

# COMPANY PROFILE

Information according to Austrian Securities Supervision Act 2018 (WAG 2018)  
March 2024

## 1. GENERAL INFORMATION ABOUT DENIZBANK AG

### NAME & ADDRESS OF THE BANK

Name: DenizBank AG  
 Address: Thomas-Klestil-Platz 1, A – 1030 Wien  
 Phone: +43(0) 505-105/2020  
 Fax: +43(0) 505-105/2029  
 E-Mail: [service@denizbank.at](mailto:service@denizbank.at)  
 Internet: [www.denizbank.at](http://www.denizbank.at)

### REGISTRATION

Registered Office: Vienna  
 Companies Reg. No.: 142199t (Commercial Court: Vienna)  
 VAT ID No.: ATU40118109  
 DPR: 0845981  
 SWIFT/BIC: ESBKATWW  
 Bank Code: 19650  
 License: licensed bank pursuant to Art.1 para 1 of Austrian Banking Act (BWG 2018)

### COMPETENT SUPERVISORY AUTHORITY

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

### CHAMBER/PROFESSIONAL ASSOCIATION

Austrian Chamber of Commerce  
 Wiedner Hauptstraße 63, A-1040 Vienna  
[www.wko.at](http://www.wko.at)

### LANGUAGE & MEANS OF COMMUNICATION

Communication with DenizBank AG can take place face-to-face, by telephone or in writing in German or English. Customer orders may 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 & 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 on a quarterly basis.

## 2. INFORMATION RELATED TO OFFERED INVESTMENT SERVICES OF DENIZBANK AG

### ▪ Non-advisory business

According to Art. 57 of WAG 2018, DenizBank AG only provides services to its Customers that have been initiated by the Customer themselves (“**non- advisory business**”). This means that DenizBank AG does not perform any advisory business (nor any investment advice).

The non-advisory business includes such investment services in which the Customer’s investment decision is not based on a personal investment recommendation of the Customer advisor. The basis of the non-advisory business is the **appropriateness test** pursuant to Art. 57 WAG 2018.

In the course of the appropriateness test, the Customer is asked to provide information about their knowledge and experience in connection with investment services. This involves checking whether the Customer has sufficient experience and knowledge to understand the risks associated with the type of financial instrument or investment service and whether the investment decision is appropriate for them. The information provided by the Customer is then evaluated and a risk rating is assigned to the Customer based on the information provided.

The appropriateness test is performed regularly for new Customers before the start of the business relationship and on a regular basis for existing Customers.

Since the performance of the appropriateness test and the subsequent risk rating depend on the information provided by the Customer, it is important that the Customer provides **up-to-date, correct and complete information** on their knowledge and experience. This is necessary in order to ensure the protection of the Customer as an investor. If the DenizBank AG comes to the conclusion that

- The information provided by the Customer regarding their knowledge and experience is not up-to-date, correct and complete, and/or
- The investment decision requested by the Customer is not appropriate for them,

DenizBank AG issues a **warning** in standardized form, stating the clear reason for the warning.

If DenizBank AG concludes that the relevant product or service is not appropriate for the Customer, then DenizBank AG shall warn the Customer in a standardized format.

If the Customer insists on the execution of the securities transaction despite the warning, DenizBank AG is authorized to provide the investment service in question.

## 3. INFORMATION ON CUSTOMER CLASSIFICATION

In accordance with the provisions of the WAG 2018, DenizBank AG shall categorize all clients with whom DenizBank AG enters into investment transactions and classify the clients individually as either retail client, professional client or eligible counterparty. The classification as retail client, professional client or eligible counterparty shall be based on the various applicable classes of investment protection and investor compensation rights.

### ▪ General Information on Customer Classification:

According to WAG 2018, there are three categories of investor types:

- Retail Customers,
- Professional Customers, and
- Eligible Counterparties.

The classification of the Customer refers to all securities services or to all financial instruments.

▪ **Retail Customers:**

Retail Customers are all customers who are not classified as Professional Customers or Eligible Counterparties (Art. 1 para. 36 WAG 2018). Retail Customers enjoy the highest level of investor protection.

▪ **Professional Customers:**

Professional Customers have sufficient experience, knowledge and expertise to make their own investment decisions and to properly assess the associated risks (Art. 66 WAG 2018). Professional Customers are not subject to the appropriateness test (examination of knowledge and experience).

