A guide to shareholder rights across six European countries
Shareholder activism is a powerful tool to hold public companies to account on workers, communities and the environment. To support shareholder activism across Europe, ShareAction has compiled an overview of shareholder rights in six different countries: France, Germany, Italy, the Netherlands, Spain, and the UK.

ShareAction believes exercising shareholder rights is a vital part of being a responsible investor. We particularly encourage pension funds and insurance companies to be active owners of the capital of those millions of people whose long-term savings are entrusted to the capital markets and to manage environmental, social and governance issues effectively. To do this, shareholders need to know what their rights are, how they can be exercised effectively and how they may vary across different countries.

Being a shareholder of a company gives you certain rights, such as asking questions at company Annual General Meetings (AGMs). Shareholders can be large institutional investors, such as pension funds and other asset owners, as well as small shareholders, such as an individual holding one or more shares. Due to the size of holdings of institutional shareholders they can take much larger stakes in companies: this may give them significant power to direct a company, usually undertaken through private engagement with the companies as well as voting.

However, as said, individuals can be shareholders too. The holding of just one share gives them the right to vote and ask questions, which can be a powerful form of activism. Large, publicly-traded companies have the potential to be a force for good or ill; shareholder activism can be used to push them in the right direction on environmental, social and governance issues. To make this easier across countries, this guide examines what the rights of shareholders are in six EU countries – France, Germany, Italy, the Netherlands, Spain, and the UK – in addition to providing some information on practicalities to consider when attending AGMs in these countries.

What’s the purpose of AGMs?

Every year, these companies have to hold an Annual General Meeting (AGM) within six months of the end of the financial year. The AGM gives shareholders the opportunity to hold the board of directors to account on the management of the company. Important aspects of company policy, such as the re-election of directors, and the approval of their pay packages, are voted on by shareholders at AGMs. It should be noted though that institutional shareholders will often engage with a company throughout the year and may not see the AGM as the only opportunity for influencing its behaviour.

When engaging with a company, a focal point for any shareholder activist will be the annual general meeting (AGM). All publicly-traded companies will hold an AGM, and it is the main forum through which the company is made accountable to its shareholders. Typically, at the AGM the executive board will provide shareholders with an overview of the company’s progress in the last year. All shareholders in the company can attend, ask questions to the board, and vote on resolutions on company business – for example, on the re-election of members of the board, or on the company’s remuneration policy. AGMs can be a forum to discuss the company’s performance in relation to environmental, social and governance (ESG) issues, for example its record on climate change, on protecting workers’ rights, or on gender balance in the company. It is here that shareholder activism can have great impact. It can put important issues on the agenda, hold the company to account, and potentially start a constructive dialogue with the company on how they can make progress.

Recent changes in law

The shareholder rights that are explained in this document for France, Germany, Italy, the Netherlands, Spain and the UK were set by the Shareholder Rights Directive (SRD) that was passed in the European Parliament in 2007 and enshrined basic shareholder rights across Europe. It should be noted that a revised version of the Shareholder Rights Directive was recently passed by the European Parliament.

The recent vote on the EU Shareholder Rights’
Directive will work as a catalyst in improving shareholder influence in corporate governance decisions through improved shareholder engagement with asset managers and institutional investors. As an extension, this increased engagement can have a positive influence on the social justice and environmental concerns which the majority of shareholders are concerned about, through creating incentives for long-term investment thinking by institutional investors and responsible corporate behaviour by investee companies.

The agreed text requires institutional investors to publicly disclose their engagement policy, as well as how this policy is implemented. The engagement policy needs to include specific information on how investors engage with investee companies on financial and non-financial performance, which includes environmental, social and governance (ESG) risks.

While the SRD has great potential to achieve the above, it does involve the use of a “comply or explain” mechanism, which can be limiting to the effect of the Directive. According to this mechanism, publicising and engagement strategy can be avoided through an explanation of the reasoning behind the decision. Finally, asset managers only need to inform institutional investors of this engagement strategy, and not the wider public.

The Shareholder Rights’ Directive is complementary to the Non-Financial Reporting Directive, currently in transposition phase. In fact, the significance of the latter is highly dependent on the ability of shareholders to access the non-financial data reported. Since shareholders they are one of the key stakeholder groups who will be examining company data on non-financial issues, such as ESG, their response to the nature of non-financial information reported can create pressure and a positive loop between them and investee companies, who will be encouraged to improve on areas they know they will be expected to report on.

### What are shareholder rights?

Publicly listed companies – those whose shares are bought and sold on stock exchanges – are legally answerable to their shareholders. There is some variation in the specific legal rights of shareholders between countries. However across the EU, shareholders are ensured of certain fundamental rights:

- The right to vote, ask questions, and actively participate in the shareholders’ meeting of companies they hold shares in
- The right to contribute to the agenda of the shareholders’ meeting
- The right to accessible, detailed and salient information about the company, so as to be informed participants in the meeting
- The right to participate in the meeting by means of written communication, by electronic communication, and by appointment of a proxy.
**Glossary**

**AGM (Annual General Meeting)**
Publicly-listed companies hold this meeting every year. All shareholders in the company are able to attend, to ask questions to the executive board of the company, and vote on resolutions. Also commonly referred to as the OGM (Ordinary General Meeting), the general meeting, or the shareholders’ meeting.

**Articles of association**
Also referred to as the company constitution. This will outline some of the rights shareholders in the company have, as well as the role of the company directors, procedures for the dissolution of the company, and other information.

**EGM (Extraordinary General Meeting)**
A shareholders’ meeting that is held especially to deliberate on a specific issue, for example an amendment to the company constitution. It is called an ‘extraordinary’ general meeting to distinguish it from an AGM, as it is not held every year. The rules governing an EGM may also differ from an AGM – for example, it may be that there is a higher threshold for a vote to carry.

**Proxy**
A proxy representative is someone appointed by a shareholder, to attend the meeting on their behalf. The shareholder may issue instructions to the proxy on how to vote on a resolution, or give them a question to ask the executive board.

**Resolution and motion**
Resolutions are the means by which company directors and shareholders make decisions. Most resolutions will pertain to the governance of the company. For example, companies may propose a resolution to reappoint one of the company’s directors, to approve the remuneration package, or to approve the shareholder dividend. A proposed resolution may be referred to as a motion. Once the motion is passed, it becomes a resolution of the shareholders’ meeting. Resolutions can be divided into two categories - ordinary resolutions (passed by a simple majority) and special resolutions (passed by a supermajority).

**Share capital**
Equity of a company that has been obtained by selling shares. Each shareholder effectively owns a portion of the company’s equity by holding a share.

**Shareholder resolution**
A resolution proposed by a shareholder or group of shareholders. These are distinct from company resolutions, which are proposed by the company. Shareholder resolutions may relate to any issue of concern to a shareholder about the business of the company. For example, in 2015 a number of organisations with shares in BP and Shell filed resolutions urging the companies to invest in renewable energy and do more to fight climate change. Filing a shareholder resolution is a time consuming but powerful tool for campaigners. The motion and accompanying information will be included in the information sent to all shareholders in advance of the AGM, which is powerful for raising awareness of the issue. It can also be used to prompt engagement with the company, who may seek to get the motion withdrawn and deal with the issue it raises, rather than see the motion put to a vote.
Shareholder rights in France

Which laws set out shareholder rights in France?

