

Conversion of 6 HANETF ETFs into international ETF structure

HANETF ICAV (the Company) intends to convert its Irish-domiciled and Global Bearer Certificate Exchange-Traded Funds (ETFs) to the ICSD model in Common Depository structure, thus centralising the issuance process in one Common Depository. This migration wave will consist of 6 ETFs issued under the HANETF ICAV umbrella.

This document contains the relevant details on the conversion of the 6 HANETF ETFs into the international ETF structure.

No action is required from customers for the conversion of the securities into the international ETF structure. Depending on the customer's current settlement arrangements, there may be settlement-related actions for customers to take. Please refer to the information provided below.

Mandatory conversion

The 6 HANETF ETFs reported in the table on page 2 will be converted into international ETFs on Monday, 3 August 2020 (the "conversion date"). The conversion from the current domestic to the new international issuance structure is subject to the shareholder approval from the extra-ordinary general meeting (EGM) of 3 June 2020. Once confirmed, the conversion will become mandatory and it does not require any action from customers.

DE-ISINs global bearer certificates (GBCs) in collective safe custody will be converted into international IE-ISINs over the weekend of the exchange based on customer's holdings on Friday, 31 July 2020 - 'the record date' on a 1:1 basis. Settlement will remain possible until close of business on Friday 31 July 2020. From that time, external and bridge settlement in the DE ISINs will no longer be possible. Booking of GBC exchanges from the original ISINs into German certificates and GBC re-exchange from German certificates into the original ISINs are only possible until noon (CET) 30 July 2020.

IE-ISINs (Irish domiciled) static data will be updated in Clearstream Banking's securities database (including the WSS database) to flag the ISIN as international. The IE ISINs will remain the same. If customers have holdings in a CASCADE account (collective safe custody), they will be converted into the customer's corresponding CBF-i accounts ("6-series accounts") in the international settlement environment, over the weekend of the conversion, based on customer's holdings on record date Friday, 31 July 2020 on a 1:1 basis. Settlement will remain possible until close of business on Friday, 31 July 2020.

Positions in remote market common codes held in other CSDs such as Monte Titoli, BP2S Netherlands, Euroclear France, Euroclear UK & IE will be repatriated to their respective home market common code starting Monday 20 July 2020. From Monday 20 July 2020 remote market common codes will be closed for settlement. From that date customers should refrain from instructing on remote market codes. Any pending settlement instructions, including matched instructions, will be cancelled in remote common codes and customers will have to re-instruct with the home market common code. For matched domestic instructions, which are already provisioned, customers and their counterparty should cancel both legs and re-instruct on the new home code setup. For this, customers may need to contact their counterparties directly to ensure prompt cancellation.

Stock exchange trading in the various markets will remain possible (unless announced otherwise) but customers are requested to check with their counterparty which settlement arrangement within the ICSDs should be applied to settle their trades.

The repatriation of positions in remote market common codes to home market code concerns all 6 HANETF ETFs subject to the mandatory conversion.

Impacted securities

6 HANETF ETFs subject to the mandatory conversion

Fund name	IE ISIN	GBC DE ISIN	Final IE ISIN
SHS EMQQ EM.MAR.INTER+ECOM.UCITS ETF	IE00BFYN8Y92	DE000A2N5XA8	IE00BFYN8Y92
SHS HAN-GINS CLOUD TECHNOLOGY UCITS ETF - U	IE00BDDRF924	DE000A2N5XC4	IE00BDDRF924
SHS HAN-GINS INNOVATIVE TECHNOLO.UCITS ETF	IE00BDDRF700	DE000A2N5XE0	IE00BDDRF700
SHS HAN-KMEFIC FTSE KUWAIT EQ.U.ETF-USD ACC	IE00BGPBVS44	DE000A2PD3R9	IE00BGPBVS44
SHS HANETF-MED.CANN.+ WELLN.U.ETF ACC	IE00BG5J1M21	DE000A2PPQ08	IE00BG5J1M21
SHS HAN-GINS HEALTHCARE INNOVATI.UCITS ETF	IE00BJQTJ848	DE000A2PE7K4	IE00BJQTJ848

Impact on stock exchange settlement instructions

Friday, 31 July 2020	What will happen
After close of business	<p>CBF customers: Pending exchange settlement instructions will be modified to the CBF-i settlement platform (Creation) on customers' accounts. No separate customer information will go out.</p> <p>CBL/CBF-i customers: Pending exchange settlement instructions will be cancelled following change in static data of securities database. Customers should reinstruct accordingly.</p>
Monday, 3 August 2020	What will happen
Start of business	Stock exchange transactions on Xetra will settle in the CBL/CBF-i settlement platform as from settlement date Monday, 3 August 2020.

Impact on OTC settlement instructions

Friday, 31 July 2020	What will happen
After close of business	<p>Customers' pending OTC settlement instructions on CASCADE will be cancelled and customers should reinstruct to the CBL/CBF-i settlement platform (Creation) on their accounts. No separate Customer information will go out.</p> <p>Customers' pending OTC settlement instructions on the CBL/CBF-i settlement platform (Creation) will be cancelled following change in static data of securities database. Customers should reinstruct accordingly.</p>
Monday, 3 August 2020	What will happen
Start of business	<p>External settlement instructions</p> <p>The place of settlement for customer transactions in international ETFs will be the CBL/CBF-i settlement platform as from settlement date Monday, 6 July 2020.</p>

Customers trading/clearing in the above ISINs on Xetra

For trades executed on Xetra as from Thursday, 30 August 2020, the related transactions will settle exclusively in CBL/CBF-i.

Customers settling Xetra transactions in CBL or CBF-i today

There is no impact for customers. Customer transactions will continue to settle in CBL/CBF-i.

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Customers settling Xetra transactions in CBF today

What will happen close of business on	Actions
Friday, 31 July 2020	
CBF will modify the customer's pending instructions to the CBL/CBF-i settlement platform (Creation) on the customer's CBF-i account.	No action to take.
The start of business on Monday, 3 August 2020	
CBL/CBF will execute the conversion and credit the customer's account in CBL/CBF-i with the IE ISINs of the corporate action. The customer's CASCADE account will be debited accordingly.	<ul style="list-style-type: none">Customers should amend their static reference data for the 6 HANETF ETFs to reflect the place of safekeeping, and holding ledger to PSAFE: IRVTGB2XGPTClearstream Banking recommends customers to make arrangements with their underlying clients to make the relevant amendments as soon as possible after the conversion date.

Other stock exchanges

Clearstream Banking recommends customers to check the relevant details with the local infrastructure of the other trading venues (Euronext, LSE, Borsa Italiana).

Place of settlement - Overview

Settlement type	Trading venue	Place of settlement pre-conversion	Place of settlement post-conversion ^a
Stock exchange settlement	Xetra	CBL (/CBF-i)	CBL (/CBF-i)
	Xetra	CBF	CBL (/CBF-i)
OTC	N/A	CBL (/CBF-i)	CBL (/CBF-i)
	N/A	CBF	CBL (/CBF-i)

a. Allowing the customers to centralise their OTC activity and stock exchange activity in the same location.

Any questions?

Have you read our international ETFs Product Information publication?

The Product Information publication is available on our website (www.clearstream.com) and offers further details on how the international ETF structure helps meet the post-trade challenges of the ETF market.

For further information, please contact Client Services.

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