The customer category of „*Professional Customers ex lege*“ as defined in Art. 66 para. 2 no. 1-5 WAG 2018 includes:

- Credit institutions;
- Investment firms;
- Other licensed or supervised financial institutions;
- Insurance companies
- Undertakings for investments pursuant to Art. 1 (1) Z 3 KMG, domestic or foreign investment funds, domestic or foreign real estate funds or similar entities that pool assets, with risk diversification, and their respective management companies;
- Pension funds and their management companies;
- Commodity traders and commodity derivatives traders;
- local companies that operate on financial futures or options or other derivatives markets and on cash markets for their own account with the sole purpose of hedging positions on derivatives markets, or that trade for the account of other members of these markets and that have a guarantee from the clearing members of the aforementioned markets, with the responsibility for the performance of the transactions concluded by such a company being assumed by clearing members of the same markets;
- large companies that meet at least two of the following criteria at the corporate level:
  - a balance sheet total in the amount of at least EUR 20 million;
  - a net turnover of at least EUR 40 million;
  - equity in the amount of at least EUR million;
- national and regional governments, including public debt management agencies 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 organizations;
- other institutional investors whose main activity is investment in financial instruments, including entities engaged in securitization of debt and other financing activities;

Professional Customers are required to inform DenizBank AG of any changes that may affect their classification.

▪ **Eligible Counterparties:**

In order to be classified and treated as an Eligible Counterparty, the requirements of a Professional Customer must be met. Eligible Counterparties are granted the lowest level of protection under the WAG 2018. As a result, the conduct of business rules of the WAG 2018 apply to Eligible Counterparties only to a very limited extent for transactions for Customers that involve trading for own account and the acceptance and transmission of orders.

## Reclassification options to other Customer Categories

### ▪ **Upgrading (lowering the level of protection)**

#### ➤ Upgrading from Retail Customer to Professional Customer

(Retail) Customers who do not fall under the term Professional Customer ex lege as defined in Art. 67 para. 2 WAG 2018 may apply in writing to the credit institution for classification and treatment as a Professional Customer pursuant to Art. 67 para. 1 WAG 2018, provided that two of the requirements for such classification and treatment are met:

- The customer has carried out on average 10 transactions per quarter of a significant size on the relevant market during the preceding four quarters.
- The customer's financial instrument portfolio including cash deposits exceeds EUR 500.000.
- The customer works/has worked in a professional position in the financial sector for at least one year that requires knowledge of the envisaged transactions or services.

These clients are also referred to as "*designated Professional Customers*".

DenizBank AG points out that such an upgrade means that the current protection provisions for Retail Customers no longer apply to designated Professional Customers.

#### ➤ Upgrading from Professional Client to Eligible Counterparty

Professional Customers also have the option of requesting in writing to be classified and treated as Eligible Counterparties. This upgrade also results in a reduction of investor protection.

### ▪ **Downgrading (increasing the level of protection)**

Customers may also request to be downgraded, in particular:

- Professional Customers may apply to be classified and treated as Retail Customers;
- Eligible Counterparties may apply to be classified and treated as Professional Customers or as Retail Customers.

Downgrading from one Customer category to another category leads to an increase in the level of investor protection. If the Customer requests a downgrade to Retail Customer, the credit institution shall grant the higher level of protection. In addition, DenizBank AG may also provide Professional Customers and Eligible Counterparties with a higher level of protection by downgrading. This means that DenizBank AG may treat Professional Customers as well as Eligible Counterparties as Retail Customers and Eligible Counterparties as Professional Customers, respectively.

## 4. PRODUCT GOVERNANCE OBLIGATIONS

With the amended MiFID II Directive (2014/65/EU), new requirements for product monitoring were introduced. These new requirements relate to the entire lifecycle of a financial instrument (from its manufacture through market circulation to the end of the product). In addition, the aim is to ensure that investment firms that manufacture and distribute financial instruments act in the best interests of their clients at all stages during the lifecycle of products and services.

According to Art. 30 WAG 2018 DenizBank AG is considered as a "manufacturer" of derivative financial instruments. Therefore, product governance obligations for manufacturers apply for DenizBank AG concerning this type of financial instruments. For such financial instruments, DenizBank AG is legally obliged to conduct a product governance approval process that includes the assessment of the positive and negative target market as well as the identification of any possible Conflicts of Interest relating to the investment transaction.

## 5. RECORDING OF TELEPHONE CONVERSATION AND ELECTRONIC COMMUNICATION

Pursuant to Art. 33 WAG 2018 and Art. 76 of Delegated Regulation (EU) 2017/565, DenizBank AG is required to record telephone calls and other electronic communications with its Customers when providing investment services and activities related to the receipt, routing and execution of orders.

A copy of the recorded telephone calls or other electronic communications with the Customer is available upon request for a period of 5 years or, if requested by a Competent Authority, for a period of up to 7 years.

## 6. INFORMATION ON THE SAFEGUARDING OF CUSTOMER FINANCIAL INSTRUMENTS & CUSTOMER DEPOSITS

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.

Third-party custody in the domestic and foreign markets is generally carried out in the form of collective deposits, whereupon DenizBank AG is implementing suitable measures to ensure a strict segregation of bank and Customer portfolios.

