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Open Public Consultation on the Update of the Rules on Shareholder Rights

Fields marked with * are mandatory.

Disclaimer

This document is a working document of the Commission services for consultation and does not prejudge any decision that the Commission may take. The topics covered do not constitute a policy position or a formal proposal by the Commission. Please note that to ensure a fair and transparent consultation process, only responses received through the online questionnaire will be taken into account and included in the report summarising the responses.

Information

Respondents can submit contributions in any of the 24 official languages of the EU. It is not mandatory to respond to all questions and the respondents can focus on issues that are most relevant to them. Only the information in the ‘About you’ section must be completed. The outline of this questionnaire follows the structure of the Directive to facilitate ease of response. In addition to replying to the questionnaire, respondents may also upload a file with a more detailed contribution. The results of this consultation will be compiled into a factual report, which will be publicly accessible through the ‘Have Your Say’ website.

Introduction

To boost the EU’s overall competitiveness, the Commission is committed to addressing the fragmentation across capital markets and fostering a robust and integrated capital market, in order to drive investment opportunities. A key component to achieve this objective is ensuring an efficient and effective framework for the exercise of shareholder rights. In this regard, Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies, as amended by Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 as regards the encouragement of long-term shareholder engagement (the ‘Shareholder Rights Directive’, the ‘SRD’) aims at strengthening corporate governance by enhancing shareholder participation in corporate decision-making.

Despite progress being made, obstacles still hinder the full realisation of an efficient single market for equity investments. The EU capital market remains fragmented, often mentioned as an example of an area in which the Single Market has not yet been completed. Emerging trends and evolving market conditions also require reassessing the SRD to address new challenges and opportunities, such as technological developments.

To address these issues and opportunities, the Commission is currently assessing the need for reforms that could simplify, harmonise, and digitalise processes and the exercise of shareholder rights across the EU. As announced in the Communication on the Savings and Investments Union of 19 March 2025, a potential review of the SRD, 'could contribute to making it easier and cheaper for investors, intermediaries and issuers to operate across Member States'. More recently, the 2026 Commission Work Programme, published on 21 October 2025, announced the update of the rules on shareholder rights.

The purpose of this open public consultation is to collect feedback from stakeholders on the barriers and inefficiencies which remain after SRD implementation. Together with additional data collected through the Call for Evidence and consultations carried out by a support study, as well as consulting expert groups, the Commission will examine the need for a revised, simplified framework that supports growth, investment, and competitiveness across the EU. This initiative aligns with the broader EU policy objectives outlined in key strategic documents, including the Competitiveness Compass and the Single Market Strategy, which underline the importance of enhanced cross-border investments and of a simplified legal framework for a competitive EU single market.

About you

*Language of my contribution

- Bulgarian
- Croatian
- Czech
- Danish
- Dutch
- English (selected)
- Estonian
- Finnish
- French
- German
- Greek
- Hungarian
- Irish
- Italian
- Latvian

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- Polish
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*I am giving my contribution as

- Academic/research institution
- Business association
- Company/business (selected)
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- EU citizen
- Environmental organisation
- Non-EU citizen
- Non-governmental organisation (NGO)
- Public authority
- Trade union
- Other

*First name

Nigel

*Surname

Little

*Email (this won't be published)

n.little@proxymity.io

*Organisation name

255 character(s) maximum

Proxymity Limited

*Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more)

Transparency register number

Check if your organisation is on the transparency register. It's a voluntary database for organisations seeking to influence EU decision-making.

237803

*Country of origin

Please add your country of origin, or that of your organisation.

This list does not represent the official position of the European institutions with regard to the legal status or policy of the entities mentioned. It is a harmonisation of often divergent lists and practices.

