3 The rights of shareholders and key ownership functions

The G20/OECD Principles of Corporate Governance state that the corporate governance framework shall protect and facilitate the exercise of shareholders' rights and ensure equitable treatment of all shareholders. Chapter 3 provides detailed information on the rights to obtain information on shareholder meetings, to request meetings and to place items on the agenda, and on voting rights. The chapter also looks at frameworks for the review of related party transactions, triggers and mechanisms for corporate takeover bids, and the roles and responsibilities of institutional investors and other intermediaries. The chapter also includes newly collected data on the legal frameworks for company groups, notably with respect to disclosure, as well as for conducting virtual and hybrid shareholder meetings, with safeguards aimed at ensuring equal access to information and effective participation of all shareholders.

3.1. Notification of general meetings and information provided to shareholders

All jurisdictions covered by the Factbook require companies to provide advance notice of general shareholder meetings, with 51% establishing a minimum notice period ranging between 15 and 21 days, while another 39% provide for longer notice periods and 10% for shorter periods.

Participation in general shareholder meetings is considered a fundamental shareholder right. The *G20/OECD Principles of Corporate Governance* provide in sub-Principle II.C.1 that "Shareholders should be furnished with sufficient and timely information concerning the date, format, location and agenda of general meetings, as well as fully detailed and timely information regarding the issues to be decided at the meeting" (OECD, 2023[1]). Overall, to ensure that shareholders receive information on general shareholder meetings with sufficient advance notice, the corporate frameworks of all surveyed jurisdictions provide for dates and methods of notification.

The minimum period of notification of the meeting varies, with a majority of jurisdictions (25) requiring between 15 and 21 days. Having a notice period between 15 and 21 days was also the most widely adopted period in 2015 with 21 jurisdictions. Since 2015, more jurisdictions have amended their frameworks to guarantee longer notice periods. However, only two jurisdictions lengthened their notice periods during the last two years: **Brazil** extended the notice period from 15 to 21 days while **Iceland** extended this period from 14 to 21 days. On the other hand, **Chile** decided in 2020 to reduce the notice period from 20 to 10 days. The EU Shareholders' Rights Directive (Directive 2007/36/EC) requires a period of at least 21 days for general shareholder meetings, unless the company has electronic voting and a shorter notice period was approved at the previous general meeting by a majority of not less than two-thirds of the voting shareholders, in which case a company may call a general meeting – other than its annual general meeting – providing at least a 14-day notice.

Nineteen of the Factbook jurisdictions have mandatory notice periods above 21 days, while only 5 have notice periods below 15 days (**Chile, Japan**, **Korea**, **New Zealand** and **Singapore**) (Table 3.1, Figure 3.1).

Figure 3.1. Minimum public notice period for general shareholder meetings and requirements for sending notification to all shareholders

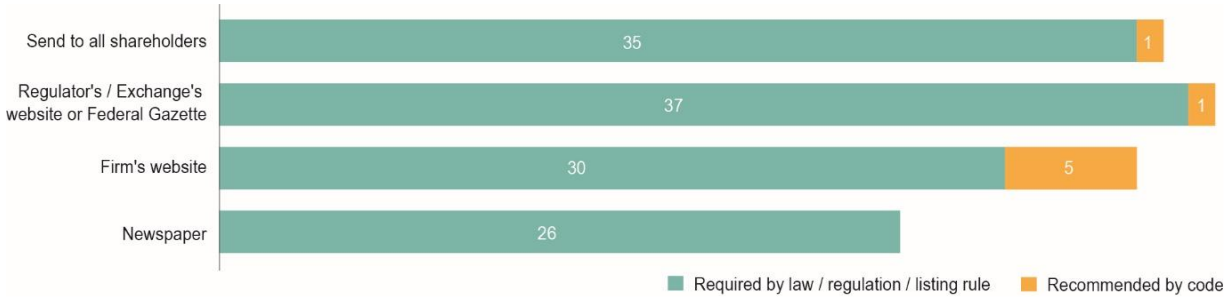
Note: Based on 49 jurisdictions, see Table 3.1 for data. * Please note that **Canada** and the **United States** are classified in the category of greater than 28 days but actual notice periods vary depending on state and provincial jurisdictions.

Proxy materials are generally sent to shareholders at the same time or a few days after the notification is given. In addition, in some jurisdictions, voluntary code recommendations are used as a way of supporting

longer notice periods. For instance, **Colombia**'s code recommends a notice period of 30 days, twice as long as the statutory 15-day notice period, while **Hong Kong (China)** provides in its code for 20 business days (at least four weeks) instead of the statutory 21-day minimum. Conversely, in **India**, shareholders may approve a shorter notice period in some cases. Further, in **Italy**, the minimum period may vary depending on the item on the agenda, whereby 40 days are required in case of board renewal, and 21 days in specific cases such as the reduction of share capital. In some jurisdictions, shareholders with a certain shareholding (e.g. 10% in **Mexico**, one-third in **Italy**) can request to postpone the voting on any matter for three to five days if they consider that they have not been sufficiently informed.

More than 70% of surveyed jurisdictions (35) have a provision requiring notices of general shareholder meetings to be sent directly to all shareholders, a 14% increase since 2015. In 2021-22, **Slovenia** established this requirement while **Poland** abolished it. Furthermore, almost all jurisdictions require multiple methods of notification which in addition to direct notification may also include use of a stock exchange or regulator's electronic platform, and publication on the company's website or in a newspaper (Table 3.1, Figure 3.2). For example, in **Latvia**, the notification for general meetings must be made through publication in the official electronic system (Central Storage of Regulated Information – ORICGS). In **Türkiye**, the notification and relevant documents are published in the Turkish Trade Registry Gazette, on the registered website of the company and on the Public Disclosure Platform (PDP), an electronic system and website currently operated by the Central Securities Depository of Türkiye to provide the notifications submitted and publicly disclosed by listed companies and other capital market entities.

Figure 3.2. Means of shareholder meeting notification



Note: Based on 49 jurisdictions. Jurisdictions may be counted in more than one category. See Table 3.1 for data.

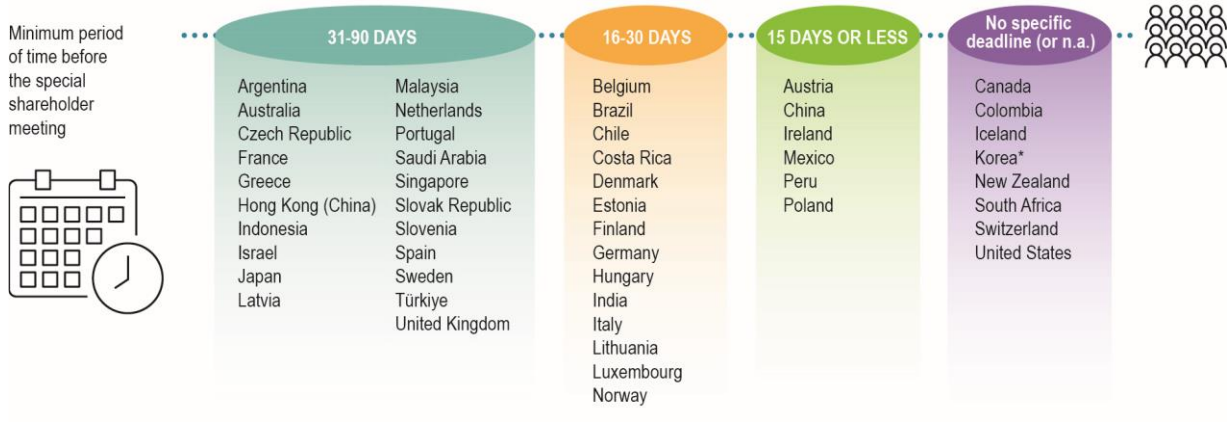
3.2. Shareholders' right to request a meeting and to place items on the agenda

Minority shareholder rights to engage by requesting extraordinary shareholder meetings or placing items on the agenda of the general meeting are commonly granted in surveyed jurisdictions. Overall, all but eight of the Factbook jurisdictions have set deadlines for convening special meetings at the request of shareholders, subject to specific ownership thresholds which vary from as low as 1% to a maximum of 25%. Most jurisdictions specify lower ownership thresholds for placing items on the agenda of the general meeting to enable discussions on topics deemed relevant by minority shareholders.