The French Commercial Code\(^2\) outlines the rights of shareholders in France. The Code was amended to explicitly state what these rights are; this was done to implement the EU's 2007 Shareholder Rights Directive, a major piece of legislation designed to set out the rights of shareholders across the EU. Unless specified otherwise, the shareholder rights as described here are derived from the French Commercial Code.

Annual General Meetings

All shareholders in a company are entitled to participate in the shareholders’ meeting – companies usually refer to this as the Annual General Meeting (AGM) or Ordinary General Meeting (OGM).

Voting on resolutions

Motions will be presented to the AGM - these are proposals about governance of the company, most proposed by the company itself on matters such as the appointment of directors, and increases or reductions in share capital. A motion is presented to the meeting, and a vote is then taken on whether to formally adopt the motion as a resolution. The vote is only valid if shareholders that collectively hold at least one fifth of the share capital with voting rights participate in the vote. Resolutions are passed on a simple majority vote. Shareholders can vote by post or by electronic means, or in person at the shareholder’s meeting.

Convocation of the shareholders’ meeting

A shareholders’ meeting should be held at least once a year, within six months of the end of the financial year. A notice of the shareholders’ meeting must be given, stating:

- the date
- time
- location
- summary of the business to be deliberated on
- details of how to vote
- details of the procedures for asking questions at the meeting
- how to add items to the agenda

- procedure for postal voting and electronic voting

The meeting will be held at around the same time every year – to get an idea when the notice will be published, refer to information on the website from previous years.

The notice will also list the motions to be voted on at the meeting.

Filing a Shareholder Resolution

Shareholders holding at least 5% of share capital can request to add resolutions to the agenda. Shareholders can organise together, so that they collectively represent the minimum 5% and so can file a resolution together. As much time as possible should be allowed to do this, as preparing the necessary paperwork in time for the meeting can be time consuming. Once the second amended notice has been sent out, it cannot be amended again. Resolutions that are not on the agenda cannot be voted on.

Appointment of proxies

Shareholders can appoint a proxy to represent them at the meeting. The details of how to do this should be outlined in the notice of the shareholders' meeting, and also on the company website. The appointment of a proxy, or revocation of appointment of a proxy, must be put in writing to the company. The proxy must declare any conflict of interest to the shareholder. Any person soliciting professional services as a proxy must declare their voting policy.

Asking questions at the AGM

The company must provide shareholders with adequate information to make informed decisions about the company at the general meeting. When taking questions, the board can give a single response to multiple questions, if they have the same content. The board can also refer shareholders to an FAQ (frequently asked questions) section on its website in response to a question, provided the relevant information is listed here.
Information supplied to shareholders

The annual report presented to the shareholders’ meeting may include, where appropriate, information on the company’s performance in relation to ‘non-financial’ matters, including environmental, social and governance (ESG) factors.

Since adoption of the new French Energy Transition for Green Growth Law (or Energy Transition Law, Article 173) in August 2015, all publicly traded companies are required to disclose information in their annual report on their business strategy on climate change-related risk. The report must detail financial risks related to the effects of climate change, the measure adopted by the company to reduce them, and the consequences of climate change on the company’s activities and of the use of goods and services it produces.³

There is an additional requirement on asset management firms and other institutional investors. They are required to disclose in their annual report how ESG factors are considered in their investment decisions, and how their policies are in line with France’s national strategy for energy and ecological transition.⁴

For all publicly traded companies, the president of the board of directors must present a report, appended to the main annual report presented to the general meeting. This report must include the following:

- details of how shareholders can participate in the shareholders’ meeting, or refer to where these details are outlined in the company’s constitution
- details on the implementation of gender balance in the company
- details of the company’s remuneration policy
- details of the application of voluntary corporate governance codes or why, if applicable, they haven’t been adhered to

An audit must be done of the company’s adherence to mandatory legal and regulatory social and environmental standards. The auditor’s conclusion must be sent to the general meeting.

At the time of writing, further legislation is being considered in France to enhance ESG reporting. A bill has been approved by the National Assembly, requiring large companies to publish a due diligence strategy to identify and prevent risks related to human rights and environmental abuses, within their supply chains.⁵ It remains to be seen whether this bill will be passed by the Senate and made into law.

Other information

For companies that have over 3% of their share capital held by company staff or staff of affiliated companies, at least one of the members of the executive board of directors must be elected by the shareholders.

Amendments to the company constitution can only be authorized by an extraordinary general meeting. This is a shareholder’s meeting that is convened especially to deliberate on a particular matter. Unlike the regular shareholder’s meetings, these are not held annually.

It is mandatory for the president of the board of directors to consult with shareholders prior to the extraordinary general meeting, when such a meeting is required to amend the company’s constitution.

Shareholders with shares that have been registered for at least two years, and who hold at least 5% of the voting rights, may form associations to represent their interests within the company. They must inform the company and the Autorité des Marchés Financiers (AMF) of their legal status. Where the company’s capital exceeds €750,000, the share of voting rights is to be changed as follows:

- 4% over €750,000 and up to €4,500,000
- 3% over €4,500,000 and up to €7,500,000
- 2% over €7,500,000 and up to €15,000,000
- 1% over €15,000,000

… all publicly traded companies are required to disclose information in their annual report on their business strategy on climate change-related risk.
Practical things to consider

What is the length of an AGM?

AGMs typically last 3 hours.

What is the process for buying a share in a company?

For French AGMs it is worth knowing here are two main types of shares in France – actions au porteur and actions nominatives.

- Actions au porteur – these shares are taken care of by another organisation, and your identity remains hidden from the company (though technically, the company can easily identify the shareholder by asking the organisation in charge of paying dividends). This the preferred share type for those who hold shares for making profit from it but don’t have an active interest in what the company does. For this reason, holders of these shares cannot attend the company AGM or vote on resolutions.

- Action nominative – if you hold these shares your name is made available to the company, and thus you are able to engage in corporate matters. There are two sub-types of these shares: action nominative administre, where an intermediary takes care of the shares, and action nominative pur, where the company manages a shareholder’s shares itself and directly messages the shareholder about AGMs, resolutions and other business. These shares are less expensive since no intermediary services are paid for.

Can you bring a guest to the shareholders meeting?

Guests cannot attend the meeting – only shareholders or their proxy representatives can attend.

Is there a time limit for individual questions?

Time for questions is restricted, about 1.5 minutes only.

Do you have to register the question in advance? Do you need to register the question when you arrive at the meeting?

While it is possible to send in your question in advance, there is no requirement to do so.
Shareholder rights in Germany

Which laws set out shareholder rights in Germany?

The rights of shareholders in Germany are mainly outlined in the German Stock Corporation Act 1965. The Act was one of a number of German laws that were amended to explicitly state what rights shareholders have. This was done to implement the EU’s 2007 Shareholder Rights Directive, a major piece of legislation designed to set out the rights of shareholders across the EU.

All the shareholder rights as described here are derived from the German Stock Corporation Act 1965.

