

Company Profile

Information according to Austrian Securities Supervision Act of 2018 ("WAG 2018")
Version: August 2020

1. GENERAL INFORMATION ON DENIZBANK AG

NAME AND ADDRESS OF THE BANK

DenizBank AG
Thomas-Klestil-Platz 1, A-1030 Vienna
Telephone: +43(0) 505-105/2020
Fax: +43(0) 505-105/2029
E-Mail: service@denizbank.at
Internet: www.denizbank.at

REGISTRATION

Registered Address: Vienna
Companies Register No.: 142199t, Commercial Court: Vienna
VAT ID no.: ATU40118109
DPR: 0845981
Swift/BIC: ESBKATWW
Bank Code: 19650
Licence: licensed bank
In accordance with Art. 1 para. 1 of Austrian Banking Act ("BWG")

COMPETENT SUPERVISORY AUTHORITY

Austrian Financial Market Authority (FMA)
Otto-Wagner-Platz 5, A-1090 Vienna
www.fma.gv.at

CHAMBER/PROFESSIONAL ASSOCIATION

Austrian Chamber of Commerce
Banking Section
Wiedner Hauptstraße 63, A-1040 Vienna
www.wko.at

LANGUAGE AND MEANS OF COMMUNICATION

Communication with DenizBank AG can take place face-to-face, by telephone or in writing in German or English. Customer orders can be issued to DenizBank AG personally or in writing. If agreed in advance, orders may be placed over the telephone, by fax or per E-Mail.

TYPE, FREQUENCY AND TIMING OF REPORTS

The Customer shall receive a securities statement (settlement) as soon as possible for every securities transaction executed, but in any case no later than the banking day following the day of the execution of the order.

A securities account statement will be sent to the Customer quarterly.

2. INFORMATION RELATED TO OFFERED INVESTMENT SERVICES

Non-advisory business

According to Art. 57 of WAG 2018, DenizBank AG provides services to its Customers based on non-advisory business only. Non-advisory business is based on the explicitly stated investment decision of a Customer without any personal recommendation from DenizBank AG.

According to Art. 57 of WAG 2018, DenizBank AG is obliged to perform an “appropriateness test” for Customers meaning to ask the Customer to provide the information regarding Customer’s knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded in order to enable DenizBank AG to assess whether the investment service or product envisaged is appropriate for the Customer. If DenizBank AG comes to the conclusion that the relevant product or service is not appropriate for the Customer, then DenizBank AG shall warn the Customer in a standardized format.

3. CUSTOMER CLASSIFICATION

According to WAG 2018, DenizBank AG is required to categorize all Customers with whom DenizBank AG conducts investment business and to classify each Customer as either a Retail Customer or a Professional Customer or as an Eligible Counterparty. The classification as a Retail Customer, as a Professional Customer, or as an Eligible Counterparty relates to the applicable different levels of the investment protection and investor compensation rights.

General information on Customer classification:

WAG 2018 defines three categories of investor types:

- Retail Customers
- Professional Customers
- Eligible Counterparties

Retail Customers:

Retail Customers are all Customers not classified as Professional Customers and Eligible Counterparties. Retail Customers have the highest level of investment protection according to WAG 2018.

Professional Customers:

Professional Customer is a Customer who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. The “appropriateness test” for Professional Customers (examination of experience and knowledge) will not be executed. Professional Customers are obliged to notify DenizBank AG in case of any changes that can influence their Customer Classification.

The following shall be regarded as professional Customers in all investment services and activities and financial instruments:

- Credit institutions;
- Investment firms;
- Other authorised or regulated financial institutions;
- Insurance companies;
- Collective investment schemes and management companies of such schemes;
- Pension funds and management companies of such funds;

- Commodity and commodity derivatives dealers;
- Locals firms;
- Other institutional investors;
- Large undertakings meeting two of the following size requirements on a company basis:
 - balance sheet total: EUR 20 000 000
 - net turnover: EUR 40 000 000
 - own funds: EUR 2 000 000
- National and regional governments, including public bodies that manage public debt at national or regional level, Central Banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations.
- Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions.