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Åland Islands	Dominica	Liechtenstein	Saint Pierre and Miquelon
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- Georgia
- Germany
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- Guatemala
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- Mongolia
- Montenegro
- Montserrat
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- Mozambique
- Myanmar/Burma
- Namibia
- Nauru
- Nepal
- Netherlands
- New Caledonia
- New Zealand
- Nicaragua
- Niger
- Sierra Leone
- Singapore
- Sint Maarten
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- South Georgia and the South Sandwich Islands
- South Korea
- South Sudan
- Spain
- Sri Lanka
- Sudan
- Suriname
- Svalbard and Jan Mayen
- Sweden
- Switzerland
- Syria
- Taiwan
- Tajikistan
- Tanzania
- Thailand
- The Gambia

- Brunei
- Bulgaria
- Burkina Faso
- Burundi
- Cambodia
- Cameroon
- Canada
- Cape Verde
- Cayman Islands
- Central African Republic
- Chad
- Chile
- China
- Christmas Island
- Clipperton
- Cocos (Keeling) Islands
- Colombia
- Comoros
- Congo
- Cook Islands
- Costa Rica
- Côte d’Ivoire
- Croatia
- Haiti
- Heard Island and McDonald Islands
- Honduras
- Hong Kong
- Hungary
- Iceland
- India
- Indonesia
- Iran
- Iraq
- Ireland
- Isle of Man
- Israel
- Italy
- Jamaica
- Japan
- Jersey
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Nigeria
- Niue
- Norfolk Island
- Northern Mariana Islands
- North Korea
- North Macedonia
- Norway
- Oman
- Pakistan
- Palau
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- Panama
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- Pitcairn Islands
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- Qatar
- Réunion
- Romania
- Timor-Leste
- Togo
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- Tonga
- Trinidad and Tobago
- Tunisia
- Türkiye
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- Tuvalu
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- Ukraine
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- United Kingdom
- United States
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- US Virgin Islands
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- Vanuatu
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The Commission will publish all contributions to this public consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association, 'consumer association', 'EU citizen') country of origin, organisation name and size, and its transparency register number, are always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

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☑ I agree with the personal data protection provisions

* Please further specify whether you give your contribution as or represent (as an association) one of the following:

- ○ Issuer (listed company, i.e., company with publicly traded shares)
- ○ Asset manager
- ○ Institutional investor
- ○ Retail investor
- ○ Intermediary
- ○ Proxy advisor
- ● None of the above

Table of Contents

1. Shareholders

Definition of shareholder (Article 2 point (b))

The SRD leaves the definition of who qualifies as a shareholder to the Member States in which the company is registered. Consequently, there are different approaches as to who is entitled to exercise shareholder rights across the EU.

1. To what extent does the lack of a common definition of 'shareholder' in the SRD lead to legal uncertainty?

- ● To a very large extent
- ○ To a large extent
- ○ To a moderate extent
- ○ To a small extent

- ◯ Not at all
- ◯ Don’t know/no opinion

If you would like to, please explain your answer:

500 character(s) maximum

It is well understood the intention of the word shareholder means the underlying investor or beneficial owner who purchased/owns the share. However, in some jurisdictions the legal and beneficial owner are not the same. For example the name in which the shares are registered in the CSD is often considered the legal owner and shareholder, but this is typically just an omnibus account used by global custodians for safekeeping cost efficiency and not the underlying beneficial owner.

How should the EU tackle it?

- ◉ By introducing a common definition of ‘shareholder’ applicable to the entire directive, including the exercise of shareholder rights
- ◯ By introducing a common definition of ‘shareholder’ only for the identification of shareholders
- ◯ By publishing a list of different definitions of ‘shareholder’ applicable in different Member States
- ◯ By other means

If you would like to, please explain your answer:

500 character(s) maximum

A common definition would remove all ambiguity once and for all.

2. In case a common definition of ‘shareholder’ was to be introduced, which of the following definitions would you advise?

- ◯ The person who holds the shares in their own name, even if on behalf of another person (nominee shareholder definition)
- ◉ The person on whose securities account the shares are held with the last intermediary in the chain (even where an intermediary in the chain is the nominee shareholder and holds the shares on behalf of that end-investor, end-investor definition)
- ◯ Other

If you would like to, please explain your answer:

500 character(s) maximum

This is aligned with my initial statement. The underlying beneficial owner is the shareholder.

Identification of shareholders (Article 3a)

Member States must ensure that companies have the right to identify their shareholders. This provision aims to ensure the flow of information between listed companies/issuers (in what follows: companies), intermediaries, and shareholders, e.g., for the purposes of corporate action processing. However, Member States may provide that only shareholders holding more than a certain percentage of shares or voting rights fall within the scope of this provision. Such a percentage must not exceed 0.5 %. Therefore, who can be identified as shareholder varies.