The ability for shareholders to request the convening of an extraordinary meeting and to place items on the agenda of the general meeting affects the degree of minority shareholders' participation in companies' discussions and decisions. Regarding a shareholder's right to request a shareholder meeting, 84% of jurisdictions require that the meeting takes place within a specific time period after the shareholder's request (Table 3.2, Figure 3.3). The most common minimum time period is between 31 and 60 days (20 jurisdictions). Two jurisdictions allow for longer periods: **Finland** sets a three-week minimum and a

three-month maximum and **Latvia** has a three-month period requirement. Conversely, 6 jurisdictions have shorter time limits of 15 days or less (**Austria**, **the People's Republic of China (hereafter 'China')**, **Ireland**, **Mexico**, **Peru**, and **Poland**).

Figure 3.3. Deadline for holding the meeting after shareholder request



Note: Based on 49 jurisdictions. When jurisdictions have specified a range of minimum and maximum times, they have been categorised based on the minimum time stipulated to hold the meeting. Italy's requirement that the meeting to be called "without delay" has been interpreted by courts as within 30 days. *Korea's requirement for "promptly" holding the meeting has been categorised as having no specific deadline. See Table 3.2 for data.

Eight of the Factbook jurisdictions do not have a specific deadline for requesting a shareholder meeting (although in **Korea** there is a non-specific requirement for "prompt" notification). **Italy** is considered to have a set timeframe for convening extraordinary meetings, based on a provision which requires the meeting to be convened "without delay" and on courts' interpretation of this provision, which has established 30 days as a fair term to call a meeting. Further, while **Switzerland** also has not established a specific deadline, shareholders may require a court to order that a general meeting be convened if the board of directors does not grant such a request within a reasonable time.

In other jurisdictions, courts or competent authorities may be involved in the process to ensure that shareholders' rights are protected or exercised in good faith and not abused. Some jurisdictions allow shareholders to convene the meeting by themselves if no action is taken by management, although the expense of calling and holding the meeting is then paid by the shareholders (e.g. **Australia**). In **Saudi Arabia**, on the other hand, if the board does not issue the invitation for the general assembly within 30 days from the date of a shareholders' request, shareholders representing 10% of the capital can request the competent authority to invite the general assembly, and the competent authority should issue the invitation for the general assembly.

Concerning the ownership threshold to request a meeting, all Factbook jurisdictions require that such requests be supported by shareholders holding a minimum percentage of shares or voting rights. The most common minimum threshold is 5%, established in approximately half of surveyed jurisdictions, while another 37% of jurisdictions set the threshold at 10%. **Colombia** and **Hungary** have lowered their thresholds to 10% and 1%, respectively, since 2020. Some jurisdictions (**Brazil** and the **Czech Republic** under certain conditions, as well as **Japan**, **Korea** and **Portugal**) have set thresholds below 5% to make it easier for shareholders to call extraordinary meetings. **Costa Rica** and **Peru** currently set a considerably higher threshold of 25% and 20%, respectively (Figure 3.4).

Often, the legal framework sets lower ownership thresholds to allow shareholders to request the addition of items to a meeting's agenda (Figure 3.4). More than 40% of surveyed jurisdictions either have no

threshold or a low threshold in the range of 0.1 to 2.5% for the addition of items to the agenda. Notably, **New Zealand** and **Norway** only require having one share, and **South Africa** does not set a threshold but allows any two shareholders to request an item to be added. In the **United States**, the SEC recently introduced a new and unique regime based on continued ownership for adding items to the agenda, which entered into force in January 2022. To exercise this right, a continuous ownership of at least (i) USD 2000 of the company's securities for at least three years; (ii) USD 15 000 of the company's securities for at least two years; or (iii) USD 25 000 of the company's securities for at least one year is required. **Switzerland** also recently amended its framework and now requires a very low threshold equal to at least 0.5% of shares, rather than a monetary threshold as under its previous regime. The most common minimum threshold for placing items on the agenda remains set at 5%, identical to that for requesting an extraordinary meeting, and is established in 19 jurisdictions, sometimes with some cumulative (e.g. 5% and three-month holding in **Austria**) or alternative requirements (such as in the **United Kingdom**, where the threshold is either at 5% or requires 100 shareholders who together own more than GBP 10 000 of shares). Only seven jurisdictions set minimum thresholds above 5%, with **Colombia** setting the highest legally required minimum threshold of 50% plus one vote.

Figure 3.4. Minimum shareholding requirements to request a shareholder meeting and to place items on the agenda

Minimum shareholding requirements to request a shareholder meeting	Minimum shareholding requirements for placing items on the agenda					
	No threshold or 1 share	0.1-2.5%	3-4%	5%	10%	25-50% +
1-2%		Brazil[2] Czech Republic[2] Hungary Portugal Korea[1]				
3%		Japan[1]	Brazil[2] Czech Republic[2]			
5%	Denmark Iceland New Zealand Norway	Canada[2] Hong Kong (China)[1] Israel Italy Switzerland	Ireland Spain	Argentina Australia[1] Austria Brazil[2] Canada[2] Czech Republic[2] France Germany[1] Greece Latvia Poland Slovak Republic Slovenia Türkiye United Kingdom[1]		
10%	Finland Sweden	Malaysia[1] South Africa United States[1]	Belgium China Netherlands	Indonesia Lithuania Luxembourg Singapore[1]	Chile Estonia India Mexico Saudi Arabia	Colombia
20%	Peru[2]					
25%						Costa Rica

Same threshold for placing items on the agenda and requesting an extraordinary meeting

Note: Based on 49 jurisdictions. See Table 3.2 for data. "1" denotes a jurisdiction with additional or alternative requirements other than a percentage of shareholding (e.g. minimum holding period, minimum number of shareholders, minimum value). "2" denotes a jurisdiction with more than one requirement.

3.3. Shareholder voting

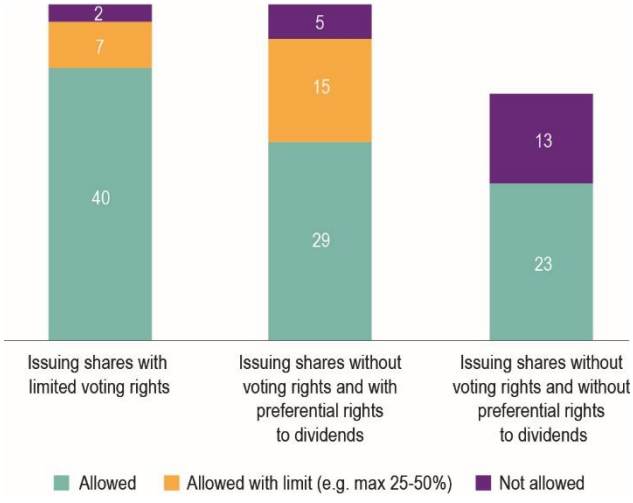
Almost all Factbook jurisdictions allow companies to issue shares with limited voting rights and only a few of them limit them to a certain percentage of the share capital. A growing number, more than half of jurisdictions, also allow the issuance of shares with multiple voting rights.