Annual General Meetings

All shareholders in a company are entitled to participate in the shareholders’ meeting – companies normally refer to this as the Annual General Meeting (AGM) or Ordinary General Meeting (OGM).

Voting on resolutions

Motions will be presented to the AGM - these are proposals about governance of the company, most proposed by the company itself on matters such as the appointment of directors, and increases or reductions in share capital. A motion is presented to the meeting, and a vote is then taken on whether to formally adopt the motion as a resolution. Resolutions are passed on a simple majority vote. Shareholders can vote by post or by electronic means, or in person at the shareholders’ meeting.

Convocation of the shareholders’ meeting

A shareholder’s meeting should be held at least once a year. A notice of the meeting must be given, stating:

- the date
- time
- location
- summary of the business to be deliberated on, including a list of resolutions to be voted on at the meeting
- details of how to vote
- details of the procedures for asking questions at the meeting

The notice of the shareholders’ meeting must be published, no later than 30 days prior to the meeting.

The meeting will be held at around the same time every year – to get an idea when the notice will be published, refer to information on the website from previous years. The company may decide that attendance or exercise of shareholder voting rights is contingent on the shareholder giving prior notice of attendance. In this case, the shareholder must give the company at least six days’ notice prior to the meeting.

“Shareholders have the right to challenge resolutions if it is deemed “unethical”.

Filing a Shareholder Resolution

Shareholder(s) representing at least 1/20 of share capital, or equivalent to €500,000, can request for resolutions to be put on the agenda. This must be done by giving 30 days’ notice to the company. Shareholders can organise together, so that they collectively represent the minimum 1/20 of capital or €500,000 of capital, and so can file a resolution. As much time as possible should be allowed to do this, as preparing the necessary paperwork in time for the meeting can be time consuming. Resolutions that are not on the final agenda for the meeting cannot be adopted.

Shareholders also have the right to challenge resolutions put to the meeting. The legislation outlines the grounds on which shareholders can do this, including if the resolution is deemed ‘unethical’.
Convocation of extraordinary shareholders’ meetings

It is mandatory for a shareholder meeting to be convened, if shareholder(s) representing at least 1/20 of share capital submit a request for this in writing. The request must state the purpose and reason for the meeting.

Appointment of proxies

Shareholders can appoint a proxy to represent them at the meeting. The details of how to do this should be outlined in the notice of the shareholders’ meeting, and also on the company website. The appointment, and revocation of appointment of the proxy must be put in writing to the company. This can be done by electronic means.

Asking questions at the AGM

Shareholders have the right to ask questions, and request information at the meeting in order to adequately evaluate items on the agenda. Time for questions may be limited by the chair.

Shareholders are entitled to information about the company, including the annual report, annual financial statements and other documentation about the business. This information may not be supplied automatically but is available online. Information does not need to be supplied during the meeting, if it has been available on the company website for at least seven days prior. Any denial of information to a shareholder at the meeting can be recorded in the minutes, on the shareholder’s request.

Information must also be made available on the company website, following the conclusion of the meeting. This includes the content of the meeting, explanation of any agenda items not resolved, documents that were made available at the meeting, forms used for proxy and postal voting, and any demands made by shareholders at the meeting.

Other information

Shareholders must hold some seats on the supervisory board of the company. In most circumstances, members of this board will be elected by the shareholders’ meeting.

Practical things to consider

What is the length of an AGM?

Typical length of an AGM is 3-4 hours, or longer.

What is the process for buying a share in a company?

You have to open a bank account as well as a stock deposit (brokerage account). Once you have added funds to the account, you can order a certain number of stocks (shares) of the company you are interested in.

How long does this process usually take? Can you bring a guest to the shareholders meeting?

If so, is there a registration process? Yes, it is possible to apply for a guest card.

Do you have to register the question in advance? Do you need to register the question when you arrive at the meeting?

There is no need to register you question in advance. However, at the AGM you need to go to the “speaker’s desk” to apply to speak. The chair can limit speaking time anywhere between 20 and 2 minutes, depending on how many speakers there are. Follow-up questions are allowed, but only after registering them with the speaker’s desk.
Shareholder rights in Italy

Which laws set out shareholder rights in Italy?

The rights of shareholders in Italy are mainly outlined in two pieces of legislation:

- Book V, Chapter V, of the Italian Civil Code
- Legislative Decree No. 58 of 24 February 1998

Both pieces of legislation have been amended to explicitly state what shareholders’ rights are. This was done to implement the EU’s 2007 Shareholder Rights Directive, a major piece of legislation designed to set out the rights of shareholders across the EU.

All the shareholder rights as described here are derived from the two pieces of Italian legislation mentioned above.

Annual General Meetings

All shareholders in a company are entitled to participate in the shareholders’ meeting – companies normally refer to this as the Annual General Meeting (AGM) or Ordinary General Meeting (OGM).

A shareholder’s meeting should be held at least once a year. The meeting will be held at around the same time every year – to get an idea when the notice will be published, refer to information on the website from previous years.

Voting on resolutions

Motions will be presented to the AGM - these are proposals about governance of the company, most proposed by the company itself on matters such as the appointment of directors, and increases or reductions in share capital. A motion is presented to the meeting, and a vote is then taken on whether to formally adopt the motion as a resolution. The vote is only valid if shareholders that collectively hold at least half of the share capital with voting rights participate in the vote. Votes are carried by an absolute majority. Voting can be done by post or electronically. Postal voting forms must be made available on the website.

Resolutions that are not taken in accordance with the articles of association of the company can be challenged by shareholders within three months of the date of the resolution.

Convocation of the shareholders’ meeting

A notice of the shareholders’ meeting must be given, stating:
- the date
- time
- location
- summary of the business to be deliberated on
- details of how to vote
- details of the procedures for asking questions at the meeting
- how to add items to the agenda
- procedure for postal voting and electronic voting

The notice must be published on the company website at least 30 days prior to the meeting. The shareholders’ meeting must be called at least once a year, within four months of the year’s end, or within six months in exceptional circumstances. Shareholder(s) can request for a meeting to be called; this request must be granted if requested by holders of at least 1/20 of the company’s share capital. Participation in the meeting can be facilitated by telecommunication.

Filing a Shareholder Resolution

Shareholder(s) representing 1/40 of share capital may request, within 10 days of publication of the notice of the meeting, to add items/resolutions to the agenda. This must be done in writing, by post or electronically. Shareholders can organise together, so that they collectively represent the minimum 1/40 and so can file a resolution. As much time as possible should be allowed to do this, as preparing the necessary paperwork in time for the meeting can be time consuming.

Appointment of proxies

Shareholders can appoint a proxy to represent them, and notice of the appointment must be given in writing to the company. The details of how to do this should be outlined in the notice of the shareholders’ meeting, and also on the company website. Proxy voting forms must be made available on the company website. Proxies must inform the shareholder who appointed them of any conflict.
of interest, and must have instructions on how to vote on each resolution at the meeting. Consob, the Italian securities market regulator, reserves the power to issue regulations on the soliciting of proxy services.