3. To what extent does the current right of companies to identify their shareholders facilitate the flow of information between companies, intermediaries, and shareholders?

- ○ To a very large extent
- ○ To a large extent
- ● To a moderate extent
- ○ To a small extent
- ○ Not at all
- ○ Don’t know/no opinion

If you would like to, please explain your answer:

500 character(s) maximum

On the whole, the Shareholder Identification solution implemented in 2020 does meet the needs of issuers.
However, there are barriers that prevent the flow of information from issuers to investors
-intermediaries who haven't implemented the technology
-intermediaries who don't understand SRDII has global reach
-intermediaries who are unable to provide reconciled positions
-intermediaries who look to charge disproportionate fees for data supplied
-lack of contact information

4. Are you aware of any problems related to the identification of shareholders?

- [x] Companies cannot identify all shareholders they would like to identify
- [ ] Companies do not know who they can identify
- [x] Communication between companies and intermediaries is difficult, e.g., due to the use of different formats and technologies (*Please note that communication problems will be treated in-depth in the next section*)

- [x] The quality of shareholder information companies receive is insufficient
- [ ] It is unclear how companies can identify shareholders for shares recorded or issued using Distributed Ledger Technology
- [ ] Other
- [ ] Don't know/no opinion

5. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
Companies' right to identify shareholders without any threshold limiting this right	◉	○	○	○	○	○
EU-wide threshold for the identification of shareholders (please indicate the percentage in the free text box below this table)	◉	○	○	○	○	○
Companies' right to identify the holders of all types of registered securities deposited at a central securities depository (e.g., also bond holders)	◉	○	○	○	○	○
Issuing or recording shares with Distributed Ledger Technology (such as blockchain)	○	○	○	◉	○	○
Specific obligations regarding omnibus accounts, i.e., account enabling any participant in a securities settlement system to hold in one securities account the securities that belong to different clients of that participant	○	○	◉	○	○	○
A golden operational record, requiring the issuer to send a record of operational information and enabling all parties in the chain of custody to process the information in the same manner	◉	○	○	○	○	○
Possibility to tailor requests on shareholders' identity to the specific needs of companies (e.g., identification of specific groups of shareholders)	◉	○	○	○	○	○

Improving the possibility of companies to directly contact their shareholders	X					
Other						

Please indicate the percentage:

500 character(s) maximum

0%

If you would like to, please explain your answer:

500 character(s) maximum

There should be no threshold. A shareholder with 1 share should have the same right as 1 with 100 million.

2. Interaction between Companies, Shareholders, and Intermediaries

Transmission of information (Article 3b)

The exercise of shareholder rights requires the transmission of information (e.g., on general meetings) from the company to shareholders and conversely (e.g., votes) from shareholders to the company. Intermediaries play an important role in passing on this information. Intermediaries include investment firms, credit institutions, and central securities depositories, which provide services of safekeeping shares, administrating shares or maintaining securities accounts on behalf of shareholders or other persons.

6. To what extent have the following measures contributed to the smooth flow of information between shareholders and companies? Please note that the details of the measures described are contained in [Commission Implementing Regulation (EU) 2018/1212].

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
Companies' obligation to provide intermediaries with the relevant information in a timely manner, no later than on the same business day on which it announces the corporate event (e.g., general meeting)			X			
Companies' obligation to provide intermediaries with the relevant information in a standardised manner			X			

Intermediaries’ obligation to transmit the information provided by the companies to the shareholders without delay	○	○	●	○	○	○
Intermediaries’ obligation to transmit information related to the exercise of shareholder rights from the shareholder to the companies without delay	○	○	○	○	●	○
Intermediaries’ obligation to transmit information in a standardised manner	○	○	●	○	○	○
Intermediaries’ obligation to directly transmit information to the company or the shareholder where this can be done despite the involvement of more than one intermediary (chain of intermediaries)	○	○	○	●	○	○

If you would like to, please explain your answer:

500 character(s) maximum

Not all CSDs have implemented MX messaging as of yet, nor source Golden Operation Records from the Issuers/Issuer Agents.
The majority of those that have, include fees both to Issuers and Intermediaries which can be barriers to use.
On the whole, the legacy voting processes to the Issuer Agents (pre SRDII) remain and so the Issuer still has gained no benefits and no transparency with votes still arriving at the last minute.
New proxy providers have evolved which look to disrupt the above.