The *G20/OECD Principles* recommend that shareholders should have the right to engage in general meetings by participating and voting, and also foresee the possibility of having different classes of shares with different rights attached, for example shares with limited voting rights or preference shares which give right to a preference concerning a firm's dividends. When there are different classes of shares, the *G20/OECD Principles* underline that within the same series of a class, all shareholders should be treated in equal manner (Principle II.E).

In practice, only **Indonesia** and **Israel** prohibit listed companies from issuing shares with limited voting rights. Among those that allow such shares, seven have further restrictions as, while allowed, they may not represent more than a certain percentage of the share capital, ranging most commonly from 25% (in **Korea** and **Mexico**) to 50% (**Brazil**, **Italy**, **Japan**), or, as in **Australia**, they are only allowed for preference securities (Table 3.3).

Most jurisdictions (44) allow the issuance of shares without voting rights that grant preference with respect to dividends, so called "preferred" or "preference" shares. Of these jurisdictions, more than a third (15 out of 44) allow these shares subject to some limitations. For example, in **Colombia** they are allowed up to 50% of the share capital, and in the **Czech Republic** up to 90%. Overall, there is an upward trend in jurisdictions allowing shares with preferential rights to dividends, as 30 did so in 2015 (with eight of them imposing some limits to their issuance). On the other hand, legal frameworks are overall more stringent concerning the issuance of shares without voting and without preferential dividend rights, with a total of 13 jurisdictions prohibiting such type of shares (Figure 3.5).

Figure 3.5. Issuance of shares with limited or no voting rights



Note: Based on 49 jurisdictions. For the category "issuing shares without voting rights and without preferential rights" data is presented for the 36 jurisdictions which specify whether the category is allowed or not. See Table 3.3 for data.

In recent years, there has been a significant increase in Factbook jurisdictions that allow companies to issue multiple voting shares, deviating from the concept of "one share one vote".

Among the Factbook jurisdictions, 55% allow shares with multiple voting rights in their legal framework and 31% of jurisdictions explicitly prohibit them (Table 3.3). Since 2021, when multiple voting right shares were

allowed in 44% of jurisdictions and explicitly prohibited in 40%, five jurisdictions have amended their laws to allow companies to issue this type of shares – namely, **Brazil**, **Indonesia**, **Latvia**, **Portugal**, and **Spain**. In **Portugal**, for example, the Portuguese Securities Code was amended by Law No. 99-A/2021 and the legal framework introducing plural voting shares for listed companies entered into force on 30 January 2022. In **Brazil**, Law No. 14.195 of 26 August 2021 introduced plural voting shares and specifies that for the issuance of shares with plural voting rights, the decision shall be approved by shareholders representing at least half of the shares with voting rights; and at least half of the preferred shares without voting rights or with restricted voting rights, if issued, gathered at a specially convened meeting.

The growing number of jurisdictions revising their framework to grant companies the option of issuing shares with multiple voting rights goes in the same direction as a recent proposal contained in the European Listing Act. The proposed EU Directive on multiple-vote shares for SME listings, under discussion in the European Parliament, aims to encourage companies to list by allowing multiple voting share structures while safeguarding the interests of the company and of other shareholders.[1] The Directive currently targets firms that seek to list on SME growth market segments to harmonise an area of law in which Member States have often taken differing positions.

Some jurisdictions regulate other control enhancing mechanisms such as so called loyalty shares, which are often considered a tool to curb corporate short-termism and promote long-term engagement of shareholders. **France** is one of the jurisdictions that automatically grants double voting rights for shares held for at least two years by the same person, provided that the company does not opt out by prohibiting double-voting rights in its bylaws, following a two-thirds majority vote in a general shareholder meeting. **Spain** introduced a loyalty shares system in 2021 that allows companies to provide double voting rights for certain shareholders.

Lastly, voting caps, whereby a company limits the number of votes that a single shareholder may cast, are permitted in approximately half of the jurisdictions (24) and prohibited in 13 jurisdictions.

A growing majority of jurisdictions require listed companies to publish voting results promptly (within five days) after the general meeting, and to prescribe a formal procedure of vote counting.

Disclosure of the outcome of voting decisions for each agenda item is required in all surveyed jurisdictions except **New Zealand**. Timing requirements for disclosure are also becoming shorter, with 63% of jurisdictions now requiring disclosure immediately or within five days (Figure 3.6), a substantial increase from the 39% that did so in 2015. In most jurisdictions, the legal framework also requires that companies disclose the outcome as well as the number of votes expressed in favour or against a decision, including abstentions. Formal procedures for vote counting are also common among jurisdictions: 69% of jurisdictions have a formal procedure of vote counting (up from 49% in 2015) (Table 3.4).

Figure 3.6. Formal vote counting and disclosure of voting results

Note: Based on 49 jurisdictions. Jurisdictions with requirements for "prompt" or "immediate" disclosure are included within the category of up to five days. See Table 3.4 for data.

3.4. Virtual and hybrid shareholder meetings

In the last few years, as a result of restrictions imposed during the COVID-19 pandemic and of the shifting preferences of companies and shareholders, the manner for holding shareholder meetings has evolved. This evolution is captured in the legal framework of the Factbook jurisdictions, a large majority of which now allow and provide for virtual and/or hybrid meetings in their legal framework.

The *G20/OECD Principles of Corporate Governance*, as revised in 2023, include a new recommendation that acknowledge the growing relevance of remote participation in meetings as well as the need for legal frameworks to ensure equal access to information and opportunities for participation of all shareholders, regardless of how shareholder meetings are conducted. The new sub-Principle II.C.3 provides that **"**General shareholder meetings allowing for remote shareholder participation should be permitted by jurisdictions as a means to facilitate and reduce the costs to shareholders of participation and engagement. Such meetings should be conducted in a manner that ensures equal access to information and opportunities for participation of all shareholders."

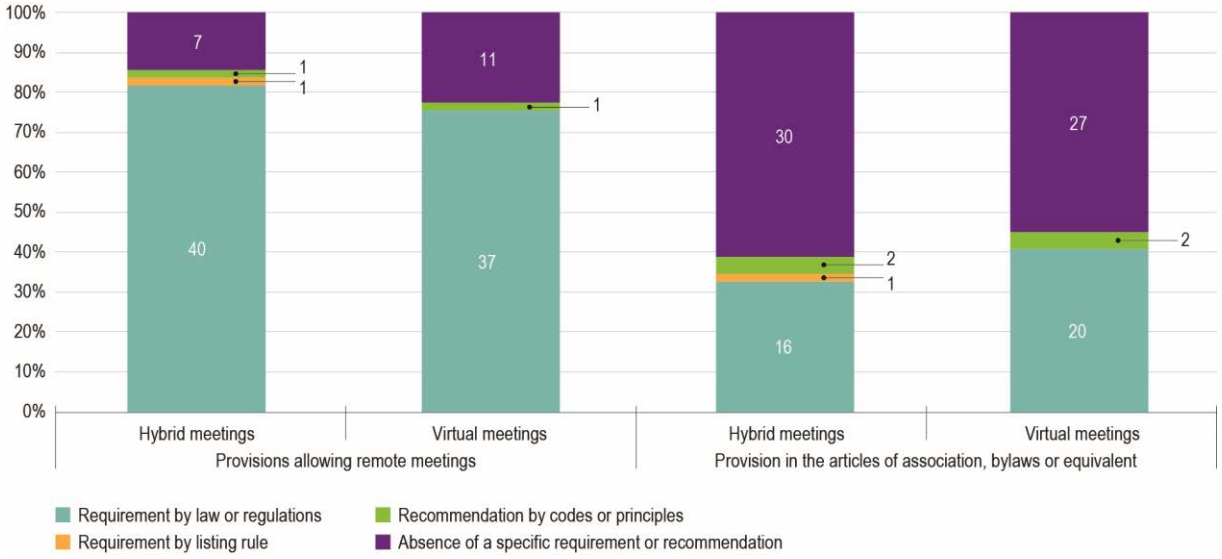
As of the end of 2022, virtual meetings (where all shareholders attend the meeting virtually) are allowed and regulated in approximately three-quarters of the surveyed jurisdictions (37). Hybrid meetings (where some shareholders attend the meeting physically and others virtually) are allowed in an even higher number of surveyed jurisdictions, with more than 80% having a provision in their laws or listing rules addressing hybrid meetings (Table 3.5, Figure 3.7).

