

<b>Amendments to the CSD Instructions: fiscal support in relation to French securities</b>
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The changes described below will enter into force on **7 October 2025**.

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In order to expand the tax assistance services to support securities issued in other jurisdictions, the Instructions for the CSD service are amended, with particular reference to tax assistance services on French securities. Currently, ES-MIL applies the withholding tax according to the ordinary rate, the treaty rates or any exemptions provided, making also the due payments to the French tax authorities and supporting service participants with any procedures for the recovery of excess amounts paid.

The following changes introduce an equivalent service for French Exchange-Traded Funds (ETFs) held by Intermediaries and beneficiaries residing in France, in relation to which ES-MIL:

- A. makes the gross payments provided for in applicable tax law;
- B. submits to the French tax authorities the periodic returns and the required documentation; and
- C. makes payments to the French tax authorities, if there are undocumented positions or discrepancies in the balances recorded.

*The following is an excerpt of the text with the amendments shown.*

*The full text of the Instructions will be published on the website <https://www.euronext.com/it/post-trade/euronext-securities>*

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## **5.2.2 Tax services for the French market**

### **5.2.2.1 Role of ES-MIL**

ES-MIL acts as paying agent and withholding agent, in accordance with French tax law, on behalf of:

- a) Intermediaries and end beneficiaries not residing in France who hold French shares listed on regulated markets with the Central Securities Depository Service;
- b) Intermediaries and end beneficiaries residing in France who hold French ETFs listed on regulated markets with the Central Securities Depository Service.**

#### **5.2.2.2 Service for Intermediaries and beneficiaries not residing in France (shares)**

Omitted

##### **B. Special Rates Service**

Omitted

~~Each month ES MIL sends Intermediaries a summary of the payments made on their account, with an indication, for each treaty rate applied, of the amounts of the dividends paid during the month and related taxes paid.~~

Omitted

#### **5.2.2.3 Service for Intermediaries and beneficiaries residing in France (ETFs)**

**In its tax services for French securities, ES-MIL:**

- A. makes the gross payments provided for in applicable tax law;**
- B. submits to the French tax authorities the periodic returns and the required documentation;**
- C. makes payments to the French tax authorities by the due dates established by law, if there are undocumented positions or discrepancies in the balances recorded.**

**The activities set out in letters A) and C) above are carried out by ES-MIL upon request of the Intermediaries, subject to compliance with the following operational conditions.**

#### **Operational conditions**

**Intermediaries must identify accounts dedicated to the registration of French ETFs on behalf of end beneficiaries residing in France.**

**To this end, the Intermediaries must send ES-MIL the following details relating to the CSD account:**

- **account code;**
- **account number;**
- **account owner;**

- account party code;
- account name/description, clearly indicating accounts dedicated to French ETFs held by French residents;
- account type, flagging denoting the tax residency status of end investors.

The Intermediary must send ES-MIL, through the TPS platform, the documentation provided for in French tax law for the purposes of certification of tax residence and that certifies the satisfaction of the requirements to receive the gross payment.

Without prejudice to the Intermediary's responsibility for the truthfulness and accuracy of the information submitted, ES-MIL verifies that it is complete.

The Intermediary must give notice of all changes of the beneficiaries or the beneficiaries' tax position.

ES-MIL reconciles the details related to the positions communicated by the Intermediary with records in its possession and, in case of discrepancies, applies the ordinary rate.

To support reconciliation and periodic declarations to the French tax authorities, the Intermediaries must use a specific breakdown model to upload the data of end beneficiaries.

By the tenth day of the calendar month after the payment, the Intermediary must communicate the details of the end beneficiaries and the related documentation. In the event of discrepancies compared with the positions previously classified, ES-MIL reverses the payment executed and performs a new payment calculated according to the documentation received by the Intermediary.

If the documentation is sent after the deadline indicated in the previous paragraph, ES-MIL reverses the payment previously executed, and performs a new payment according to the ordinary rate.

### **Gross payments and possible payments of tax and tax returns**

ES-MIL executes the payment applying the rate based on the classification of the account. When the system identifies an account dedicated to French residents, the payment is executed on a gross basis (0%).

**In the event of discrepancies detected or undocumented positions, ES-MIL shall apply the maximum rate for non-residents according to the conditions indicated in paragraph 5.2.2.2.**

**In this case, ES-MIL sends to the French tax authority:**

- **a declaration, submitted along with the payment of the tax, indicating the payments made according to the various rates during the month of reference;**
- **a quarterly report containing the details of the end beneficiaries to which the treaty rate and/or gross payment was applied;**
- **an annual a summary statement indicating the beneficiaries who received the application of the treaty rates and/or gross payment.**