**Asking questions at the AGM**

If shareholders representing at least 1/3 of share capital do not feel sufficiently informed on the subject of a resolution to make a decision, they can request the meeting be postponed by up to three days. Shareholders with voting rights can ask questions to the board in person at the shareholders’ meeting, and the board can give the same reply to multiple questions with the same content. The board can refer to an FAQ (frequently asked questions) section on the company website to provide an answer to a question.

"Shareholders can submit questions about items on the agenda prior to the meeting."

Shareholders can submit questions about items on the agenda prior to the meeting. The notice of the meeting should outline the deadline by which these questions must be submitted – usually a few days before the meeting. Questions that are submitted prior to the meeting shall receive a reply during the meeting itself at the latest. Many companies publish the questions and answers on their website on the day of the meeting. Some companies make them available in a paper folder, which shareholders can ask for at the meeting.

A remuneration report must be published at least 21 days prior to the meeting; this report should explain the remuneration policy in detail.

**Practical things to consider**

**What is the length of an AGM?**

This varies from company to company, depending on their size and on the number of items that are being discussed. For large listed companies like Eni and Enel it can take five to eight hours.

**What is the process for buying a share in a company? How long does this process usually take?**

You need a shares deposit account at a bank. Once you have a deposit account you can ask the bank to buy all shares you need. It doesn’t take long, at most a couple of days. Deposit accounts can be expensive (about €100 - €200 per year) depending on how many companies you are investing in.

**Can you bring a guest to the shareholders meeting?**

It is not possible to bring a guest.

Is there a time limit for individual questions? Usually you have 8-10 minutes to ask your question. If questions have to be translated into Italian, this may halve the time you have, depending on whether simultaneous translation is offered. At some companies such as Enel it is allowed to ask follow-up questions (up to 3 minutes) if the shareholder isn’t satisfied with the provided answer.

**Do you have to register the question in advance? Do you need to register the question when you arrive at the meeting?**

You just need to register that you want to ask a question at a certain point but there is no need to disclose the content of the questions. Enel asks for a summary of the issues that you are interested in, which can for example be done by stating that you have a question about a specific financial report and how it relates to environmental and governance issues.

**Other information**

A gender balance on the board must be ensured; the less-represented gender must comprise at least a third of the elected directors.
Shareholder rights in the Netherlands

Which laws set out shareholder rights in the Netherlands?

The rights of shareholders in the Netherlands are mainly outlined in Book 2 of the Dutch Civil Code. The Code has been amended to explicitly state what these rights are. This was done to implement the EU’s 2007 Shareholder Rights Directive, a major piece of legislation designed to protect the rights of shareholders across the EU.

All the shareholder rights as described here are derived from the Dutch Civil Code.

Annual General Meetings

All shareholders in a company are entitled to participate in the shareholders’ meeting – companies normally refer to this as the Annual General Meeting (AGM) or Ordinary General Meeting (OGM).

The company must hold the shareholders’ meeting annually, within six months after the end of the financial year. Shareholders have the right to attend, address the meeting, and vote at the meeting. They can appoint a proxy to vote on their behalf, or can vote on resolutions by electronic means.

Convocation of the shareholders’ meeting

A notice of the shareholders’ meeting must be given, which can be sent by electronic means. This must state:
- the date
- time
- location
- summary of the business to be deliberated on
- details of how to vote
- details of the procedures for asking questions at the meeting
- how to add items to the agenda
- procedure for postal voting and electronic voting

The meeting will be held at around the same time every year – to get an idea when the notice will be published, refer to information on the website from previous years.

Voting on Resolutions

Motions will be presented to the AGM - these are proposals about governance of the company, most proposed by the company itself - on matters such as the appointment of directors, and increases or reductions in share capital. A motion is presented to the meeting, and a vote is then taken on whether to formally adopt the motion as a resolution.

At the meeting, votes are carried by an absolute majority, meaning at least 50% of the votes must be in favour of the motion.

The shareholders’ meeting votes on appointment of the directors of the company. If a motion is proposed to suspend or remove a director, the articles of association of the company may require a supermajority to be passed. The threshold for a supermajority is set by the company and will be over 51%, but they cannot require it to exceed two thirds of votes cast. More than half of the company’s share capital must be represented for this type of vote to be valid.

Filing a Shareholder Resolution

Resolutions must be added to the agenda prior to the meeting for them to be put to a vote. The only exception to this rule would be if the entire share capital of the company is represented when the vote is taken – in such a circumstance, a shareholder could propose a resolution and a vote could be taken on it, even if it hadn’t been added to the agenda prior to the meeting. Shareholders representing at least 3% of share capital can request in writing for a resolution to be added to the agenda. This must be submitted 60 days before the meeting at the latest, and subsequently this should be included in the notice of the meeting. Shareholders can organise together, so that they collectively represent the minimum 3% of share capital and so can file a resolution. As much time as possible should be allowed to do this, as preparing the necessary paperwork in time for the meeting can be time consuming.

Appointment of proxies

Shareholders can appoint a proxy to represent them at the meeting. The details of how to do this should be outlined in the notice of the shareholders’ meeting, and also on the company website.
The appointment of a proxy, or revocation of appointment of a proxy, must be put in writing to the company.

Asking questions at the AGM

Shareholders attending the meeting can ask questions to the board of directors.

The board of directors must present an annual report, within five months after the end of the financial year. This should give an overview of the progress of the company, including a description of the main risks and uncertainties the company faces. Though the legislation does not state this specifically, these risks could be related to environmental, social and governance (ESG) factors – shareholders could potentially press the company on the absence of ESG-related risk in the report if they wish.

Shareholders may press a company if information on ESG-related risk is missing in the annual report.

At the shareholders’ meeting, shareholders may request additional information. The board of directors and the supervisory board must comply with any information requests, unless a substantial interest of the company overrules this.

Practical things to consider

What is the length of an AGM?

This can vary from two to six hours.

What is the process for buying a share in a company? How long does this process usually take?

Buying shares in a company is not very complicated – a bank account is needed through which to buy shares. The purchasing is usually processed within a day.

Can you bring a guest to the shareholders meeting? If so, is there a registration process?

Yes – guests must be registered two weeks before the AGM. The registration must be done at the bank where you bought the shares. To register the guest you will need their first name, last name, and their home address. After a week you will receive (by mail or email) a registration form, which must be signed by the director of your organisation. The guest must bring this form, along with some ID, to gain access to the AGM.

Timing for questions?

There will be a part of the meeting devoted to questions, though the timing of this will vary between companies. Some companies will allocate a specific amount of time for questions, others won’t. Usually shareholders can ask a certain amount of questions per agenda topic – for example, three questions per subject and a follow-up question. This is more strictly regulated at the larger shareholder meetings.

Is there a time limit for individual questions?

There is no specific time limit on the length of individual questions, though there may be a limit on the number of questions asked per topic. It is advisable to keep questions short and to the point.

Do you have to register the question in advance? Do you need to register the question when you arrive at the meeting?

Questions do not need to be registered in advance or on arrival at the meeting. You may wish to share your questions with the company in advance of the AGM, to give the company the opportunity to prepare an answer.
Shareholder rights in Spain

Which laws set out shareholder rights in Spain?