These figures reveal a profound change in company practices and legal frameworks that go beyond the temporary measures adopted as a response to the COVID-19 pandemic (Denis and Blume, 2021[2]; OECD, 2020[3]). Interestingly, while some jurisdictions already had measures in place for remote meetings well before the outbreak, an example being **New Zealand** which adopted measures on virtual shareholder meetings in its 2012 Companies Act, the pandemic and practices put in place by companies to deal with it have given authorities the opportunity to update their legal frameworks with regards to remote participation in shareholder meetings and to adopt permanent provisions. Some jurisdictions, such as **Ireland** and **Italy**, have leveraged legislation enacted during the pandemic that allowed virtual and hybrid meetings by extending these temporary measures.

Importantly, the possibility of holding virtual or hybrid meetings is often at each company's discretion and subject to specific provisions in the company's articles of association or bylaws. While this raised concerns during the pandemic and prompted specific emergency legislation to address the situation and exceptionally allow remote meetings without specific company provisions (OECD, 2021[4]; World Bank Group, 2021[5]), over 40% of jurisdictions still require a provision in the articles of association or company bylaws to hold a virtual meeting and 35% require it to hold a hybrid meeting (Figure 3.7). **Canada**, for example, allows hybrid meetings by law but requires a specific provision in the company founding documents for a virtual meeting. **Denmark**, **Finland**, **Iceland**, **Japan**, **Latvia** and **Lithuania** require a provision in the company documents only for fully virtual meetings and not for hybrid ones, whereas **Italy**, **Slovenia** and **Sweden** require a provision for hybrid meetings, as their legal framework allows and regulates only hybrid meetings. **Germany**, in addition to requiring a provision in the company's articles of association, also imposes a time limit on the authorisation for holding virtual meetings, limiting it to a maximum of five years and requiring a new shareholder approval after five years.

Regarding the jurisdictions that impose some limitations on remote participation in shareholder meetings, **China** and **Türkiye** do not allow fully virtual meetings and only regulate hybrid meetings. Some other jurisdictions that did not have a framework for remote meetings in place as of the end of 2022 have more recently adopted one (**Hong Kong (China)**) or are planning to pass *ad hoc* provisions in the coming months (the **Netherlands**), which shows that legal frameworks continue to evolve to best capture company and investor preferences while upholding shareholder protections and ensuring their ability to effectively participate remotely in shareholder meetings.

Figure 3.7. Legal frameworks for virtual and hybrid shareholder meetings



Note: Based on 49 jurisdictions, see Table 3.5 for data. Virtual meetings are defined as those shareholder meetings in which all shareholders attend the meeting virtually whereas hybrid meetings are defined as those in which certain shareholders attend the meeting physically and others virtually.

The manner in which shareholder meetings are conducted should not come at the expense of shareholder engagement. New sub-Principle II.C.3 of the *G20/OECD Principles of Corporate Governance* states that "due care is required to ensure that remote meetings do not decrease the possibility for shareholders to engage with and ask questions to boards and management in comparison to physical meetings. Some jurisdictions have issued guidance to facilitate the conduct of remote meetings, including for handling shareholder questions, responses and their disclosure, with the objective of ensuring transparent consideration of questions by boards and management, including how questions are collected, combined, answered and disclosed. Such guidance may also address how to deal with technological disruptions that may impede virtual access to meetings."

More than 70% of the Factbook jurisdictions have laws, regulations or recommendations in their corporate governance codes to promote equal participation of all shareholders (Table 3.5). **Finland**, for example, has an explicit provision stating that shareholders participating remotely in a virtual or hybrid meeting must have the same participation rights as in a physical meeting, and the legal framework goes further by addressing how technical disruptions may impact the validity of decisions taken during remote meetings and under what conditions a meeting should be interrupted and reconvened. Other jurisdictions include specific safeguards to guarantee shareholders' identity (**Chile** and **Hungary**, for example) or specify that the technology used should allow for two-way real-time communication or other similar electronic means that can allow a shareholder that participates remotely to follow, speak and vote at the meeting on any resolutions that have been tabled (**Estonia**). Similar safeguards on electronic communications are also provided for in **India**, **Luxembourg** and **South Africa**. **Switzerland** provides a unique safeguard for the conduct of remote meetings, by allowing them only if an independent voting representative has been designated. These examples demonstrate the growing importance of the issue, as addressed in the revised *Principles*. Nevertheless, 12 jurisdictions that allow for remote participation in shareholder meetings still do not specifically address the need for ensuring equal participation in their legal framework.

New sub-Principle II.C.3 also recognises the role codes of conduct may have in providing guidance and ensuring proper engagement and equal treatment of shareholders during remote meetings. This is not yet a widespread practice, having been established in less than a quarter of jurisdictions. These jurisdictions

either require or recommend the adoption of a code of conduct at the jurisdiction's level (for example, adoption of a code is required by law in **Brazil** and recommended in **Israel** and **Singapore**). Less than 20% of jurisdictions rely on codes of conduct at the company level in addition or as an alternative to codes of conduct at the jurisdiction level. Among these, four jurisdictions, **China**, **Indonesia**, **Saudi Arabia**, and **Spain,** have codes of conducts at both the company and jurisdiction level (Table 3.5). **Argentina** is an example of a country relying solely on companies to establish their own procedures for remote meetings, including those related to shareholder voting rights and participation.

While regulatory frameworks are evolving, there is also a larger debate across jurisdictions on how to best ensure equal and effective shareholder participation in the different meeting formats, as well as on how to better serve different investor preferences. If, on one hand, it is well recognised that remote meetings can have positive spillover effects on engagement by facilitating attendance and reducing costs for investors to participate, on the other hand, some jurisdictions and companies also report that some investors prefer in-person participation and voting by proxies, which highlight the need to ensure the possibility of attending meetings in person, even if providing both options imply extra costs (Magnus and Blume, 2022[6]). This debate means that jurisdictions are currently striving to find the most appropriate balance between whether companies should be required to allow shareholders to attend meetings in person under hybrid formats, or whether it should be left to the company to decide on whether its shareholder meetings should be conducted fully in person, in a hybrid format, or fully remotely.

3.5. Related party transactions

Related party transactions and conflicts of interest pose risks and are therefore a recurrent feature in the legal and regulatory frameworks of Factbook jurisdictions, which address their complexity through a combination of targeted measures concerning immediate and periodic disclosure as well as approval processes by boards and/or shareholders.

While related party transactions may involve certain efficiency gains for companies, the conflicts of interest inherent in such transactions can increase risks related to the mismanagement and misuse of corporate assets and to the equal treatment of all shareholders. In this context, regulatory frameworks can provide safeguards to help ensure that related party transactions are duly monitored and carried out in the company's and shareholders' interests under appropriate conditions. For these reasons, related party transactions are generally not prohibited, with some relatively rare exceptions, such as certain transactions involving loans between a company and its directors.

Otherwise, jurisdictions prefer to place safeguards to ensure that related party transactions are duly considered and evaluated, through independent and external reviews and through multiple layers of approvals which generally exclude or seek to minimise the influence of directors and/or shareholders who bear a conflict of interest. The *G20/OECD Principles* address related party transactions in Chapter II, acknowledging how such transactions can pose risks for shareholder rights, particularly minority shareholders. Principle II.F states that "related party transactions should be approved and conducted in a manner that ensures proper management of conflicts of interest and protects the interests of the company and its shareholders."

