



EURONEXT SECURITIES

Euronext Securities Oslo
CSD links overview

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1. Introduction

Euronext Securities Oslo (Verdipapirsentralen ASA, “VPS” or “ES-OSL”) supports secondary recording of shares and debt instruments through CSD links. As defined in Regulation (EU) No 909/2014 (the European Central Securities Depositories Regulation, ‘CSDR’), a CSD link is an arrangement between CSDs whereby one CSD becomes a participant in the securities settlement system of another CSD in order to facilitate the transfer of securities from the participants of the latter CSD to the participants of the former CSD or an arrangement whereby a CSD accesses another CSD indirectly via an intermediary. CSD links include standard links, customised links, indirect links, and interoperable links.

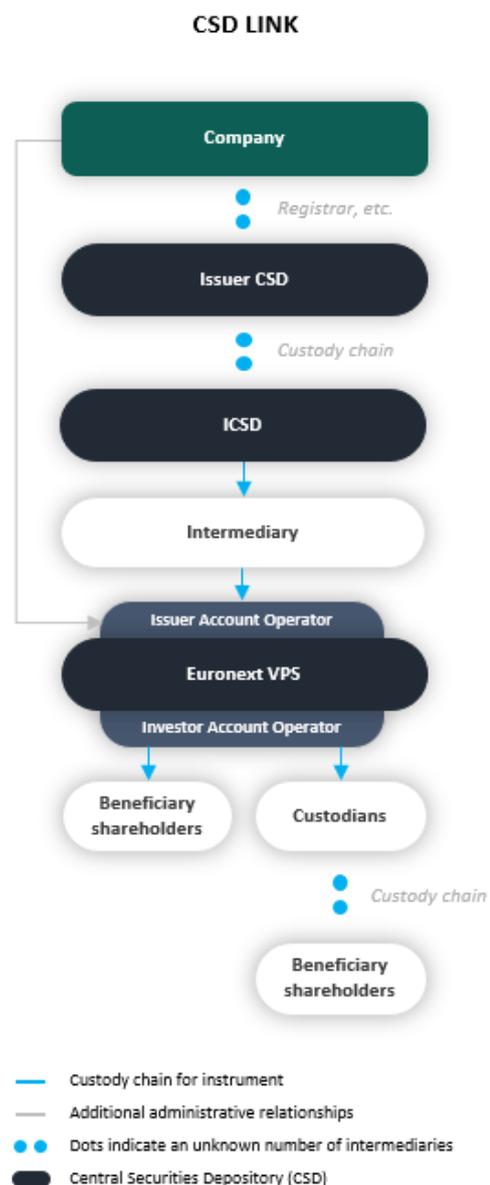
ES-OSL’s CSD links are *indirect links*, meaning that the links are facilitated by the use of Intermediaries. An Intermediary in the context of CSD links is a sub-custodian holding link instruments on a secured account on behalf of ES-OSL. The link instruments are subsequently held through one or more links, forming a custody chain, and eventually held in the Issuer CSD where the relevant instrument has its primary recording.

ES-OSL makes use of *Issuer Account Operators* who handle the relationship with the issuers and performs specific tasks like initial recording and maintenance of the instruments in the VPS Register and processing and registering of corporate actions. In respect of ES-OSL’s CSD links, the Issuer Account Operator for a link instrument must also hold the role as Intermediary on behalf of ES-OSL.

ES-OSL’s CSD links are governed by the VPS Rules, section 4.2 - *Secondary recording derived from another CSD – CSD link*, regulating the setup and functioning of the links as well as the duties and responsibilities of the different roles involved in the link setup. The VPS Rules are available at ES-OSL’s web site:

<https://www.euronextvps.no/legal-framework/>

A more detailed description of the CSD links can be found in the documents *Service Description - Secondary recording of shares* and *Service Description - Secondary recording of debt instruments*, available at ES-OSL’s web site.