Eligible Counterparties:

For the classification for Eligible Counterparties, the criteria for Professional Customers shall be fulfilled. Eligible Counterparties receive the lowest level of investment protection according to WAG 2018. This means that by execution of orders on behalf of clients, dealing on own account and reception and transmission of orders, the Rules of Conduct according to WAG 2018 will apply on a very restricted basis.

Reclassification into a higher Customer category (reduction of investment level protection)

Reclassification from Retail Customer Category into the Professional Customer Category upon request: According to Art. 67 para 2 WAG 2018 Customers not classified as per se Professional Customers may apply for the reclassification into the Professional Customer category upon written request of the Customer and after the due assessment pursuant to legal provisions by DenizBank AG. DenizBank AG clearly states that the provisions providing investment protection to Retail Customers in case of reclassification into the Professional Customer category upon request will no longer apply to the reclassified Customer.

Reclassification into a lower Customer category (increase of investment level protection)

Professional Customers may apply to be reclassified as Retail Customers and the Eligible Counterparties may apply for reclassification as Professional Customers or Retail Customers. In this case, the Customer will receive the respective higher level of investment protection in case of reclassification into a lower Customer category.

Furthermore, DenizBank AG may reclassify its Professional Customers and Eligible Counterparties Customers into a lower Customer categories in order to grant higher level of investment protection meaning to classify Professional Customers and Eligible Counterparties as Retail Customers and to classify Eligible Counterparties as Professional Counterparties.

Classification of Customers applies to all investment services and financial instruments.

4. PRODUCT GOVERNANCE OBLIGATIONS

MiFID 2 has introduced product governance requirements to ensure that investment firms which manufacture and distribute financial instruments act in the Customers' best interests during all stages of the life-circle of products or services.

According to Art. 30 of WAG 2018 DenizBank AG is considered as a "manufacturer" of derivative financial instruments, therefore product governance obligations for manufacturers apply for DenizBank AG in regard to this type of financial instruments. For such financial instruments, DenizBank AG is legally obliged to conduct a product governance approval process with assessment of the target market, risks, costs and identification of any possible conflicts of interests relating to the investment transaction.

5. RECORDING OF TELEPHONE CONVERSATIONS AND ELECTRONIC COMMUNICATIONS

According to Art. 33 WAG 2018 and Art. 76 of the Delegated Regulation (EU) 2017/565, DenizBank AG shall record telephone conversations and electronic communications with Customers when providing investment services and activities relating to the receipt, transmission and execution of orders. A copy of the recording of such telephone conversations with Customers and electronic communications with Customers will be available upon request of a Customer for a period of five years and, where requested by a competent authority, for a period of up to seven years.

6. SAFEGUARDING OF CUSTOMER ASSETS

According to Art. 38 et seq. WAG 2018 the protection of Customer financial instruments and funds is an important part of DenizBank AG's obligations in order to safeguard Customer ownership and rights in respect of securities and funds entrusted to DenizBank AG. Therefore, DenizBank AG implemented proper and adequate arrangements to ensure the best possible protection of securities and funds of Customers of DenizBank AG.

Securities that are to be held in safe custody by DenizBank AG for its Customers are transferred to institutions specializing in the safe custody of securities ("third-party custodians"). DenizBank AG uses national and foreign custodians. These third-party custodians are located either in a Member State of the EEA or in the Republic of Turkey. The third-party custodian arrangement abroad is generally in the form of collective deposits, whereupon DenizBank AG is implementing suitable measures to ensure a strict segregation of bank and Customer portfolios.

According to Austrian law, securities held in custodians are not affected if the custodian bank becomes insolvent, because, as the owner of the securities, the Customer has the right to segregation from the other assets. The consequences of a custodian bank becoming insolvent abroad depend on the law of the depositary state. The legal regulations of the depositary state may differ considerably from Austrian laws, and may therefore not provide the same level of protection.

In any case, DenizBank AG has explicitly declared in writing to the third-party custodians that the securities portfolios transferred (to be transferred) are Customer portfolios. It is therefore not possible for the third-party depositary to perform offsets against claims, which have a direct connection to the securities (custody charges, selling fees, etc.). DenizBank AG shall be liable to the Customer affected due to illegal and culpable action or omissions on the part of the third-party custodian.