Sub-Principle II.F.1 states that an effective framework for clearly flagging these transactions entails that clear definitions of a related party should be provided. All jurisdictions surveyed include definitions of what constitutes a related party in their company law, securities law or securities regulation, as well as corporate governance codes, while a few jurisdictions also reference their accounting laws or standards as relevant (Table 3.6).

Disclosure of related party transactions is among the most common safeguards across surveyed jurisdictions, usually involving a combination of both immediate and periodic disclosure

requirements in company annual financial statements in order to provide investors with timely and accurate information on such transactions. Requirements for immediate disclosure have substantially increased in recent years and are in effect in all but six of the surveyed jurisdictions, while periodic disclosure is now established for all jurisdictions.

Nearly all jurisdictions, growing year by year, now require immediate disclosure of material related party transactions in addition to their reporting in annual financial statements. A wave of reforms has been driven by the requirement to transpose the EU Shareholder Rights Directive 2017/828 (SRD II) among EU Member countries. The SRD II mandated that EU Member States implement requirements for companies to disclose material related party transactions with detailed information related to them when the transaction is concluded. The Directive allowed some flexibility for companies to set criteria for the materiality of such transactions, while requiring that these criteria include one or more quantitative ratios based on the impact of the transaction on the financial position, revenues, assets, capitalisation, including equity, or turnover of the company, or that it takes into account the nature of the transaction and the position of the related party. Nevertheless, the pace of reforms in this area goes beyond the impact of the SRD II among EU Member States, as there are currently 88% of surveyed jurisdictions that require immediate disclosure – a notable increase compared to data in 2017 when only about half of jurisdictions required immediate disclosure for significant related party transactions.

Jurisdictions reported some variations in what constitutes immediate disclosure. For some, this imposes a real-time and prompt disclosure obligation, while for others it is required within a few days of the transaction. In **Hungary**, for example, listed companies are to publicly announce material transactions with related parties on their website at the latest at the time of the conclusion of the transaction. Similarly, in **Malaysia** non-recurrent related party transactions not falling within a specific exception have to be disclosed as soon as possible, after the terms of the transaction have been agreed. In **Brazil**, immediate disclosure is considered satisfied within seven business days (Table 3.7).

Jurisdictions' approaches and the information required to be disclosed when a material related party transaction is concluded vary substantially, but the common denominator across jurisdictions is that information to be publicly disclosed should allow shareholders to determine whether the transaction is fair and has been concluded at market price. In **Belgium**, for example, as in other EU Member countries, the Code on Companies and Associations provides that related party transactions are subject to a public announcement, at the latest when the decision is made or the transaction is concluded. Public disclosure should include at least (i) information on the nature of the relationship with the related party; (ii) the name of the related party; (iii) the date and the value of the transaction; and (iv) any other information necessary to assess whether the transaction is fair and reasonable from the point of view of the company and its non-related shareholders, including minority shareholders. In **Japan**, listed companies must immediately disclose a summary of the issues decided, future prospects, and other matters that are deemed to have material significance on investment decisions, including specifics on the conflict of interest.

All jurisdictions require reporting of related party transactions involving directors, senior executives, controlling shareholders or other large shareholders in annual financial statements, with jurisdictions following either International Accounting Standards (IAS24) or a local standard similar to IAS24 (Figure 3.8). The percentage of jurisdictions adopting IAS24 gradually increased from 71% in 2015 to 82% in 2018 and 84% in 2022.

The approval process for related party transactions is key to ensure they are concluded on an arm's length basis. Requirements for board approval of certain transactions have become widespread, with some variations in how such reviews are carried out. Specific safeguards include requirements for abstention from voting of the interested parties, review by independent board members and committees, and opinions from outside specialists as well as, ultimately, shareholder approval for certain transactions.

Figure 3.8. Immediate and periodic disclosure of related party transactions

Note: Based on data across 49 jurisdictions. See Table 3.7 for data.

The approval process and combination of safeguards is specific to each jurisdiction, with some common features across EU Member countries due to the SRD II. There is, however, an increasing trend among jurisdictions to adopt more safeguards when it comes to related party transactions, especially those considered material and outside the ordinary course of business.

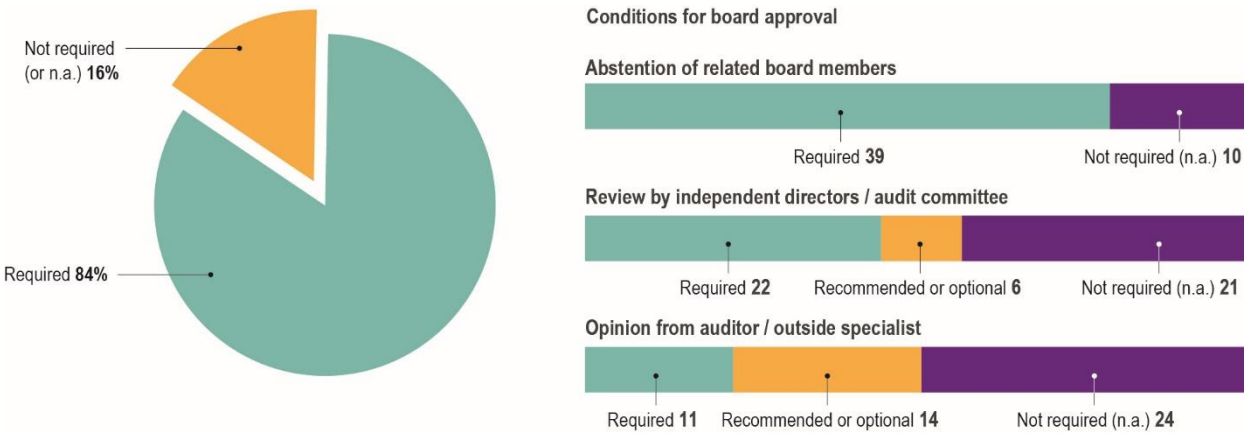
The number of Factbook jurisdictions requiring board approval of certain related party transactions has grown substantially. All but eight jurisdictions (84%) require it compared to 59% in 2017 and 54% in 2015. Further, in some jurisdictions, although not expressly required, board approval still occurs and derives from directors' fiduciary duties (**Brazil** and **Switzerland**). Requiring that related board members abstain from approving the transaction is also a more common practice, now explicitly required in 80% of jurisdictions (39), a continued increase since 2018 (50%) and 2015 (30%) (Figure 3.9).

Another common safeguard is provided by the involvement, in various forms, of independent members of the board or of the audit committee (e.g. in **Argentina**, **Malaysia** and **Portugal**). A review by these members, is required in 22 jurisdictions, and recommended or optional in six, a practice which is becoming more common, as in 2015 independent board members were required or recommended to have a role in the approval process in just 11 and three jurisdictions, respectively. An additional safeguard can be established to require or recommend that an auditor or other outside specialist provides an opinion on the fairness of the transaction. While a few more jurisdictions have established provisions concerning auditor or outside specialist opinions, the numbers remain relatively low, with only 11 jurisdictions requiring an opinion, four recommending one, and ten additional jurisdictions having such practice as optional (Table 3.8).

Shareholders are called to approve related party transactions in addition to or as an alternative to board approval in the majority of jurisdictions covered by the Factbook. This is mostly the case when related party transactions are above certain thresholds or not on market terms.