7. Are you aware of any problems related to the transmission of information?

- ☑ Information does not reach recipients
- ☑ Information is received late
- ☑ Information quality is insufficient (e.g., the information is incomplete)
- ☑ Communication between companies, intermediaries and shareholders is difficult (e.g., differing formats and technologies)
- ☑ High costs for information transmission services (please note that costs are also treated in a section below)
- ☐ Other
- ☐ Don't know/no opinion

8. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
Facilitating direct communications between companies and shareholders	◉	○	○	○	○	○
Mandating the use of a single standard format for all information exchanged, enabling straight-through processing (STP) without any manual intervention	○	◉	○	○	○	○
Facilitating communication through technical solutions which allow automatic and instantaneous access to information	◉	○	○	○	○	○
Enabling or increasing the use of shares issued or recorded with Distributed Ledger Technology, allowing e.g., programmed communication	○	○	○	◉	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

The mission of Proxymity is to directly communicate between companies and shareholders by connecting intermediaries in the custody chain (each providing holding) and disintermediating them, so the issuer can communicate with the investor and vice versa.
Outside of Proxymity, mandating the use of MX messaging as we have seen by Clearstream and Euroclear, will move more intermediaries to the Proxy Providers.

Facilitation of the exercise of shareholder rights (Article 3c)

Intermediaries do not only play an important role in transmitting information but in facilitating the exercise of shareholder rights. Whether shareholders exercise their rights themselves or through proxy holders that act on their behalf – they all need to prove their entitlement.

9. To what extent have the following measures facilitated the exercise of shareholder rights? Please note that the details of the measures described are contained in Commission Implementing Regulation (EU) 2018/1212.

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion

Requiring the last intermediary to confirm, upon request, to the shareholder or third party nominated by the shareholder, the entitled position appearing in its records	○	○	○	●	○	○
Requiring the last intermediary to ensure that the entitled positions in its records are reconciled with those of the first intermediary	○	○	○	●	○	○
Requiring an electronic confirmation of receipt of the votes when votes are cast electronically	○	○	○	●	○	○
Requiring a confirmation that votes have been validly recorded and counted by the company to be sent upon request	○	○	○	○	●	○
Requiring standardised notifications for corporate events such as general meetings and shareholder participation therein	○	○	●	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

10. Are you aware of any problems related to the facilitation of shareholder rights?

- ☑ Difficulties with cross-border use of evidence for the entitlement to exercise shareholder rights (e.g., certificates of holding for shareholders and powers of attorney for proxy holders), which might include belated or no receipt of confirmation of entitlement, national form requirements for powers of attorney or similar obstacles
- ☑ Required documentation by Member States to prove the entitlement to exercise shareholder rights (e.g., certificates of holding for shareholders and the powers of attorney for proxy holders) is often still paper-based
- ☑ Late, inconsistent, or incomplete reconciliation of share positions across the chain of intermediaries, preventing shareholders from being recognised as entitled to exercise their rights

- [x] Differences in record dates across Member States (i.e., the date on which shares must be held by shareholders for them to be entitled to vote and exercise other shareholder rights at general meetings) render the cross-border exercise of shareholder rights difficult
- [x] Voting cut-off dates (i.e., the dates for submitting votes set by custodians) set well in advance of the general meeting giving shareholders little time to analyse meeting information
- [x] Convocation date may be too close to the date of the general meeting
- [x] Meeting material may be provided too close to the date of the general meeting.
- [x] Lack of transparency in post-meeting confirmations and information
- [ ] Other
- [ ] Don't know/no opinion

11. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To some extent	Not at all	Don’t know /no opinion
Introducing a standardised proof of entitlement for the exercise of shareholder rights	●	○	○	○	○	○
Prescribing that the power to represent the shareholder for proxy holders should be possible in electronic format under certain security conditions	●	○	○	○	○	○
Ensuring proofs of entitlement and powers of attorney are interoperable with cross-border and harmonised electronic authentication frameworks (e.g., EU Digital Identity Wallet, EU Business Wallet)	○	●	○	○	○	○
Enabling or increasing the use of shares issued or recorded with Distributed Ledger Technology	○	○	○	○	●	○
Enabling automated functions in the shares and programmable shares to exercise shareholders rights	●	○	○	○	○	○