The rights of shareholders in Spain are mainly outlined in the Capital Companies Act 2010. The Act was amended to explicitly state what these rights are, to implement the EU’s 2007 Shareholder Rights Directive, a major piece of legislation designed to protect the rights of shareholders across the EU.

All the shareholder rights described here are derived from the Capital Companies Act 2010.¹⁰

Annual General Meetings

Shareholders in a company are entitled to participate in the shareholders’ meeting – companies usually refer to this as the Annual General Meeting (AGM) or Ordinary General Meeting (OGM). Due to internal regulation, some companies obliges shareholders to represent at least 500 shares to be able to attend the meeting.

Voting on resolutions

Motions will be presented to the AGM – these will mainly be proposals about the governance of the company, e.g. the appointment of directors, or increases or reductions in share capital. The motion is presented to the meeting, and a vote is then taken on whether to formally adopt the motion as a resolution. Shareholders are able to vote by post. Postal voting forms must be made available on the company website prior to the meeting, and the notice of the shareholders’ meeting must include detail of how to cast a postal vote as well. Votes can also be cast by electronic means, the notice of the meeting must also detail the procedure for this.

Convocation of the shareholders’ meeting

The shareholders’ meeting must be held annually. An extraordinary shareholders’ meeting must be convened if requested by shareholders representing at least 5% of the share capital. At a shareholders’ meeting (including extraordinary shareholders’ meetings), votes are only valid if at least 25% of share capital with voting rights are represented when the votes are cast. The meeting can be extended to be held over one or more consecutive days. Extensions can be granted upon request of shareholders representing one quarter of share capital present at the meeting.

A notice of the shareholders’ meeting must be given, stating:
- the date
- time
- location
- summary of the business to be deliberated on
- details of how to vote
- details of the procedures for asking questions at the meeting
- how to add items to the agenda
- procedure for postal voting and electronic voting

The meeting will usually be held at around the same time every year – referring to the company website will give an indication when previous year’s meetings have been held. However this can vary, so it is advisable to check their site regularly some months before, so you are sure you know when the meeting will be held. The meeting is competent to deliberate and resolve on matters including the appointment of directors, and increases/reductions in share capital.

The meeting can be transmitted over the internet and two-way communication in real time can be facilitated; the company reserves the power to regulate this transmission.

Filing a Shareholder Resolution

The notice of the shareholders’ meeting must outline how items can be requested to be included on the agenda. The shareholders’ meeting can discuss any matter without prior notice, provided that the entire share capital is represented at the meeting.

Shareholders must represent at least 3% of share capital to be able to add items on to the agenda – this can be used as a tool to add an item to the agenda on a subject important to shareholders, such as ESG issues. The company must be notified of the addition to the agenda at least five days in advance of the shareholders’ meeting.

Appointment of proxies

Shareholders can appoint a proxy to represent them and vote on their behalf. The appointment must be put in writing to the company. The details of how to do this should be outlined in the notice.
of the shareholders’ meeting, and also on the company website. Proxies can represent multiple shareholders. The proxy must also notify the shareholder of any conflict of interest.

Shareholders cannot delegate their shareholder rights to a consumer association. They must be represented in person, not by an association.

**Asking questions at the AGM**

Until the seventh day prior to the date of the meeting, shareholders can request information or clarifications, or submit written questions to the company about information they have made accessible to the public.

At the meeting, shareholders can verbally request information or clarification on agenda items. If the directors are not able to give this information, they must provide this in writing within seven days. The directors can opt out of this obligation, if providing the information could be deemed harmful to the public interest. However when the request is supported by shareholders representing at least one quarter of the share capital, the information must be provided regardless.

> Recent changes to Spanish law have expanded the number of scenarios in which information can be refused to shareholders.

There have been recent changes to Spanish law which have expanded the number of scenarios in which information can be refused to shareholders. These scenarios are those in which “information is unnecessary for the protection of the shareholder’s rights, or there are objective reasons to consider that it could be used for purposes unrelated to the company or where public release of the same would harm the company or related companies”.

Therefore, when asking questions to the board, shareholders should be aware of this legal basis on which the board can refuse information. In particular, one should carefully prepare the wording of their question, to avoid an answer being denied.

When taking questions, the board can refer shareholders to an FAQ (frequently asked questions) section on the company website in answer to a question. The company should also set up an Electronic Shareholders’ Forum on their website. The forum should facilitate discussion among shareholders. For example, shareholders can use the forum to organise initiatives to exercise a minority right, as outlined in law (e.g. organising the 5% of share capital required to request an extraordinary general meeting be held). The forum could also be as a place to posit voluntary proxy offers or solicitations.

The management report should contain information on gender balance in the company, particularly at board level, and about the remuneration of the board.
Shareholder rights in the UK

Which laws set out shareholder rights in the UK?

The rights of shareholders in the UK are mainly outlined in the Companies Act 2006. The Act was amended to explicitly state what these rights are, to implement the EU’s 2007 Shareholder Rights Directive, a major piece of legislation designed to set out the rights of shareholders across the EU.

All the shareholder rights described here are derived from the Companies Act 2006.

Annual General Meetings

All shareholders in a company are entitled to participate in the shareholders’ meeting – companies normally refer to this as the Annual General Meeting (AGM) or Ordinary General Meeting (OGM).

Voting on resolutions

Motions will be presented to the AGM - these are proposals about governance of the company, most proposed by the company itself on matters such as the appointment of directors, and increases or reductions in share capital. A motion is presented to the meeting, and a vote is then taken on whether to formally adopt the motion as a resolution. Resolutions at the shareholders' meeting are passed by a simple majority. Special resolutions – a resolution proposed by the shareholders - require a majority of at least 75%.

Convocation of the shareholders’ meeting

Notice of the shareholders’ meeting must be called at least 21 days in advance of the meeting. The notice must be available for shareholders, including on the company website.

A notice of the shareholders’ meeting must be given, stating:
• the date
• time
• location
• summary of the business to be deliberated on
• details of how to vote
• details of the procedures for asking questions at the meeting

The meeting will be held at around the same time every year – to get an idea when the notice will be published, refer to information on the website from previous years.

Shareholders can call for the company to hold a shareholders’ meeting on their request. The directors are obliged to do so if the request is made by shareholder(s) representing at least 5% of share capital. The request can be made in writing or by electronic means. The directors must publish a notice of the meeting within 21 days of receiving the request.

Appointment of proxies

Shareholders can appoint a proxy to represent them at the meeting. The details of how to do this should be outlined in the notice of the shareholders’ meeting, and also on the company website. Contacting the registrar for the AGM is often the easiest way to obtain information; the contact details of the registrar should be named in the AGM materials and on the company website. Proxies must vote in accordance with the shareholder’s voting instructions. Appointment of the proxy, and revocation of the appointment, must be communicated to the company in writing (by post or electronic means). Proxy appointment forms should be available on the company website. Though it varies between companies, you are usually able to request what information is sent to you – such as the notice of the AGM, or proxy appointment forms – and whether you wish to receive this by post, email or another means.

Asking questions at the AGM

Shareholders have the right to put questions to the board in person at the shareholders’ meeting. When taking questions, the board can refer the shareholder to an FAQ (frequently asked questions) section on the website for an answer to their question.