Shareholder approval is a mechanism established in 59% of surveyed jurisdictions and is generally triggered by specific conditions set out in the legal framework. Often, it is required when the related party transaction at issue is large, representing more than 5% or 10% of a company's total assets or other criteria, while in other cases it is prompted by non-approval by independent board members (like in **Türkiye**). In **Colombia**, **Greece**, **Latvia**, the **Netherlands**, **Peru**, and **Saudi Arabia**, shareholder approval is required for cases involving board member conflicts of interest, with some differences between these frameworks. In other jurisdictions, there are multiple criteria that require shareholder approval (Table 3.9, Figure 3.10).

Figure 3.9. Board approval for certain types of related party transactions

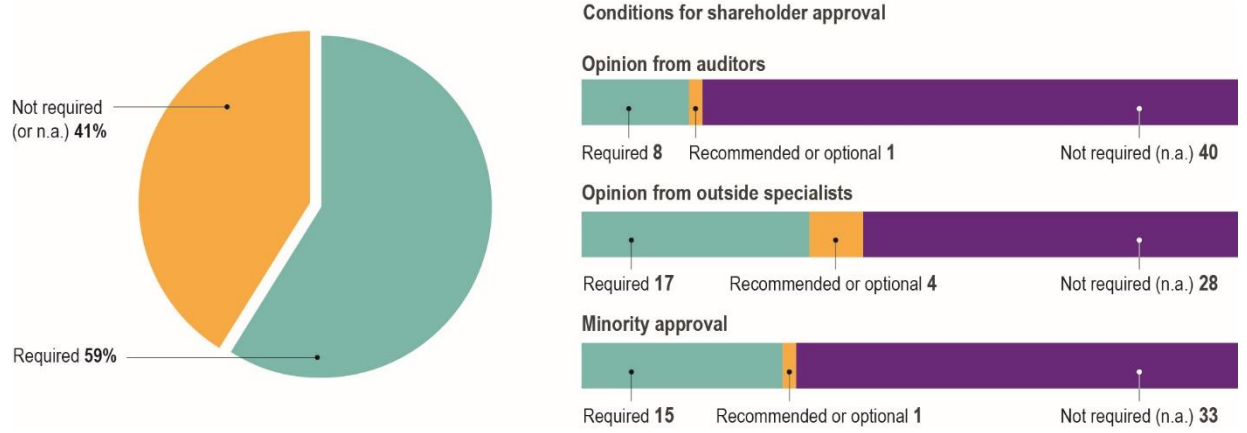


Note: Based on data for 49 jurisdictions. See Table 3.8 for data. In Italy, an opinion by an outside specialist is required if requested by independent directors and such practice has been characterised as "recommended or optional".

About half of the jurisdictions that require shareholder approval specify some additional requirements in terms of the approval required, often in the form of approval by non-interested shareholders or qualified majorities.

Fifteen jurisdictions require minority approval at least in certain cases, one jurisdiction (**Chile**) requires two-thirds majority approval, and six – while requiring a simple majority – preclude shareholders that are related parties from participating in the vote. In addition, **Slovenia** requires both a qualified majority of three-fourths and also precludes related parties from voting. Obtaining an opinion or evaluation from external auditors is a precondition for shareholder approval in eight jurisdictions, while 17 jurisdictions require an opinion from an outside specialist (Figure 3.10).

Figure 3.10. Shareholder approval for certain types of related party transactions



Note: Data based on 49 jurisdictions. See Table 3.9 for data. In Italy, an opinion by an outside specialist is required only if requested by independent directors and therefore such practice has been characterised as "recommended or optional".

3.6. Takeover bid rules

In framing mandatory takeover bid rules, four-fifths of jurisdictions take an *ex-post* approach.

Nearly all jurisdictions have regulations for takeover bids, but some allow for flexibility. For example, **Switzerland**'s law calls for a mandatory takeover bid to be triggered above 33 and one- third threshold of voting rights, but also allows individual companies to repeal the requirement or increase the threshold up to 49%. **Hong Kong (China)** addresses the issues in codes which are non-statutory in nature, but companies are required to fully comply with the codes. The **United States** is a notable exception in not imposing a requirement that a bidder conduct a mandatory tender offer, leaving it to the bidder's discretion as to whether to approach shareholders (Table 3.10). Among the 48 jurisdictions that have introduced a mandatory takeover provision, 39 take an *ex-post* approach, where a bidder is required to initiate a takeover bid after acquiring shares exceeding the threshold (i.e. after the control shift). The remaining nine jurisdictions take an *ex-ante* approach, where a bidder is required to initiative a takeover bid for acquiring shares which would exceed the threshold. These figures have not shifted substantially since 2015.

Approximately half of all jurisdictions establish multiple thresholds that can trigger takeover bid requirements. Approximately half have also established minimum thresholds of between 30-33%, where the calculation regularly includes all affiliated parties in the sum. Many of these jurisdictions have strict additional triggers for small increments above the minimum threshold. The smallest such increments range from 0.05% in **Ireland** to slightly larger increments in **Singapore** (1%), **Hong Kong (China)** and **Malaysia** (2%) and **Greece** (3%), while **Colombia, India** and **Italy** impose triggers for every 5% increase above the minimum.

Chile, with a two-thirds threshold, and **New Zealand**, which imposes a trigger for a mandatory bid at 90%, impose some of the least restrictive triggers. Several jurisdictions have established triggers at 50% or higher (Figure 3.11, Panel A), but in several cases (**Argentina**, **Estonia**, **Indonesia**, and **Türkiye**), these jurisdictions also impose a trigger if the shareholder or associated shareholders are able to control the appointment of a majority of the board, which typically can be achieved at a percentage well below 50%. The **Czech Republic, Mexico** and **Spain** also have a trigger of control over the company or board if this occurs at a level below the triggering quantitative threshold of 30%. At the other extreme, in two jurisdictions with *ex-ante* frameworks (**Japan** and **Korea**), acquisition of 5% of voting rights from a substantial number of shareholders within a certain period is prescribed as a trigger for tender offers.

In **Italy**, the law differentiates the mandatory triggering threshold according to the size of companies, where small and medium sized enterprises (SMEs) may establish in the bylaws a threshold in the range of 25-40% of voting rights, while for the others the threshold is 25% of voting rights provided that no other shareholder holds a higher stake.

Mechanisms to determine the minimum bidding price have been established in 88% of jurisdictions with mandatory takeover bid rules (Figure 3.11, Panel B). The minimum bidding price is most often determined by: a) the highest price paid by the offeror (3-12 months); b) the average market price (within 1-12 months); or a combination of the two (Table 3.10). Nevertheless, there are other mechanisms used less often, particularly in situations involving illiquid stocks, such as the price fixed by an appraiser firm (**Costa Rica**), taking into consideration book value (**India**) or value based on net assets divided by number of shares (**Latvia** and the **Slovak Republic**). Several jurisdictions have a mechanism for calculating the price by external experts under certain conditions (**Peru**, **Portugal**, and the **Slovak Republic**). Six jurisdictions, while having mandatory takeover bid rules, do not impose requirements for the minimum bidding price.

Figure 3.11. Requirements for mandatory takeover bids

Note: These figures show the number of jurisdictions in each category. Jurisdictions with several criteria are counted more than once. See Table 3.10 for data.

3.7. The roles and responsibilities of institutional investors and related intermediaries

Over the last decade, many OECD countries have experienced increases in institutional ownership of publicly listed companies. Significant discrepancies remain, however, with regard to the ability and incentives of institutional investors to engage in corporate governance.