Introducing (more detailed) EU-wide deadlines/timelines for: a) Convocation of general meetings	◉	○	○	○	○	○
b) Publication of meeting materials	◉	○	○	○	○	○
c) Record dates	◉	○	○	○	○	○
d) Cut-off dates	◉	○	○	○	○	○
e) Updating shareholder registers	◉	○	○	○	○	○
Shortening the 15-day maximum deadline for publishing voting results	◉	○	○	○	○	○
Requiring publication of voting results for each class of shares	◉	○	○	○	○	○
Enabling instantaneous and automated receipt of vote confirmation	◉	○	○	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

Announcements without Agendas and just a URL
Nuances exist in every single market, BO voting/Nominee voting, registration/non registration, Record Date/No Record Date, COH/No COH, POA required/POA not required
Cross Border Voting still widely unavailable or cost prohibitive by investor CSDs.
Post Meeting Vote Confirmations largely unavailable.
Meeting Results largely unavailable.
None were standardised by SRDII.

Non-discrimination, proportionality and transparency of costs (Article 3d)

In line with the objective to facilitate the exercise of shareholder rights, any charges imposed by intermediaries must be publicly disclosed, non-discriminatory and proportionate.

12. Are you aware of any problems related to the fees or charges imposed by intermediaries?

- [x] High costs in cross-border settings disincentivise the exercise of shareholder rights
- [x] Differences in charges of intermediaries between the domestic services and cross-border intra-EU services do not reflect the difference in actual costs incurred for delivering these services

- [x] Lack of transparency as to how intermediaries calculate their charges
- [ ] Other
- [ ] Don't know/no opinion

13. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
Fixed charges for specific services	●	○	○	○	○	○
Maximum ceilings for charges for specific services	●	○	○	○	○	○
Clarification of who (company, intermediary, shareholder) pays for which request	●	○	○	○	○	○
Standardised terminology for the types of charges and services	●	○	○	○	○	○
Standardised format for disclosure of charges	●	○	○	○	○	○
Central database or comparator of intermediaries' charges structures to ensure transparency	●	○	○	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

Proxy Voting barriers exist with excessive fees for Proxy Voting to CSDs, particularly for Cross Border voting, which must be sent to the CSDs under Chain of Custody.
For Shareholder Identification, it is not uncommon for certain French banks to invoice several thousand Euros for a single disclosure response. At least in Germany, this was limited to €300 per response. But, even then this is excessive, when compared to the benefits sharing investor data with the issuer can bring.

Third-country intermediaries (Article 3e)

The SRD also applies to third-country intermediaries which have neither their registered office nor their head office in the EU when they provide services with respect to shares of companies which fall under the SRD.

14. Are there any problems with the Directive’s provision on third-country intermediaries?

500 character(s) maximum

Yes, some non EU intermediaries do not understand the global reach of SRDII, and don't understand the country of incorporation of the issuer is the overarching legal authority, not the location of the intermediary. This could be clarified.

15. If you see any problems, which measures would improve the situation?

500 character(s) maximum

As per the above.

3. Institutional Investors and Asset Managers (Articles 3g, 3h and 3i)

A strong level of engagement of institutional investors and asset managers is crucial for the long-term performance of companies. Therefore, the SRD subjects them to certain transparency requirements.

16. To what extent is the objective of the Shareholder Rights framework of increasing the level of engagement of institutional investors and asset managers in order to improve the long-term performance of the company still relevant today?

- (selected) To a very large extent
- To a large extent
- To a moderate extent
- To a small extent
- Not at all
- Don’t know/no opinion

If you would like to, please explain your answer:

500 character(s) maximum

yes

17. To what extent have the following measures increased the level of engagement of institutional investors and asset managers?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion

Institutional investors and asset managers must publicly disclose – on a “comply or explain” basis – a shareholder engagement policy	●	○	○	○	○	○
Institutional investors and asset managers must publicly disclose each year – on a “comply or explain basis” – how their engagement policy has been implemented	○	●	○	○	○	○
Institutional investors must publicly disclose how their equity investment strategy contributes to the long-term performance of their investee companies	○	●	○	○	○	○
Institutional investors must publicly disclose – on a “comply or explain” basis – details regarding their arrangements with their asset managers	○	●	○	○	○	○
Asset managers must annually report to their institutional investors – or to the public – on how their investment strategies and implementation thereof contribute to the long-term performance of the assets of the institutional investors or of the funds.	●	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

18. Are you aware of any problems related to the provisions on institutional investors and asset managers, e.g., related to reporting?