A strategic report must be published and made available to shareholders annually. This should review the company’s business, and outline the main risks and uncertainties facing the company. For publicly listed companies, the strategic report
must also include information on environmental, social and governance (ESG) issues, including any policies the company has on these and how effective they are. If the report does not contain any information on certain categories of ESG concerns, e.g. human rights issues or community issues, it must clearly state that this information is absent. It should be noted however that the language used in the relevant legislation and guidance does not make these obligations explicit – in practice many companies will not give a comprehensive account of their activities in relation to ESG issues.

Shareholder influence on the agenda and deliberations at the meeting

Shareholders can request the company circulate a document, of no more than 1000 words, relating to matters that will be deliberated on at a shareholders’ meeting. The company is obliged to do so if requested by shareholders representing at least 5% of the total voting rights, or least 100 members with voting rights and who have contributed an average sum, per member, of £100 of share capital. Under the same terms, shareholders can request a proposed resolution be circulated, or request other matters be deliberated on at the AGM. Shareholders can organise together, so that they collectively represent the required minimum of share capital needed, and ensure the resolution is sent out. As much time as possible should be allowed to do this, as preparing the necessary paperwork in time for the meeting can be time consuming.

Practical things to consider

What is the length of an AGM?

Typically the session will last for an afternoon, but it does vary – it can be wrapped up within 15 minutes, or can go on for several hours. A few things will give an indication in advance. For example, the size of the venue – if it is being held at the company’s headquarters or their lawyers’ office, it is likely to be pretty quick. If it’s at a big conference centre, many more people will be attending and asking questions, so it will be longer. There is often a break for refreshments – this can be lunch or coffee that takes place before or after the main business of the meeting. It is worth factoring this time in – it can be a good opportunity to meet the board members, follow up on questions asked, and network with people from the company and other shareholders.

What is the process for buying a share in a company? How long does this process usually take?

There are many different ways to purchase shares, but one of the more straightforward methods is via a simple share dealing account service offered by many execution-only stockbrokers. Using this method, you need to buy one certificated share so that the share will be registered in your own name rather than buying through a nominee account. Each person wanting a share in their own name will have to deal with your chosen stockbroker separately. It will cost the price of the share plus the dealing fee (approx. £30) charged by the stockbroker. When you buy a share, it may take several weeks for your name to appear on the share register - so make sure you do it well ahead of the AGM so that you are guaranteed admission. If you haven’t received AGM papers from the company a month before the AGM, call the company registrar to check if you’re eligible to attend.

Can you bring a guest to the shareholders meeting? If so, is there a registration process?

This is at the discretion of the company. It has been known for shareholders to bring a guest, whereupon the guest is simply registered on entry and allowed to attend the meeting. It is worth contacting the AGM registrar in advance to check if this will be an issue. Though the guest may be allowed to attend the meeting itself, he/she will not be allowed to ask a question.

Timing for questions?

There will be a section of the meeting devoted to questions. It can start at different times, however – it may be the first part of the meeting, after the initial
presentation, after the votes on resolutions, or right at the end. Stay alert for when the question session is being announced.

Is there a time limit for individual questions?

There is not usually a specific time limit. However it is advisable to keep questions to 1 – 2 minutes long at most, in order to stick to a specific ask. Overly long questions will lose people’s attention.

Do you have to register the question in advance?

Do you need to register the question when you arrive at the meeting? This varies according to the company. Some companies will have a very formal process for registering questions; if it needs to be done in advance of the meeting, this should be outlined in the AGM notice. Some companies will require you register your question once you arrive, before the meeting begins – allow some time to do this beforehand at the registration desk. Most companies will have no process at all – you simply raise your hand during the questions session.
France

All references are from the Book II, Title II, Chapter V, of the French Commercial Code.

Article L. 225-98 – Shareholders present or represented that collectively hold at least one fifth of shares with voting rights must be participating in the vote for it to be valid.

Article L. 225-98 - Votes are carried on a majority vote.

Article L. 225-107 - Shareholders can vote by post.

Article L. 225-107 - Shareholders can vote by electronic means.

Article L. 225-100 - The shareholders’ meeting should be held at least once a year, within six months of the end of the financial year.

Article L. 225-105 - The agenda cannot be amended once a second notice of the meeting has been sent.

Article L.225-105 - Shareholders can request items/resolutions be added to the agenda.

Article L.225-105 - Items not on the agenda cannot be deliberated on at the meeting.

Article L. 225-106 - Shareholders can appoint a proxy; the appointment, or revocation of appointment, must be put in writing to the company.

Article L. 225-106-1 - The proxy must declare any conflict of interest.

Article L. 225-106-2 - Professional proxy services must declare a voting policy.

Article L.225-108 - Shareholders must receive adequate information to make informed decisions at the shareholders’ meeting.

Article L.225-108 - The board can give a single response to multiple questions if they are of the same content.

Article L.225-108 - The board can refer shareholders to an FAQ section on its website in answer to a question.

Article L. 225-100 - The annual report must detail the company’s performance in relation to non-financial matters, which can include environmental, social and governance issues.

Article L. 225-37 - The president of the board of directors must present a report, appended to the main annual report; it must include the procedures for shareholders to participate in the meeting, or refer to the provisions in the company constitution which outline them.

Article L. 225-68 - It must also contain information on the implementation of gender balance, remuneration policy, and the application of voluntary corporate governance codes and why, if applicable, they haven’t been adhered to.

Article L. 225-102-1 - An audit must be done of the company’s adherence to mandatory legal and regulatory social and environmental standards; its conclusions must be sent to the shareholders’ meeting.

Article L. 225-23 - For companies that have over 3% of its share capital held by company staff or staff of affiliated companies, at least one of the executive board of directors must be elected by the shareholders.

Article L. 225-96 - Amendments to the company constitution can only be authorized by an extraordinary general meeting.

Article L. 225-100 - The shareholders’ meeting should be held at least once a year, within six months of the end of the financial year.

Article L. 225-105 - The agenda cannot be amended once a second notice of the meeting has been sent.

Article L.225-105 - Shareholders can request items/resolutions be added to the agenda.

Article L.225-105 - Items not on the agenda cannot be deliberated on at the meeting.

Article L. 225-106 - Shareholders can appoint a proxy; the appointment, or revocation of appointment, must be put in writing to the company.

Article L. 225-106-1 - The proxy must declare any conflict of interest.

Article L. 225-106-2 - Professional proxy services must declare a voting policy.

Article L.225-108 - Shareholders must receive adequate information to make informed decisions at the shareholders’ meeting.

Article L.225-108 - The board can give a single response to multiple questions if they are of the same content.

Article L.225-108 - The board can refer shareholders to an FAQ section on its website in answer to a question.

Article L. 225-100 - The annual report may include, where appropriate, details of the company’s
performance in relation to non-financial matters, including environmental, social and governance issues.

Article L. 225-37 - The president of the board of directors must present a report, appended to the main annual report; it must include the procedures for shareholders to participate in the meeting, or refer to the provisions in the company constitution which outline them.