### **Provisions in the event of bankruptcy:**

According to Austrian Law, securities held in custody accounts are not affected if the custodian bank becomes bankrupt, as the customer, as the owner of the securities, has a right of segregation in respect of them.

The consequences of a custodian bank becoming bankrupt abroad depend on the respective jurisdiction of the custodian state. The legal provisions of the custodian 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 only possible for the third-party custodian to offset such claims that are directly related to the securities (e.g. custody fees, purchase fees, etc.).

DenizBank AG shall be liable to the Customer affected due to illegal and culpable action or omissions on part of the third-party custodian.

## 7. INFORMATION ON DEPOSIT GUARANTEE & INVESTOR COMPENSATION

Due to legal provisions of the Austrian Act on Deposit Guarantee and Investor Compensation (ESAEG), every credit institution that accepts deposits or provides investment services is obliged is required 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 statutory protection scheme *Einlagensicherung AUSTRIA Gesm.b.H.* (ESA).

### ▪ Deposit Guarantee

Deposits of natural and non-natural persons are secured with a maximum amount of EUR 100,000 per depositor and per credit institution. For certain cases, so-called "time-limited covered deposits" an application can be made to the protection scheme within 12 months of the occurrence of the protection event for the deposit to be refunded up to an amount of EUR 500,000. This includes, for example, deposits from real estate transactions of privately used residential property; payments of insurance benefits or compensation due to criminal acts; deposits fulfilling purposes provided for by law - more detailed information can be found on the homepage of the deposit protection scheme [www.einlagensicherung.at](http://www.einlagensicherung.at).

Deposit insurance applies per customer (depositor), not per account. In the case of a jointly managed account, each (legitimate) account holder is therefore in principle entitled to compensation. In principle, a 1:1 allocation is assumed for the allocation of credit balances on joint accounts. However, the account holders are free to provide the bank with a written arrangement that deviates from the 1:1 allocation even before the occurrence of a collateral event. In the event of a collateral event, the distribution key selected shall then be used for the allocation.

Deposits in an account over which two or more persons may dispose as partners in a general partnership, a limited partnership (KG), a civil-law partnership (GesbR) or a partnership corresponding to these forms of partnership under the law of a Member State or a third country shall be aggregated for the purpose of calculating the maximum amount and treated as the deposit of one depositor. This shall apply in the same way to credit balances and other claims arising from securities transactions.

### ▪ Investor Compensation

Under Austrian law, securities must be returned to the investors by the credit institution concerned in the event of the insolvency of the custodian bank. Since the securities are merely held in safe custody by the custodian bank, the Customer, as the owner of the securities in the insolvency proceedings, can file an application to have the securities segregated.

Monetary claims arising from investor compensation are secured by a maximum of EUR 20,000 for both natural persons and legal entities. However, claims by non-natural persons are limited to 90% of the claim arising from securities transactions per investor and per credit institution.



#### ▪ **Difference between Deposit Guarantee and Investor Compensation**

All types of deposits or credit balances credited to accounts or savings accounts (e.g. salary accounts, savings accounts, time deposits, etc.) at credit institutions are normally covered by deposit insurance. 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:
  - o 20 working days (until 31/12/2018);
  - o 15 working days (between 01/01/2019 – 31/12/2020);
  - o 10 working days (between 01/01/2021 – 31/12/2023); and
  - o 7 working days (as of 01/01/2024).

#### 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).

#### ▪ **Exceptions from the Deposit Guarantee**

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

#### The following are not covered:

- Debt securities of credit institution (e.g. loans for residential purposes, 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.

#### ▪ Exceptions from the Investor Compensation

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

#### The following are not covered:

- 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 Art. 1 No. 7 WAG 2018
- Claims of companies that qualify as large companies 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 Management 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 is obliged to 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 companies). 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, the Customer is asked to send their complaint free of charge by the following means:

- **by post to:**  
DenizBank AG  
Attn.: Complaint Management  
Thomas-Klestil-Platz 1  
A-1030 Vienna
- **in person:** at one of our branches
- **by phone:** 0800 88 66 00
- **by fax:** +43 (0) 505 105-2829
- **via E-Mail:** [feedback@denizbank.at](mailto:feedback@denizbank.at)
- **via contact form on the website of DenizBank AG**

More information on how to file a complaint, as well as details on the complaint process, is available at [www.denizbank.at/en/CustomerService/FeedbackManagement/](http://www.denizbank.at/en/CustomerService/FeedbackManagement/) .

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

Wiedner Hauptstraße 63, A - 1045 Vienna

Tel.: +43 1 5054298, Fax: 43 1 5054474

[office@bankenschlichtung.at](mailto:office@bankenschlichtung.at)

[www.bankenschlichtung.at](http://www.bankenschlichtung.at)