500 character(s) maximum

19. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion

Expanding public disclosure related to engagement policy and investment strategy of institutional investors and asset managers	○	○	○	●	○	○
Reducing public disclosure related to engagement policy and investment strategy of institutional investors and asset managers	○	○	○	●	○	○
Clarifying the elements of the engagement policy and the equity investment strategy	○	○	○	●	○	○
Turning certain reporting or “comply or explain” obligations into mandatory requirements	○	●	○	○	○	○
Introducing an EU-wide stewardship code of best practices	○	●	○	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

4. Proxy Advisors (Article 3j)

Proxy advisors provide research, advice and voting recommendations to shareholders on how to vote, based on, among others, the information disclosed by the company. Therefore, proxy advisors are important actors in the corporate governance processes of companies.

20. To what extent have the following measures improved the reliability, comparability and quality of advice of proxy advisors?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion
Application of a code of conduct on a "comply-or-explain" basis	○	○	●	○	○	○
Disclosure to the public of information in relation to the preparation of proxy advisors’ research, advice and voting recommendations	○	●	○	○	○	○

Disclosure to the client of conflicts of interests and actions taken to address them	○	◉	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

21. Are you aware of any problems related to proxy advisors?

- [x] Revenue sources and potential conflicts of interest of proxy advisors are not disclosed transparently
- [x] It is unclear which actors fall under the provisions on proxy advisors
- [x] Proxy advisors’ disclosure on dialogue with companies is not satisfactory
- [x] Handling of company complaints is not satisfactory
- [x] Proxy advisors’ approaches to research, advice and voting recommendations are not disclosed transparently
- [x] Proxy advisors’ adherence to a code of conduct is not transparent
- [x] Accountability and transparency of proxy advisors are limited
- [x] Enforcement of the regulatory framework between EU and third-country proxy advisors is uneven
- [ ] Other
- [ ] Don't know/no opinion

22. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion
Clarifying the definition of proxy advisor under the SRD	○	◉	○	○	○	○
EU-wide code of conduct for proxy advisors	○	◉	○	○	○	○
Specifying key features an industry code of conduct should have	○	◉	○	○	○	○

Additional transparency and disclosure requirements for proxy advisors	○	●	○	○	○	○
Reducing disclosure requirements for proxy advisors	○	○	○	○	●	○
EU-wide basic registration of proxy advisors with activity in the EU	○	○	●	○	○	○
EU-centralised supervision of proxy advisors	○	○	●	○	○	○
National competent authority oversight of proxy advisors	○	○	●	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

5. General Meetings of Shareholders

General considerations

One of the general objectives of the SRD is to improve corporate governance by strengthening shareholder rights, among other means, by increasing meaningful participation in general meetings. Over recent years, especially during the COVID-19 pandemic, the practice of general meetings has evolved significantly. These developments lead to new potentials for shareholder engagement but also raise risks regarding the effective exercise of shareholder rights.

23. What is the best format for the exercise of shareholder rights?

- ○ In-person general meeting
- ○ Virtual only general meeting
- ● Hybrid general meeting
- ○ Exercise of rights prior to (outside) general meetings
- ○ Other
- ○ Don’t know/no opinion

24. Not all Member States offer companies and their shareholders the possibility to freely choose the format of general meetings (in-person, virtual, or hybrid) and the timing for exercising shareholder rights (at or prior to general meetings). To what extent would aligning rules across the EU to allow companies to opt for the following formats lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
In-person only general meetings	○	○	○	●	○	○
Virtual-only general meetings	○	●	○	○	○	○
Hybrid general meetings (i.e., where each shareholder is able to choose between in-person and virtual attendance)	●	○	○	○	○	○
Requiring shareholders to exercise certain rights prior to the general meeting	○	●	○	○	○	○
Adopting shareholder resolutions outside general meetings	○	○	○	○	●	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

25. To what extent is there a need for common EU rules on the format of general meetings?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
Each shareholder must be able to choose between in-person and virtual attendance (hybrid general meetings)	●	○	○	○	○	○
Each shareholder must be able to exercise their rights during the general meeting	●	○	○	○	○	○

Each shareholder must have the possibility to also exercise their rights prior to the general meeting	◉	○	○	○	○	○
There should be minimum standards to safeguard shareholder rights and legal certainty in the context of virtual participation	◉	○	○	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

<u>The rights of shareholders</u>

The SRD includes a number of basic shareholder rights, which might be in need of an update.

