



SRD II

FOCUS

Version 01 – Updated in January 2020

REGULATORY EVOLUTION

- General Meeting (GM) Standards and role of the Issuer CSD : European standards set up Key dates, their sequence and process of GM. The Issuer CSD is a cornerstone between issuer or its agent and intermediaries chain. This should be included in the implementing acts of ShRD to be published by 2018 September the 10th
- GM Standards and Votaccess: in France, workflow to institutional investors and custodians has to be enhanced at Votaccess level for the platform to be able to announce and process vote electronically including ISO20022. ShRD implementing acts should give a pressure for this implementation
- (ShRD) Information and rights exercise with vote confirmation. ShRD considers GM as a specific corporate actions that shall be integrated in all custody offers. Confirmation of vote shall be considered as a confirmation of good processing. In case of non systematic confirmation, the shareholder can ask for it to the issuer in a three months period after the GM date. This is part of implementing acts that have been published on 2018, September the 3rd
- (ShRD) Identification of shareholder: ShRD gives the issuer the right to ask for identification of its shareholders (for bearer and registered shares). This is part of implementing acts that have been published on 2018, September the 3rd. The process of disclosure request should follow a similar process than this of corporate actions.
- (ShRD) Transparency and publicity of fees : Directive impose a public disclosure of fees related to GM services.

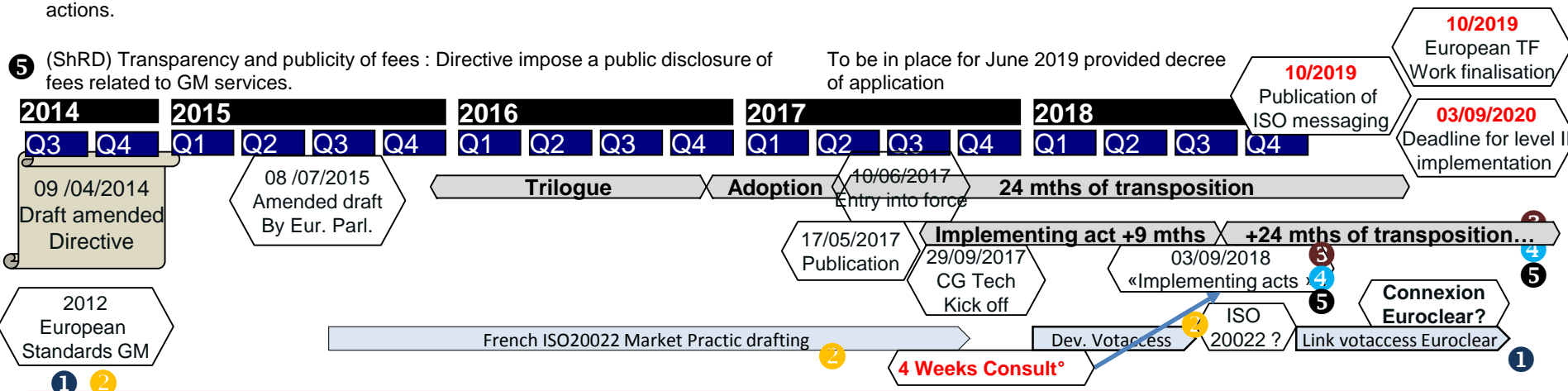
FOCAL POINTS

GM standard implementation will be ease by SRD by September 2020 promoting electronic votes. In France, a link between VOTACCESS and Euroclear has to be set up.

Euroclear offer a GM service based on Broadbridge. The ISO20022 channel development for France will counterbalance proxy servicers monopolistic position.

All shareholders shall be informed of a GM. Positions shall be updated on RD (up and down) if instructions have been sent before RD of the GM. Confirmation of votes can have high impact on IT system for custodians and issuer agents as well. SRD II has also an impact on Corporate Actions management.

French Initiative transparency of Euroclear aims to enhance "TPI" service offer.



Updated on 20 September 2019

- Publication of ISO messages for SRD II implementation, Global Market Practices under validation
- Initiative EOF transparency phase 1 postponed to Feb; 2020
- Final drafts of European working groups, SITF under final endorsement
- AFTI implementing guide V3 coming soon

STATEMENT

- 3 **Messaging** : Publication of ISO20022 messages for identification of shareholders (new messages) and General Meetings (major changes), global market practices for this message under validation.
- 4 **European and local working groups** : European cross industry initiative to lobby for a common implementation in Europe with 4 topics : Golden Operational Record (under SMPG checking), Identification of Shareholders (final draft to be endorsed), General Meeting (close final draft), messaging and format (see above). Publication planned for January 2020, monitoring via EMIG (Q1 2020)
- 5 French market issued its implementing guide V3 for mid December 2020 and final V4 end of January 2020. Organisation to monitor implementation under set up
- EOF Transparency Initiative** : first phase of old TPI service revamping has been postponed from November 2019 to February 2020 with a real lack of view regarding end phase of September 2020.

FOR YOUR CONSIDERATION

- 3 **Potential dual workflow for GM and CA processes** (through the chain of intermediaries model or direct answer form investors to issuers) (implementation by 3rd September 2020).
- 4 « **same day principle** » any information received before 16h00 should be transmitted the same day and before 10h00 the day after if received later than 16H00.
- Vote processing and confirmation of votes**: votes are electronically sent, proof of entitlement sent on RD, electronic confirmation of well processing of vote sent after GM. In a non electronic workflow, good procession of votes may be asked by investors
- ShRD II would certainly increase disclosure requests** (new services offers happening). “EOC Transparency initiative”
- Risk of market coordination locally and in a cross border context to manage implementation of SRD2 requirements : September 2020 is a very ambitious date**

Contact SGSS/CAO/REG Pierre Colladon


pierre.colladon@sgss.socgen.com
To know more please refer to:
ficheShRD-ToKnowMore

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