no longer be subject to Swiss data protection law and bank customer confidentiality. Third parties may have access to this 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 customer data is disclosed?**

At the request of a Company, the Bank discloses at least the following customer data:

- 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 (LEI)" must be provided.
- The number of securities held.
- The categories or classes of the Securities Concerned and the date from which they are held.

### **3.3. Can an investor refuse to disclose their customer 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 you do not wish to disclose your customer data, you 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.