Article L. 225-68 - It must also contain information on the implementation of gender balance, remuneration policy, and the application of voluntary corporate governance codes and why, if applicable, they haven’t been adhered to.

Article L. 225-102-1 - An audit must be done of the company’s adherence to mandatory legal and regulatory social and environmental standards; its conclusions must be sent to the shareholders’ meeting.

Article L. 225-23 - For companies that have over 3% of its share capital held by company staff or staff of affiliated companies, at least one of the executive board of directors must be elected by the shareholders.

Article L. 225-96 - Amendments to the company constitution can only be authorized by an extraordinary general meeting.

Article L. 225-106 - It is mandatory for the president of the board of directors to consult with shareholders when an extraordinary general meeting is required to amend the company’s constitution.

Article L. 225-120 - Outlines how shareholders can form shareholder associations within the company.

Germany

All references are from the Germany Stock Corporation Act 1965.

Book 1, Division 4, § 121, Article 2 – Votes are carried on a majority vote.
Book 1, Division 1, § 12, Article 2 – Multiple voting rights are prohibited.
Book 1, Division 4, § 118, Article 2 – Shareholders can vote using a postal vote.
Book 1, Division 4, § 118, Article 2 – Shareholders can vote by electronic means.
Book 1, Division 4, § 118, Article 4 – An audio-visual transmission of the meeting can be made.
Book 1, Division 4, § 123, Article 2 – The company may decide that shareholders must give notice of their attendance at the meeting to exercise their voting rights.
Book 1, Division 4, § 122, Article 1 – Shareholders representing 1/20 of the share capital can formally request for a meeting to be held.
Book 1, Division 4, § 122, Article 2 – Shareholders representing 1/20 of the share capital, or equivalent to €500,000, can formally request for items to be put on the agenda.
Book 1, Division 4, § 124, Article 4 – Resolutions not published on the final agenda cannot be adopted.
Book 1, Division 7, § 241 – Shareholders can challenge a resolution on certain grounds, including if it can be deemed unethical.
Book 1, Division 4, § 134, Article 3 – Shareholders can appoint a proxy to represent them at the meeting; the appointment (or revocation of appointment) must be put in writing to the company.
Book 1, Division 4, § 121, Article 3 – Outline of the details to be included in the notice of the meeting, including details about the time/location of the meeting and voting procedures.
Book 1, Division 4, § 131, Article 1 – Shareholders must receive adequate information on request at the meeting, for them to properly evaluate items on the agenda.
Book 1, Division 5, § 175, Article 2 – Shareholders are entitled to information about the company, including the annual report and the report of the supervisory board.
Book 1, Division 4, § 124a – Outline of information that must be published after the meeting, including explanation of agenda items that were not resolved upon.
Book 1, Division 4, § 131, Article 3 – Information does not need to be supplied during the meeting if available online seven days before.
Book 1, Division 4, § 131, Article 5 – Shareholders can request that a denial of information at the meeting can be recorded in the minutes.
Book 1, Division 4, § 96, Article 1 – Outlines the circumstances in which the supervisory board must have some shareholder representation (most types of companies listed here are mandated to have at least some shareholders on the supervisory board)
Book 1, Division 4, § 101, Article 1 – Outlines circumstances in which the supervisory board members should be elected by the shareholders’ meeting.
Italy

References from the Italian Civil Code:

Book V, Chapter V, Section VI, Article 2368 – A vote requires at least half of share capital to be represented to carry.
Book V, Chapter V, Section VI, Article 2368 – Votes are carried by an absolute majority.
Book V, Chapter V, Section V, Article 2351 – Shares cannot be issued with multiple voting rights.
Book V, Chapter V, Section VI, Article 2377 – Shareholders can challenge resolutions that are not in accordance with the articles of association of the company.
Book V, Chapter V, Section VI, Article 2370 – Shareholders can vote by post or electronically.
Book V, Chapter V, Section VI, Article 2366 – Outline of the details the notice of the meeting must contain.

References from Legislative Decree No. 58 of 24 February 1998, as amended by the Shareholder Rights Directive:

Part IV, Title III, Chapter II, Section II, Article 125-quarter – Postal voting forms should be published on the company website.
Part IV, Title III, Chapter II, Section II, Article 125-bis – The notice must detail procedures for voting.
Part IV, Title III, Chapter II, Section II, Article 125-bis – The notice must detail how shareholders can add items to the agenda.
Part IV, Title III, Chapter II, Section II, Article 125-bis – The notice must detail procedures for voting by postal and electronic means.
Part IV, Title III, Chapter II, Section II, Article 125-bis – The notice must be published within 30 days of the meeting.
Book V, Chapter V, Section VI, Article 2364 – Outlines how frequently the shareholders’ meeting must be held.
Book V, Chapter V, Section VI, Article 2367 – Shareholders representing 1/20 of capital can request a meeting be convened.
Book V, Chapter V, Section VI, Article 2370 – The company may allow participation in the meeting via telecommunication.
Part IV, Title III, Chapter II, Section II, Article 126-bis – Shareholders holding 1/40 of share capital can request items are added to the agenda.
Part IV, Title III, Chapter II, Section II, Article 126-bis – Requests to add items to the agenda can be done in writing, by post or electronically.
Book V, Chapter V, Section VI, Article 2372 – Shareholders can appoint proxies; the appointment must be put in writing to the company.
Part IV, Title III, Chapter II, Section II, Article 125-quarter – Proxy voting forms should be published on the company website.
Part IV, Title III, Chapter II, Section II-bis, Article 135-decies – Proxies must declare conflicts of interests, and have voting instructions.
Part IV, Title III, Chapter II, Section II-bis, Article 135-decies – Consob reserves power to regulate the solicitation of professional proxy services.
Book V, Chapter V, Section VI, Article 2374 – Shareholders representing 1/3 of capital can request the meeting be postponed if not sufficiently informed about a resolution.
Part IV, Title III, Chapter II, Section II, Article 127-ter – The same answer can be given to multiple questions with the same content.
Part IV, Title III, Chapter II, Section II, Article 127-ter – The board can refer to an FAQ section on the company website as an answer to a shareholder’s question.
Part IV, Title III, Chapter II, Section II, Article 127-ter – Outlines how shareholders can submit questions prior to the shareholders’ meeting, and how they should receive answers to these questions from the company.
Part IV, Title III, Chapter II, Section I, Article 123-ter – A remuneration report must be published at least 21 days before the meeting.
Part IV, Title III, Chapter II, Section IV-bis, Article 147-ter – The board should strive to achieve a gender balance.

The Netherlands

All references are from Book 2 of the Dutch Civil Code.