26. To what extent were the following shareholder rights strengthened by the SRD?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know/no opinion
Right to receive information prior to the general meeting	○	◉	○	○	○	○
Right to put items on the agenda	○	○	○	◉	○	○
Right to table draft resolutions	○	○	○	◉	○	○
Right to vote in the general meetings	○	◉	○	○	○	○
Right to vote by correspondence	○	◉	○	○	○	○
Right to ask questions	○	◉	○	○	○	○
Right to appoint a chosen proxy holder	○	○	○	◉	○	○

If you would like to, please explain your answer:

500 character(s) maximum

27. Are you aware of any problems related to the exercise of shareholder rights, among the following?

- [x] Not all relevant shareholder rights are provided for in the SRD, hindering cross-border investments
- [x] Many aspects of existing shareholder rights are left to the Member States, hindering cross-border investment
- [x] Existing shareholder rights are not sufficient to ensure sound corporate governance
- [x] Delays and inefficiencies regarding the vote casting and counting infrastructures
- [x] Persisting practices lead to share blocking effects (operational constraints to transfer shares within a certain period before a general meeting)
- [x] Persisting practices impede split voting
- [ ] Other
- [ ] Don't know/no opinion

If you would like to, please specify which ones are missing and why:

500 character(s) maximum

28. To what extent would the following measures lead to improvements?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion
Enabling shareholders to speak at the general meeting or to submit opinions prior to it	○	●	○	○	○	○
Enabling shareholders to challenge resolutions under certain common conditions	○	○	●	○	○	○
EU-wide conditions for attendance of shareholders and proxy holders	○	●	○	○	○	○
Standardised protocols for vote casting and counting	●	○	○	○	○	○

EU-wide threshold of share ownership for the right to put items on the agenda and to table draft resolutions	○	◉	○	○	○	○
Lowering the current 5 % optional threshold of share ownership for the right to put items on the agenda and to table draft resolutions	○	○	◉	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

Harmonisation and standardisation of processing across member states and cross border is most likely to bring improvements.

Link between directors' pay and companies' performance (Articles 9a and 9b)

One of the goals of SRD was to foster the long-term performance of the company. Thus, it aimed to improve the incentives for directors to act in the interest of the company by linking directors' pay to the long-term performance of the company.

29. To what extent is the objective of the Shareholder Rights framework of increasing the link between directors' pay and long-term performance of the company in order to improve the long-term performance of the company still relevant today?

- ◉ To a very large extent
- ○ To a large extent
- ○ To a moderate extent
- ○ To a small extent
- ○ Not at all
- ○ Don't know/no opinion

If you would like to, please explain your answer:

500 character(s) maximum

30. To what extent have the following measures contributed to the alignment between directors' pay and long-term performance of the company, by diminishing incentives for directors to focus on short-term returns?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know /no opinion
Companies must publish a remuneration policy based on which remuneration to directors is paid	○	○	●	○	○	○
Companies must publish a report on directors' remuneration for the most recent financial year	○	●	○	○	○	○
Shareholder vote on the remuneration policy and reports	○	●	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

31. Are you aware of any problems related to the existing rules on the long-term performance of the company and the link between directors' pay and companies' performance?

