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Evolution of the FIS Service and release of new functionalities

To the attention of:	Intermediaries, Issuers and their Account Operators
Priority:	Average
Topic:	Evolution of the FIS Service and release of new functionalities in the TE/UTEST environment

Dear Client,

With a view to ensuring the ongoing evolution of the services that ES-MIL offers to its participants, we are pleased to announce some updates to the FIS Service (the "Service").

The service which, as known, is ancillary to the corporate actions announced by Issuers, is managed by ES-MIL and also available in A2A mode. It enables our participants (intermediaries and their agents) to manage and channel to Issuers (and their agents) the following series of standardised information flows via ES-MIL's MT-X web platform (the "Platform"):

1. **DIV flows** (for reporting DIVIDEND names);
2. **TOS flows** (for reporting TOS names);
3. **CPA flows** (for reporting the names of shareholders that intend to participate in the shareholders' meeting);
4. **SHID flows** (for reporting Shareholder Identification).

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The update ensures that participants are constantly in compliance with applicable legislation (such as the Shareholder Rights Directive II), in terms of innovation as well as usability for clients.

The following section provides a description of the new features introduced to the FIS Service:

1. Flow management via U2A functions

The flows produced by intermediaries are currently not “manageable” through our online functions.

If there record errors in a flow, the current process:

- a) fully returns the flow, even if only partially incorrect, not allowing the client to rectify formal or partial errors in the original flow;
- b) provides for the use of the FIS Editor, an application for U2A flow creation (“FIS Editor”) which enables all the data of an individual incorrect record to be re-processed from scratch.

The newly introduced modifications render all flows sent by participants that are found to be incorrect editable with online functions available on the platform, enabling a client to rectify the information promptly. Corrected records will be subject to the standard formal checks and, if they pass, are made available to issuers.

Furthermore, inquiry and flow/record management functions will be made available to Intermediaries on the platform. These functions actually complement the current “FIS Editor” which in any case has been updated and continues to be available upon request.

In particular, it will be possible to:

- a) view the flows made available by the intermediary in a special section on the platform. Flows can be edited using special inquiry functions (NOS, Account, ISIN, flow type, processing status, a correct flow indicator, and a specific indicator of any errors present);
- b) identify, view and edit flows with incorrect records;
- c) modify incorrect records, manually editing the incorrect fields;
- d) delete and enter records with online functions;
- e) render corrected/entered records eligible for RCC reporting, according to the rules for acceptance of names/reports to be remunerated;
- f) enter *ex novo* new records of the various types of flows handled (TOS/DIV/CPA/SHID).
- g) view a “Report Summary” that indicates, in absolute and percentage terms for each NOS and ISIN, the proportion of reports that have been correctly sent and those yet to be sent.
- h) access the corporate action information describing the event directly from the Report Summary page.

2. Control of special characters in flows

Currently, automated checks on flows do not detect the presence of non-ASCII control or special characters that could invalidate the record for recipients, with possible repercussions for the RCC system for the recognition of any fees.

For this reason a check on special characters has been introduced, which is also capable of reporting an anomaly and enabling it to be resolved using U2A functions.

Records featuring non-ASCII characters are highlighted to enable the client to resolve them using online functions. Records with non-ASCII characters that are resolved online will be made available to the recipient in the same way as records that are corrected/rectified online.

3. Maintenance of original FIS flow nomenclature

In order to facilitate immediate identification of flows, the Platform will maintain the original nomenclature of the flows, thereby ensuring a constant reference to the source file.

4. Printing of ticket for participation at shareholders' meetings

The intermediary has the option, directly from the platform, to print the ticket for participation at shareholders' meetings and provide it to the client for access to the meeting.

5. Reception of CPA flows by the issuer

With respect to CPA reports for each shareholders' meeting, the platform enables the client to see that the issuer has opened each flow sent in U2A mode, and that flows sent in A2A mode to entitle its clients to participate have been deposited in the issuer's system.

Subject to the successful outcome of testing, these functions will be released into production on **21 November 2022**.

Test plan

For further details on how to perform user tests, see the plan entitled "FIS Enhancements_Piano dei Collaudi v 1.0", which is available in English and Italian at the following address on the MT-X platform:

Documentation > Technical documentation > FIS Enhancements

Tests will be conducted between 17 October and 11 November 2022 in the ES-MIL test environment named "Pre-production".

If no contraindications are documented (to be sent to the address mt-helpdesk.ceis@euronext.com by and not later than 12 November 2022), the 'Go Live' in the production environment is scheduled for 21 November 2022.

ES-MIL will consider the absence of feedback as tacit consent to the introduction of the new functionalities into production.

In order to effectively organise and coordinate the test activities, all clients concerned – in their respective roles as Issuer, Intermediary and Account Operator – are asked to forward

an application to participate by email to the address mt-helpdesk.ceis@euronext.com by 23 September 2022.

Relevant documentation

The relevant technical documentation, in Italian and English, may be consulted through the following channels:

- “MT-X User Manual: FIS – CPA – SHID Services v. 2.5”, available in Italian and English versions in the following folder of the MT-X document section: “Documentation > Technical documentation > User Manuals in Production”

Please use the following contact address for support requests during this release launch:

mt-helpdesk.ceis@euronext.com.