2. ES-OSL's CSD links

ES-OSL has established the following CSD links:

Intermediary	Account Operator	ICSD	Supported instrument types
DNB Bank ASA	DNB Bank ASA	Clearstream Banking s.a	Shares and bonds
DNB Bank ASA	DNB Bank ASA	Euroclear Bank SA NV	Shares and bonds
Nordea Finland Abp Filial i Norge	Nordea Finland Abp Filial i Norge	Euroclear Bank SA NV	Shares and bonds

The following Account Operators are authorized as Issuer Account Operators for CSD link instruments in ES-OSL:

Account Operator	Org.no.	LEI
DNB Bank ASA	984 851 006	549300GKFG0RYRRQ1414
Nordea Finland Abp Filial i Norge	920 058 817	529900ODI3047E2LIV03

3. Pre-cleared jurisdictions and instrument types for CSD links

The following jurisdictions and instrument types are pre-cleared for secondary recording in ES-OSL through CSD link:

Issuer jurisdiction	Shares	Bonds
Austria	Yes	-
Bermuda	Yes	-
Canada	Yes	-
Cayman Islands	Yes	-
Faroe Islands	Yes	-
Finland	Yes	-
France	Yes	-
Germany	Yes	-
Ireland	Yes	-
Jersey	Yes	-
Luxembourg	Yes	-
Netherlands	Yes	-
Sweden	Yes	-
Switzerland	Yes	-
United Kingdom	Yes	-
USA	Yes	Yes

It is important to note that “pre-cleared” as defined in the VPS Rules 4.2.3.1 - *Request from issuer for a Secondary Recording through a CSD Link*, means that the request for a secondary recording may require less documentation and take less time to process. The recording of a new CSD link instrument will still be subject to the requirements regarding documentation and assessment of its suitability for secondary recording pursuant to the VPS Rules section 4.2.3 – *Secondary Recording of Link Instruments in VPS*.

A complete and up-to-date list of CSD link instruments is available at ES-OSL’s web site.

4. Corporate Actions

A corporate action is a decision by an issuer of a financial instrument that is recorded in the VPS Register that causes a change in the total registered capital for the instrument, a change in the total number of issued units of the financial instrument or affects the rights associated with holdings that are already issued or that represents a cash payment to holders of the financial instrument. Takeovers and compulsory transfers are also Corporate Actions.

The Issuer Account Operator for a CSD link instrument is responsible for registering the necessary information about a corporate action in the VPS Register. The Issuer Account Operator receives the relevant information from the Intermediary, which in turn has received the information through the chain as initially registered in and distributed by the Issuer CSD.

4.1 Supported corporate actions

ES-OSL supports the following corporate actions through the CSD links:

- Private placements and share issues
- Dividend distribution, capital repayment, and liquidating dividends
- Split / reverse split
- Acquisition
- Compulsory redemption
- Merger / demerger
- Bonus issue
- Interest and redemption distribution
- Put and voluntary conversion
- Call/conversion/extra ordinary redemption/PINK

The relevant corporate actions in CSD link instruments are described in further detail in the documents *Service Description - Secondary recording of shares* and *Service Description - Secondary recording of debt instruments*, available at ES-OSL's web site.

4.2 Cross border instructions

Account holders desiring to transfer a holding to or from the initial book-entry system and the VPS Register can do so by delivering cross-border instructions via and in accordance with procedures established by the account holder's Investor Account Operator. All cross-border instructions in ES-OSL are carried out as Free of Payment transactions.

5. Exercise of shareholders' rights

The shareholder rights and obligations associated with instruments secondarily recorded through a CSD link are conceptually inherited from the instruments as recorded in the Issuer CSD, and are regulated by the applicable law of these instruments. It is however important to note that such rights (e.g. the ability to exercise rights during general meetings) may differ from rights associated with instruments recorded in the initial book-entry system due to local company law of the issuer or technical limitations in the link.

5.1 Voting – standard procedure

The standard procedure for voting in relation to a CSD link instrument is as follows:

- 1) The Issuer Account Operator submits information to the account holder via email/regular post with instructions as to how the account holder shall submit its voting instructions, including the response deadline.
- 2) The Issuer Account Operator receives and processes instructions from account holders.
- 3) The Issuer Account Operator tabulates the votes, verifies that the voting account holders are account holders on the Record Date (voting), and generates one voting instruction to be submitted to the Intermediary.
- 4) The instruction will in turn be submitted from the Intermediary to the ICSD and further through the custody chain to the Issuer CSD.
- 5) The Issuer Account Operator receives confirmation back through the chain that voting has been received by the Issuer CSD.