7. INFORMATION ON DEPOSIT GUARANTEE AND INVESTOR COMPENSATION SCHEME

Due to the EU directives, implemented in Austria by the Austrian Act on Deposit Guarantee and Investor Compensation Schemes (ESAEG) and by the Austrian Banking Act (BWG), each financial institution that accepts deposits and respectively offers investment services is obliged by law to be a member of a deposit guarantee scheme.

As an Austrian bank, DenizBank AG is without restriction subject to the Austrian regulations on deposit guarantees and investor compensations (ESAEG and BWG). DenizBank AG is a member of the deposit guarantee scheme for banks and bankers (Einlagensicherung der Banken & Bankiers Gesellschaft m.b.H.).

Deposit Guarantee Scheme

Deposits of natural and legal persons are guaranteed up to maximum amount of € 100,000 per depositor. For certain special conditions, such as "temporary limited covered deposits" (e.g. deposits from real estate transactions relating to private residential properties; payments of guarantee benefits or compensation for criminal offenses; payments which fulfill the statutory purposes - more detailed information can be found on the website of the Deposit Guarantee Protection, www.einlagensicherung.at) a request can be made within 12 months after the guarantee claim application at the guarantee scheme that the deposit is to be reimbursed up to an amount of EUR 500,000.00.

The deposit guarantee is valid for each customer (depositor), not per account. In the case of a jointly managed account, each (legitimated) account holder is therefore entitled to compensation. In principle, the assignment of the balances of the joint account is based on 1:1 allocation. However, it is free to the account holders to hand over a written regulation to the credit institute before the admission of guarantee claim, which deviates from the 1: 1 allocation. In the event of occurrence of an guarantee claim, then the selected allocation key should be used for the assignment.

Deposits of an account owned by two or more persons, who are shareholders of a general partnership, (Offene Gesellschaft), a limited partnership (Kommanditgesellschaft) (a civil law association (Gesellschaft bürgerlichen Rechts) or of any of these types of companies from an EU member state or a third country, will be aggregated for the purpose of calculation of the maximum amount and treated as one single depositor. This also applies to balances and other receivables from securities transactions.

Investor Compensation Scheme

According to Austrian law, in the event of insolvency of the custodian bank, securities shall be returned to the investors by the credit institution concerned. As the securities are only deposited by the custodian bank, the Customer, as the owner of the securities in insolvency proceedings, can file a request for segregation of the securities.

Any monetary claims arising under the investor compensation scheme are guaranteed up to maximum amount of EUR 20,000, both for natural persons and legal persons. However, the compensation scheme's cover obligation for claims of creditors, which are not natural persons, is limited to 90% of the claim from securities per investor.

Difference between Deposit Guarantee and Investor Compensation Scheme

In normal case all types of deposits / balances credited to bank accounts and saving books (e.g. salary accounts, savings accounts, time deposits etc.), are subject of the Deposit Guarantee.

Returns from securities settlement (dividends, sales revenues, coupon payments, repayments, etc.) are protected as deposit of a customer account within the framework of the Deposit Guarantee up to a maximum amount of EUR 100,000.00. In particular, the Investor Compensations are subject to the following demands of the investor against the credit institution:

- Administration and custody of securities (custody business)
- Trade of the credit institution with financial market instruments;

- **Different Payment Deadlines**

In case of Investor Compensation – within 3 months, in case of Deposit Guarantee – within 20 working days (until 31st of December 2018); within 15 working days (from 1st of January 2019 until 31st of December 2020); within 10 working days (from 1st of January 2021 until 31st of December 2023) and 7 working days (as of 1st of January 2024).

- **Application**

In the event of the guarantee claim, the guarantee scheme shall refund the covered deposit without the need of an application by the investor (exception: investor compensation and temporarily limited covered deposits acc. to Art. 12 of ESAEG).

Exclusions from the Deposit Guarantee Scheme

The exceptions from the deposit guarantee are stated in simplified form below. The statutory provisions acc. to Art. 10 para 1 of ESAEG apply.

