



Regulatory Board Communiqué No. 1/2022
Dated 17 May 2022

GDR: planned changes to Issuer and Trading Rules

I Background

SIX intends to make the listing and trading of global depository receipts (GDRs) on SIX Swiss Exchange AG more attractive and thereby also enable access for Chinese issuers. To this end, the Swiss Stock Exchange is creating regulatory framework conditions comparable to those of other trading venues and will amend existing Issuer and Trading Rules as of Q3 2022. An application for approval of the revised regulations has been submitted to the Swiss Financial Market Supervisory Authority (FINMA) as the responsible authority.

II Amendments

The introduction of the new trading segment «Global depository receipts» will require amendments to both the Issuer and Trading Rules.

A Listing Rules

The issuance of global depository receipts in Switzerland should not result in greater effort and expenses compared to other financial centres, but, at the same time, also not allow for less stringent obligations that do not account for market requirements or that could prove negative from investors' point of view. Thus, the following amendments to the Listing Rules (LR) are planned:

- The current exemption with regard to the disclosure of management transactions shall be revoked (Art. 100 LR).
- In future, Art. 103 LR shall specify ad hoc publicity obligations.
- The applicability of the Directive Corporate Governance (DCG) in accordance with Art. 101 para. 1 LR shall remain exempt. The issuer of the underlying shares shall declare in both the prospectus in accordance with FinSA and the annual report that it adheres to the corporate governance standards of its domestic market (Art. 101 para. 2 LR).
- The current exemption with regard to the publication of interim financial statements in Art. 102 LR shall be revoked. Issuers of underlying shares shall be obliged to publish semi-annual financial statements.
- Current disclosure obligations for issuers of global depository receipts (depositories) shall be revoked.

B Trading Rules

Global depository receipts listed on SIX Swiss Exchange AG will be tradable in a new trading segment to be implemented. The trading model for global depository receipts will be based on the model for the Mid-/Small-Cap Shares trading segment. Accordingly, essentially the same rules and processes will apply in a new Annex D of the «Trading Parameters» Guideline as already apply for Mid-/Small-Cap Shares in Annex B of the «Trading Parameters» Guideline. Trading will open at 15.00 (CET) to ensure compliance with ongoing reporting obligations of issuers in both countries. Lastly, the reporting deadlines for trades in global depository receipts shall be added to the Reporting Office Rules.

The fees for listing of global depository receipts as well as reporting fees shall be based on the applicable tariffs for listing of equity securities. It is intended to establish new trading fees for GDRs in Annex D and Annex N of the List of Charges under the Trading Rules and keep those nearly identical to those of the Mid-/Small-Cap Shares trading segment.

III Further actions

Pending approval by FINMA, the amendments will be published at a later date via a separate communiqué.

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