The share of equity investments held by institutional investors such as mutual funds, pension funds, insurance companies and hedge funds has increased significantly over the last decade. According to OECD research covering almost 31 000 listed companies in 100 different markets, institutional investors held 44% of global market capitalisation at the end of 2022 (Chapter 1). These are mainly profit-maximising intermediaries that invest on behalf of their ultimate beneficiaries. The most important ones are mutual funds, pension funds and insurance companies. Institutional investors differ widely, including with respect to their ability to engage in corporate governance and interest in doing so. For some institutions, engagement in corporate governance is a natural part of their business model, while others may offer their clients a business model and investment strategy that does not include or motivate spending resources on active ownership engagement. Others may engage on a more selective basis, depending on the issue at stake (Isaksson and Çelik, 2013[7]). The *G20/OECD Principles of Corporate Governance* as revised in 2023 suggest that the corporate governance framework should facilitate and support institutional investors' engagement with their investee companies (Principle III.A.).

Many jurisdictions impose requirements for different types of institutional investors, and voluntary codes are also becoming increasingly common.

Rather than providing overarching corporate governance requirements, many jurisdictions impose different requirements for different types of institutional investors, such as pension funds, insurance funds or asset fund managers. Some countries also provide more stringent requirements for institutional investors with significant shares (of the assets under management) in their domestic markets. Stewardship codes have become increasingly common and may offer a complementary mechanism to encourage such engagement (Principle III.A of the *G20/OECD Principles*).

The *G20/OECD Principles* note that the effectiveness and credibility of the corporate governance framework and company oversight could depend in part on institutional investors' willingness and ability to make informed use of their shareholder rights and effectively exercise their ownership functions in their investee companies. However, if the institutional investors controlling the most significant number of shares in the market are foreign-based, requirements for enhancing corporate governance practices (e.g. managing conflict of interests with investee companies, monitoring the investee companies) may not be very effective if they only apply to domestic institutional investors. In this context, many jurisdictions are paying increasing attention to voluntary initiatives such as "comply or explain" stewardship codes which both foreign and domestic institutional investors can commit to follow. By the end of 2021, at least 22 jurisdictions had adopted stewardship codes in some form (Fukami, Blume and Magnusson, 2022[8]). **Spain** recently issued a voluntary stewardship code open to foreign investors, outlining seven principles (CNMV, 2023[9]). Signatories are required to explain in their annual report the extent to which these principles have been complied with or diverged from and why. Table 3.11, shows that investor stewardship codes or other guidelines promoted either by public authorities or industry association(s) (such as in **Singapore**) are becoming increasingly common.

Some jurisdictions oblige or encourage institutional investors to exercise their voting rights.

Several jurisdictions set forth legal requirements regarding the exercise of voting rights by some types of institutional investors. In the **United States**, for example, corporate pension funds are obligated to exercise their voting rights and vote their shares (OECD, 2011[10]). In **Israel**, institutional investors (including fund managers, pension funds, provident funds and insurance companies) must participate and vote on certain resolutions. **Switzerland** implemented the Ordinance against Excessive Compensation in 2014, requiring pension fund schemes to vote in the interest of their insured persons on specific matters, such as election of the members of the board of directors and compensation committee, and compensation to the board of directors and executive management.

On the other hand, some jurisdictions impose constraints on institutional investor voting. For example, in **Sweden**, AP7, one of the state-owned pension funds, which manages pension savings for more than 4 million Swedes, is, as a main rule, prohibited from voting its shares in Swedish companies, unlike the other pension funds (AP1-4).

Following the implementation of the EU SRD II, there has been a major increase in the number of jurisdictions requiring or recommending that institutional investors disclose voting policies and voting records.

The EU SRD II requires Member States to ensure that institutional investors and asset managers develop a policy on shareholder engagement, make the policy publicly available, disclose how they have implemented the policy and report annually on how they have voted at general meetings, including a general description of voting behaviour, an explanation of the most significant votes and the use of the services of proxy advisors, making this information available free of charge on their websites.

All but six out of 49 surveyed jurisdictions now require or recommend that some institutional investors disclose their voting policies. Figure 3.12 shows that 32 jurisdictions either have a legal requirement or a combination of legal requirements and code recommendations related to disclosure of voting policy, while ten jurisdictions rely solely upon code recommendations, and one jurisdiction establishes both code and self-regulatory requirements by industry association(s).

Although requirements or recommendations to disclose actual voting records have increased significantly from 34% in 2015 to 67% in 2022, they remain less common than voting policy disclosure. Twenty-five jurisdictions have legal requirements for such disclosure including six that have both legal requirements and code recommendations. While an additional eight jurisdictions recommend such disclosure in voluntary codes, a steadily declining number of jurisdictions (33%) have neither code recommendations nor legal requirements to disclose votes.

Figure 3.12. Disclosure of voting policies and actual voting records by institutional investors

Note: Based on 49 jurisdictions. N/A = no requirement or no available data. See Table 3.11 for data. The category "Code & Ind. Assoc. Req." refers to jurisdictions that possess both a code and a self-regulatory requirement by industry association(s) without comply or explain disclosure requirements.

All jurisdictions provide a framework for institutional investors to address conflicts of interest. Disclosure of policies to manage conflicts of interest and their implementation is also increasingly required or recommended, reaching 71% of jurisdictions in 2022, up from 64% in 2020.

In recent years, besides bans or legal requirements to manage some types of conflicts of interest, a number of jurisdictions have introduced professional codes of behaviour. Nearly all surveyed jurisdictions now require or recommend at least one type of institutional investor to have policies to manage conflicts of interest or prohibit specific acts. More than half of all surveyed jurisdictions now have legal requirements for disclosure (including ten with both legal requirements and code recommendations), while six jurisdictions rely upon code recommendations alone (Figure 3.13).

Figure 3.13. Existence and disclosure of conflicts of interest policies by institutional investors

Note: Based on 49 jurisdictions. N/A = no requirement or no available data. See Table 3.11 for data.

A growing number of jurisdictions provide specific requirements or recommendations with regard to various forms of ownership engagement, such as monitoring and constructive engagement with investee companies, maintaining the effectiveness of monitoring when outsourcing the exercise of voting rights, and engaging on matters related to sustainability.

Some jurisdictions go beyond requirements or recommendations to encourage voting, providing more specific requirements or guidance with regard to other forms of ownership engagement. In Europe, this tendency has been bolstered by the requirements set out in the EU SRD II. Requirements or recommendations that institutional investors monitor investee companies are most common (41 jurisdictions). Constructive engagement, generally involving direct dialogue with the board or management, is now required in 14 jurisdictions, while another 14 rely upon code recommendations. Thirty-two jurisdictions require or recommend that institutional investors maintain the effectiveness of supervision when outsourcing the exercise of voting rights to proxy advisors or other service providers (Figure 3.14). While the requirements or recommendations that apply directly to institutional investors do not appear to have changed significantly since 2019, many jurisdictions have introduced specific requirements with respect to the proxy advisors themselves.

Several jurisdictions also set forth requirements and recommendations regarding engagement on matters of sustainability. While this is a relatively new trend, it is now required in 12 jurisdictions, while another 13 rely upon code recommendations. Both **Japan** and the **United Kingdom** included sustainability considerations in the revisions to their stewardship codes in 2020.

Figure 3.14. Stewardship and fiduciary responsibilities of institutional investors

Note: Based on 49 jurisdictions. N/A = no requirement or no available data. See Table 3.12 for data.

In recent years, there have been important regulatory developments regarding proxy advisors and other advisory services.

Regulatory requirements related to proxy advisors have become increasingly common. The relevance of such requirements is reflected in the *G20/OECD Principles*, as revised in 2023, which recommend that proxy advisors, ESG rating and data providers and other service providers that provide analysis and advice relevant to investor decisions "disclose and minimise conflicts of interest that might compromise the integrity of their analysis or advice" (Principle III.D). Furthermore, the methodologies employed by service providers should be transparent and publicly available to clients and market participants.