Not covered are:

- Debt securities of credit institution (e.g. loans for residential purposes (Wohnbank-Anleihen medium-term bonds, mortgage bonds, etc.). In case of bankruptcy of the issuing bank, you will be served in accordance with the terms and conditions (e.g. primarily from separated cover assets such as covered bonds or with the dividends in bankruptcy or subordinately after satisfaction of the other creditors).
- Own capital components of the bank.
- Deposits, for which the identity of the holder by the occurrence of protection claim has never been identified, unless the holder takes such action within 12 months after the occurrence of a deposit guarantee case.
- Deposits connected with money laundering in any form.
- Deposits from credit institutions or financial institutions or investment companies and institutional investors such as insurance companies, investment companies (funds), pension and retirement funds ("Pensions- and Vorsorgekassen").
- Deposits of federal, state and local as well as comparable foreign authorities.

Exclusions from the Investor Compensation Scheme

The exceptions from investor compensation are stated in simplified form below. The statutory provisions acc. to Art. 47 para. 2 of ESAEG apply.

Not covered are:

- Claims not denominated in Euros, Schilling, ECU or any other currency of an EEA Member State. With the exception of claims from securities transactions in financial instruments in accordance with § 1 no7 WAG 2018
- Claims of companies which qualify as large companies (große Kapitalgesellschaften) according to Art. 221 para. 3 of the Austrian Commercial Code (UGB).
- Claims, for which the identity of the holder by the occurrence of protection claim has never been identified, unless the holder takes such action within 12 months after the occurrence of a protection claim.
- Claims in connection with money laundering in any form.
- Claims of Austrian federal government, provinces and municipalities and of comparable foreign territorial authorities.
- Claims of persons close related to the credit institution, such as members of the board, the supervisory board, personally liable partners, auditors of the bank and persons holding at least 5% of the bank's capital, even if those persons hold offices in affiliated companies of the bank (except where minor stakes are concerned). In addition, close relatives of bank related parties and third parties are excluded from the guarantee, if these close relatives or third parties act on behalf of bank related persons.

We refer to the legal provisions of ESAEG and BWG on deposit guarantee and investor compensation schemes, which we will be pleased to provide you upon request.

For more information please refer to the "Information sheet for the depositor" which is available at <https://www.denizbank.at/DepositInsurance/>.

8. INDUCEMENTS

In order to act honestly, fairly and professionally in accordance with the best interests of its Customers when providing investment services or ancillary services to its Customers, DenizBank AG will fully comply with relevant legislation regarding inducements.

According to Art. 51 and Art. 52 WAG 2018, DenizBank AG may only receive the commissions from its partner, if it will enhance the quality of the relevant service to the Customer in order to perform higher and continuous Customer care, training measures and information processing.

DenizBank AG regularly receives such commissions from its partner (only from fond company), these commissions are calculated as following:

- Trailer fee: 70% (of the 1,5 % management fee) per annum from the value of the funds of the depot of the Customer of DenizBank AG

9. COMPLAINTS HANDLING AT DENIZBANK AG

Complete Customer's satisfaction is DenizBank AG's foremost goal. DenizBank AG maintains all required measures in order to perform its services in the best possible manner for its Customers by establishing and implementing the effective and transparent complaints management policies and procedures for the prompt handling of Customers' or potential Customers' complaints which provide clear, accurate and up-to-date information about the complaints-handling processes at DenizBank AG.

In the event that Customer has a complaint about the quality of services of DenizBank AG Customer is asked to send his/her complaint free of charge by the following means:

- ┆ per Post: DenizBank AG
z.H. Feedback Management
Thomas-Klestil- Platz 1
A-1030 Vienna
- ┆ personally: in our branches
- ┆ per Telephone: 0800 88 66 00
- ┆ per Fax +43(0) 505 105 – 2829
- ┆ per E-Mail: feedback@denizbank.at
- ┆ per Contact Form (website)

If in any particular case an amiable solution cannot be reached, the Customer is entitled to address the case to the Joint Conciliation Board of the Austrian Banking Industry.

Joint Conciliation Board of the Austrian Banking Industry
(Gemeinsame Schlichtungsstelle der Österreichischen Kreditwirtschaft)
Wiedner Hauptstraße 63, 1045 Vienna
Tel.: +43 1 5054298, Fax: 43 1 5054474
office@bankenschlichtung.at
www.bankenschlichtung.at

For detailed information, please refer to the information on complaints management at DenizBank AG on our website under <https://www.denizbank.at/en/customerservice/feedbackmanagement/>.