- [ ] Current rules are too burdensome
- [x] Member States can make the vote of shareholders on the remuneration policy only advisory
- [x] Shareholders' vote on the remuneration report is only advisory
- [x] Member States can replace the shareholders' vote on the remuneration report by a discussion requirement
- [x] Executive remuneration is not comparable across companies
- [x] The Directive is insufficiently applied/enforced
- [ ] Other
- [ ] Don't know/no opinion

32. To what extent would the following measures lead to an improvement?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know/no opinion
Binding vote of shareholders on director remuneration	◉	○	○	○	○	○
Simplified rules on remuneration policy	○	○	◉	○	○	○
Simplified rules on remuneration reports	○	○	◉	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

Related party transactions (Article 9c)

The SRD aims at protecting the interests of the company and shareholders in case of transactions with related parties that risk leading to an appropriation of value of the company by controlling shareholders or members of the management body. The SRD aims at minimising their possible negative impact by requiring the public announcement of the related party transaction and the approval by the general meeting or by the supervisory or administrative body.

33. To what extent is the objective of the Shareholder Rights framework, to minimise the possible negative impact of related party transactions in order to improve the long-term performance of the company, still relevant today?

- ◉ To a very large extent
- ○ To a large extent
- ○ To a moderate extent
- ○ To a small extent
- ○ Not at all
- ○ Don’t know/no opinion

If you would like to, please explain your answer:

500 character(s) maximum

34. To what extent have the following measures contributed to minimising the possible negative impact of related party transactions?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion
Public announcement of related party transactions (transparency)	○	◉	○	○	○	○
Approval of related party transaction by the general meeting (shareholder involvement) or by the administrative or supervisory body	○	◉	○	○	○	○
Extension of transparency requirements to transactions between related parties of the company and its subsidiaries	○	○	◉	○	○	○
Report as to whether the related party transaction is fair and reasonable (optional for Member States)	○	○	◉	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

35. Are you aware of any problems with the provisions on related party transactions?

- ☑ It is unclear which transactions qualify as material related party transactions
- ☑ Too many options for Member States, lead to fragmentation
- ☑ Extensive rules on which transactions qualify as material related party transactions lead to complexity and legal uncertainty
- ☐ Other
- ☐ Don't know/no opinion

36. To what extent would the following measures lead to improvements?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don’t know /no opinion

Specifying which transactions qualify as material related party transactions (including quantitative ratios)	○	●	○	○	○	○
Providing fewer options for Member States and introducing more rules on related party transactions	○	●	○	○	○	○
Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

6. Enforcement

Member States have to provide for measures and penalties which are effective, proportionate and dissuasive. This is to ensure that the shareholder rights provided for in the SRD are effectively enforced.

37. Are you aware of any problems regarding enforcement?

- [x] Insufficient supervision by Member States' competent authorities
- [x] Unclear which Member State is competent for the enforcement of the Directive
- [x] Legal uncertainty, especially on scope of the SRD and the definition of central concepts
- [ ] Other
- [ ] Don't know/no opinion

38. To what extent would the following measures lead to improvements?

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Don't know/no opinion
Transferring certain SRD provisions into a regulation	●	○	○	○	○	○
Codes of conduct developed by the private sector	○	●	○	○	○	○
Peer review mechanisms	○	●	○	○	○	○
EU guidelines	●	○	○	○	○	○
Supervision by an EU authority, e.g., ESMA	●	○	○	○	○	○

Other	○	○	○	○	○	○

If you would like to, please explain your answer:

500 character(s) maximum

7. Additional information

39. Do you have any final comments or suggestions, e.g., on any aspects not sufficiently covered by the SRD framework?

1500 character(s) maximum

The SRD Framework has brought an overall improvement in transparency and shareholder rights. However inconsistencies across member states continue to create ambiguity, particularly in cross border ownership.
Definition of Shareholder has still not been addressed and this detracts from the benefits brought by SRDII.
Disclosure thresholds remove the value of Shareholder Identification and should be removed.
Disproportionate intermediary fees for disclosure of shareholder information is a barrier for greater take up of shareholder identification by issuers and thus reducing ownership transparency and shareholder engagement.
Disproportionate intermediary fees for voting, particularly amongst Investor CSD and iCSDs are barriers to shareholders rights to vote.
Acceleration of harmonisation and standardisation, coupled with the digitisation of general meeting processes across member states, will increase shareholder engagement and reduce costs across the industry.
EU-level supervision and enforcement of SRD across member states and third party countries will further improve adoption of SRD and level the playing field across intermediaries.

40. Feel free to attach any relevant documents to support or complement your replies.

Please upload your file(s)

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

41. Do you give your consent to be contacted by the Commission for a possible follow-up?

- ◉ Yes
- ○ No

Contact

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