

SRD II Regulatory Update

August 2020



Shareholder Rights Directive II (“SRD II”)

Proxy Services General Meeting Notification Opt Out Guidelines

Under SRD II, BNY Mellon, as an “Intermediary”, is required to provide clients with the ability to receive General Meeting notifications. This document is intended to provide BNY Mellon clients guidance on their ability to opt out from the General Meeting notification services provided by BNY Mellon.

Section 1 – General Guidance to SRD II Proxy Services

The SRD II Regulation and the Market Standards for General Meetings give **end investors/shareholders** the ability to opt out from receiving General Meeting information from the issuer, as agreed with their custodian.

End shareholders holding accounts with BNY Mellon that have been identified and classified as SRD II Shareholder accounts may opt in or out of SRD II notifications of general meetings provided by BNY Mellon at any time, upon request.

Intermediaries are not permitted to opt out from the general meeting notification service.

Impact of Opting Out

- Clients who choose to opt out **will not** receive and **will not** be charged for notifications.
- For securities where it is clear opt out is not permitted in the relevant jurisdiction, clients **will** have their securities accounts set up to receive notifications and **will** be charged for those notifications.
- BNY Mellon is currently prepared to allow opt out in **all** jurisdictions, but this position could change and we will inform clients if it does¹.
- Clients will retain the ability to request to vote in all EEA markets at any time upon request.
- The set-up of full proxy voting services via BNY Mellon’s third-party provider is subject to a specific lead-time. This may result in manual and/or delayed processing of voting instructions.

When confirming your decision to opt out, please also confirm which option your decision applies:

- Option 1 - All accounts currently open
- Option 2 - Specific accounts currently open (please detail as instructed on Page 2)

If you do not confirm your decision, we will (by default) opt you **in** for all accounts in all markets. Future accounts you may open will require formal confirmation on an account-by-account basis

¹The position regarding the availability of opt out in each jurisdiction is currently unclear. BNY Mellon accepts no liability in respect of its determination whether to allow or not allow opt out in any given case.

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Section 2 - Exercise of opt out from general meeting notifications

(Should you wish to opt out, please copy and paste this section into the body of an e-mail and send to your BNY Mellon representative):

To BNY Mellon Relationship Manager:

For the accounts listed below, [Client Name] would like to opt out from receiving general meeting notifications from those markets where it is permissible to do so.

We understood that we are able to modify this instruction and elect to receive general meeting notifications at any time in the future.

Confirmation of client account number(s) that apply to this request:

- [Account Number]
- [Account Number]
- [Account Number]