The standard procedure applies for issuers within the EEA and outside of the EEA. For issuers outside of the EEA, the standard procedure applies unless an alternative procedure applies. due to local company law of the relevant issuer or technical limitations in the link.

5.2 Voting – special procedure for Sweden

For shares in a CSD link for which the issuer is a Swedish company, the following special procedure applies:

- 1) The Issuer Account Operator will submit information to the account holder via email/regular post with instructions as to how the account holder shall submit its voting instructions, including the response deadline.
- 2) The Issuer Account Operator receives and processes instructions from account holders to be recorded in the Swedish 'röstrettsregister' for the applicable CSD link instrument.
- 3) The Issuer Account Operator instructs the Intermediary to record requesting account holders in the 'röstrettsregister'.

6. Withholding tax

For some CSD link instruments, an account holder may have the option to submit documentation in order to receive dividends taxed at the correct withholding tax rate (relief-at-source) in accordance with the VPS Rules section 4.2.6.6, provided that the account holder's Investor Account Operator offers this service. Except for payments for US sources, there are no such procedures developed to allow for withholding of the correct tax rate instead of the maximum tax rate.

The following procedure applies for withholding tax in CSD link instruments:

6.1 General

ES-OSL shall instruct the Intermediary on the withholding tax rates that shall apply on all types payments received from the instruments held with the Issuer CSD.

For all payments the standard maximum tax rate shall apply.

Any requests from the Issuer CSD about information or documentation shall without undue delay be passed on to the Issuer Account Operator.

The Issuer Account Operator will pass any request received from the Intermediary to the relevant Investors Account Operator. Likewise, the Issuer Account Operator shall without undue delay forward any information or documentation received from Investor Account Operator to the Intermediary.

6.2 Withholding tax on payments from US sources

In order for the Intermediary and the Issuer Account Operator and further effectively through its VPS securities account administration unit to administrate the VPS registration of an issuer that is subject to tax reporting to the tax authorities in USA., i.e., the Internal Revenue Services (the "IRS"), the Intermediary has entered into an agreement with the IRS, defining the Intermediary as an "Qualified Intermediary", with further sub-definitions:

1. Qualified Intermediary, Withholding Agent ("QI-WA")
2. Qualified Intermediary, non-withholding agent ("QI-NWA")

Below, the term "QI" is used when definitions as described above does not have any impact on the IRS terms and conditions, QI procedures in general or administration in the ES-OSL's systems.

In general, a QI is authorized to receive gross dividend from the Issuer CSD which through the QI holds securities in the applicable issuer, either directly or indirectly, that has its primary CSD registration in the USA, or issuers incorporated in other jurisdictions that have income defined as "US sourced income" ("US Issuers") on the condition that the QI will deduct any and all tax in accordance with tax agreement and/or conditions between the U.S.A. and the jurisdiction in which the ultimate beneficial investor recipient

is liable for tax reporting, and any and all other relevant IRS regulations prevailing at any time.

A QI-WA withhold tax and execute tax reporting and pay the tax withheld directly to IRS, whereas a QI-NWA withhold tax and execute tax reporting and pay the tax withheld back through the custodian chain from which the gross funds derived and were received. When the Intermediary is a QI-NWA, it will execute tax reporting and pay the withheld tax to the Issuer CSD as in its role either as QI-WA or further up the reporting Link/QI chain, as applicable.

For “US persons” as defined by the IRS, reporting is executed on an individual basis. For “non-resident aliens”, as defined by the IRS, reporting is executed on a “pool basis”, i.e., the IRS does not require any individual information on the ultimate beneficial investor other than in which tax withholding category the investor is qualified for (e.g., 15% withholding tax).

Enabling the QI to not withhold maximum tax at source, the QI must have obtained the relevant IRS tax form on an individual investor basis.

The IAO shall:

- meet any requests from the Intermediary to obtain information about and retrieve documentation from the Investor Account Operators in CSD link instruments where the issuer is assessed as a US Issuer.
- without undue delay organise and arrange the received information appropriately (including by separating between non-resident aliens (where information shall be passed on, on an aggregate level) and US Persons (where information about end-investor shall be passed on, on investor level) and pass on required parts of the retrieved information/documentation to ES-OSL.

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