Article 2:108 – The shareholders’ meeting must be held annually, within six months after the end of the financial year.
Article 2:117 – Shareholders have the right to attend the meeting, address the meeting and vote; this can be done with a proxy representing them.
Article 2:117a – Shareholders have the right to participate in the meeting by electronic means.
Article 2:113 – The notice of the shareholders’ meeting can be sent by electronic means.
Article 2:114 – The notice of the shareholders’ meeting should outline the date, time and agenda for the meeting.
Article 2:114 – The notice should outline the procedure to vote by electronic means.
Article 2:114 – The notice should outline the procedure to participate in the meeting using a proxy.
Article 2:120 – Votes are passed by an absolute majority.
Article 2:114 – Resolutions cannot be passed if they are not put on the agenda prior the meeting; the only exception to this is if they are passed unanimously by a meeting in which the entire share capital with voting rights is represented.
Article 2:114a – Shareholders representing at least 3% of the share capital can request in writing for a subject to be discussed at the meeting; this must be submitted no later than 60 days prior to the meeting, and it should be outlined in the notice of the meeting.
Article 2:101 – Within five months after the end of the financial year, the board of directors must complete its annual report.
Article 2:391 – The annual report should provide a description of the main risks and uncertainties the company faces.
Article 2:107 – Shareholders at the meeting must be supplied with any information they request by the board of directors and the supervisory board, unless a substantial interest of the company overrules this.
Article 2:132 – The directors of the corporation are appointed by the shareholders’ meeting.
Article 2:134 – A resolution to suspend or remove a director may require an enhanced majority to pass; this majority cannot exceed two thirds of votes cast, representing more than half of the share capital.

Spain

All references are taken from the Capital Companies Act 2010.

Title XIV, Chapter VI, Article 521 – Shareholders can vote by post.
Title XIV, Chapter VI, Article 518 – Postal voting forms must be published on the company website.
Title XIV, Chapter VI, Article 517 – The notice of the shareholders’ meeting must detail how to cast a postal vote.
Title XIV, Chapter VI, Article 521 – Shareholders can vote by electronic means.
Title XIV, Chapter VI, Article 517 – The notice of the meeting must detail how to cast a vote by electronic means.
Title V, Chapter III, Article 164 – The shareholders’ meeting must be held within the first six months of the year.
Title V, Chapter IV, Article 168 – Shareholders representing at least 5% of share capital can request for a meeting to be convened.
Title V, Chapter VII, 193 – The meeting can only validly deliberate when at least 25% of share capital with voting rights is represented.
Title V, Chapter VII, Article 195 – The meeting can be extended for one or more consecutive days; this can be requested by shareholders representing one quarter of the capital at the meeting.
Title V, Chapter IV, Article 174 – The notice of the meeting must outline the date, time and agenda for the
meeting.
Title V, Chapter II, Article 160 – The meeting is competent to deliberate and resolve on matters including the appointment of directors, and increases/reductions in share capital.
Title XIV, Chapter VI, Article 521 – Real-time transmission/two-way communication with the meeting can be facilitated.
Title XIV, Chapter VI, Article 517 – The notice of the meeting must outline how shareholders can include items on the agenda.
Title V, Chapter V, Article 178 - The meeting can validly deliberate on any matter without prior notice, provided the entire share capital is represented.
Title XIV, Chapter VI, Article 522 – Shareholders can appoint a proxy to represent them at the meeting; the appointment, or revocation of appointment, must be put in writing to the company.
Title XIV, Chapter VI, Article 522 – Proxies can represent multiple shareholders.
Title XIV, Chapter VI, Article 523 – Proxies must inform the shareholder of any conflict of interest.
Title XIV, Chapter VI, Article 518 – Proxy voting forms must be published on the company website.
Title XIV, Chapter VI, Article 517 – The proxy voting procedure must be outlined in the notice of the meeting.
Title XIV, Chapter VI, Article 520 – Shareholders can request information/submit written questions to the company prior to the meeting; the deadline for doing this is at least seven days prior to the meeting.
Title V, Chapter VII, Article 197 – Shareholders can request information or clarification about agenda items at the meeting; if this is not given at the time, the directors must supply this within seven days.
Title V, Chapter VII, Article 197 – Directors can refuse this information if it is deemed harmful to the public interest; however it cannot be refused if requested by shareholders representing at least a quarter of share capital.
Title XIV, Chapter VI, Article 520 – The board can refer shareholders to an FAQ section on the company website in answer to a question.
Title XIV, Chapter IX, Article 528 – An Electronic Shareholders’ Forum should be made available on the company website.
Title VII, Chapter II, Article 260 – The management report must detail the gender balance in the company, particularly at executive board level, and the remuneration of the board.

UK

All references are from the Companies Act 2006.

Part 13, Chapter 1, Section 282 - Resolutions are passed by a simple majority.
Part 13, Chapter 1, Section 283 - Special resolutions require a majority of at least 75%.
Part 13, Chapter 1, Section 285 – Shareholders can vote by proxy.
Part 13, Chapter 3, Section 303 – Shareholders can request the directors call a shareholders’ meeting.
Part 13, Chapter 3, Section 304 – The director must call a meeting within 21 days of the shareholder request.
Part 13, Chapter 3, Section 307 – The shareholders’ meeting must be called by notice of at least 21 days.
Part 13, Chapter 3, Section 308 – The notice can be given in written form, electronically or on the company website.
Part 13, Chapter 3, Section 311 – Outline of the information that must be contained in the notice, including procedures to attend and vote at the meeting, and means for proxy and postal voting.
Part 13, Chapter 3, Section 314 – Shareholders can request circulation of a statement on the business to be deliberated on at the meeting.
Part 13, Chapter 3, Section 319 – Company directors must answer questions at the meeting, and can refer to an online FAQ as a reply.
Part 13, Chapter 3, Section 324 – Shareholders can appoint proxies; they must notify the company and supply voting instructions.
Part 13, Chapter 3, Section 330 – Notification to the company of the termination of a proxy must also be given.
Part 13, Chapter 3, Section 333 – Notification of the appointment/termination of a proxy can be submitted
electronically.
Part 13, Chapter 4, Section 338 - Shareholders can request for additional business to be deliberated on at the meeting, and for proposed resolutions to be circulated to shareholders.
Part 15, Chapter 4A, Section 414C – The directors must prepare a strategic report on the business of the company; this must include the company’s performance in relation to ESG issues.
Endnotes

1. Financial Times (21 January 2015). *Environment Agency pension fund tells oil groups to go green.* Available online at: [https://www.ft.com/content/e4fa3cee-a0c8-11e4-8ad8-00144feab7de](https://www.ft.com/content/e4fa3cee-a0c8-11e4-8ad8-00144feab7de) [accessed 21 March 2017].


4. Ibid.


7. The Cardozo Electronic Law Bulletin. *The Italian Civil Code.* Available online at: [http://www.jus.unitn.it/cardozo/Obiter_Dictum/codciv/Lib5.htm](http://www.jus.unitn.it/cardozo/Obiter_Dictum/codciv/Lib5.htm) [accessed 21 March 2017]. It should be noted that the edition of the Code used here is out of date, as it pre-dates the transposition of the 2007 Shareholder Rights Directive. Therefore it has been cross-referenced with Legislative Decree 27 January 2010, n. 27. This Decree lists all the amendments made to Italian law to implement the 2007 Shareholder Rights Directive, including those made to the Italian Civil Code. The Decree is accessible here: Official Gazette of the Italian Republic. *Legislative Decree 27 January 2010, n. 27.* Available online at: [http://www.gazzettaufficiale.biz/atti/2010/20100053/010G0045.htm](http://www.gazzettaufficiale.biz/atti/2010/20100053/010G0045.htm) [accessed 21 March 2017].


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