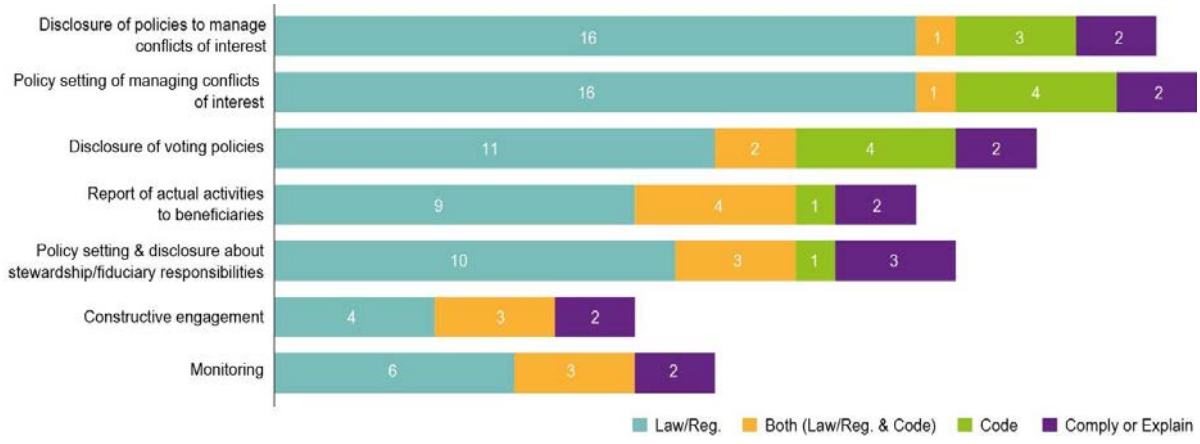
While requirements and recommendations for proxy advisors or other service providers may be similar to those for institutional investors, it must be noted that these requirements may also differ significantly. For example, institutional investors have a different type of fiduciary duty to the beneficiaries of their funds compared to proxy advisors, who serve in a capacity as advisors to institutional investors rather than to the beneficiaries of such funds. Nevertheless, there are also similarities in terms of the types of recommendations that apply to each group, for example, with respect to policies dealing with conflicts of interest, disclosure of such policies as well as activities related to investor engagement that proxy advisors may engage in on behalf of their institutional investor clients.

While the number of jurisdictions enacting regulations related to proxy advisors or other advisory services has increased in recent years, they remain far less common than for institutional investors (Figure 3.15**).**

The most common requirements involve policy-setting and disclosure related to conflicts of interest, required in 16 jurisdictions (33%). Seven jurisdictions have codes recommending that proxy advisors set conflicts of interest policies (including one with both a legal requirement and a code recommendation), while six have code recommendations for disclosure (again with one involving both types of provisions). A third common provision for proxy advisors (required or recommended in 19 jurisdictions) is to disclose their policies related to voting. Requirements or recommendations for proxy advisors to undertake constructive

engagement or monitoring of companies are rare, and typically would be undertaken on behalf of the institutional investors that they are representing.

Figure 3.15. Requirements and recommendations for proxy advisors



Note: Based on 49 jurisdictions. See Table 3.11 and Table 3.12 for data.

Jurisdictions have taken varying approaches to regulation of proxy advisors, with 49% overall reporting requirements or recommendations on the abovementioned topics.

In line with the *G20/OECD Principles*, a number of jurisdictions have established stand-alone laws or regulations specifically applicable to proxy advisors, in some cases supplemented by additional guidance. For example, the SRD II requires EU Member States to ensure that proxy advisors disclose reference to any code of conduct they comply with, report on the application of that code of conduct, explain any derogations from that code or explain why they do not comply with a code and indicate, where appropriate, any alternative measures adopted. They must also annually publish information related to the preparation of their research, advice and voting recommendations on their web site, and identify and disclose to their clients any actual or potential conflicts of interest that may influence the preparation of those recommendations, along with the actions taken to eliminate, mitigate or manage those conflicts. The **United States**' Investment Advisers Act of 1940 and regulation on Proxy Voting by Investment Advisors is supplemented by SEC guidance regarding the proxy voting responsibilities of investment advisers exercising proxy voting authority with respect to client securities, including examples to help investment advisers' compliance with their obligations in connection with proxy voting. On the other hand, **India** notes that its proxy advisors generally do not vote on behalf of their clients but are nevertheless required to formulate and disclose their voting recommendation policies to them. Some European jurisdictions, such as **Finland,** while not having enacted specific national implementing regulations with respect to SRD II proxy advisor provisions, nevertheless consider provisions to establish policies with respect to conflicts of interest to apply in their jurisdiction. **Canada** has implemented a soft-law approach to proxy advisor conduct guidance, while others (**Austria** and **Germany**) have transitioned to regulatory requirements over the past two years.

Some jurisdictions have established more integrated frameworks incorporating both institutional investors and their service providers, including proxy advisors, in the same regulation or code. For example, the **Malaysian** Code for Institutional Investors recommends that institutional investors encourage their service providers (which include proxy advisors) to apply the principles of the Code where relevant and to conduct their investment activities in line with the institutional investors' own approach to stewardship. Accordingly, service providers are also encouraged to be signatories of the Code. **Japan** takes a similar approach,

recommending in its stewardship code that service providers "contribute to the institutional investors' effective execution of stewardship activities." In the **United Kingdom,** the revised Stewardship Code 2020, provides a distinct set of principles for related intermediaries, holding them to a higher standard than regulatory requirements (Gibson Dunn, 2019[11]).

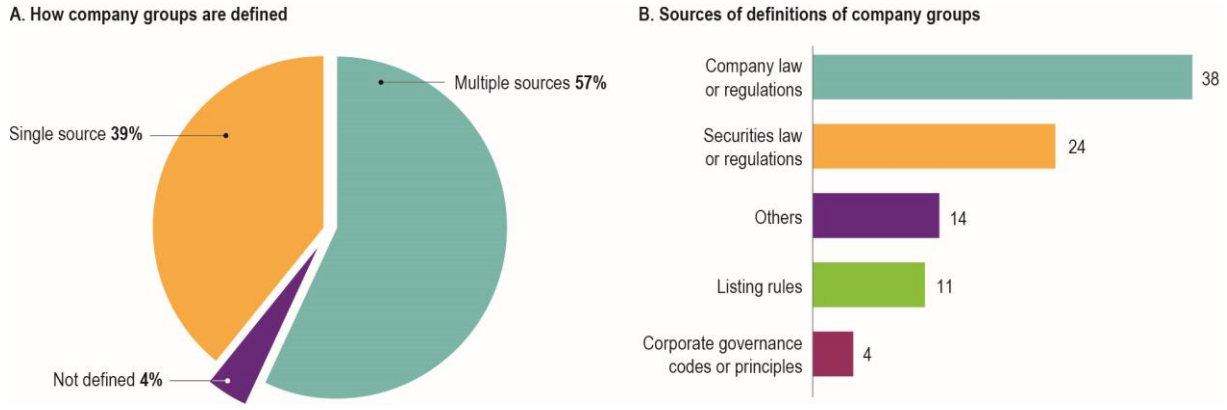
3.8. Company groups

Practically all jurisdictions (47) define company groups or their elements in multiple or single sources such as company law/regulations, securities law/regulations, national corporate governance codes, listing rules and others.

Company groups are a common feature of the global ownership landscape, with corporations – in particular listed ones – often serving as important owners of listed companies as part of company group structures (Medina, de la Cruz and Tang, 2022[12]). The *G20/OECD Principles*, as revised in 2023, include new recommendations aimed at improving the definition, oversight and disclosure of company groups. They recognise that well-managed company groups operating under adequate corporate governance frameworks can support economic growth and employment through economies of scale, synergies and other efficiencies, but that in some cases they may be associated with risks of inequitable treatment of shareholders and stakeholders. To address such risks, Principle I.H recommends that jurisdictions adopt clear regulatory frameworks including a practical definition and criteria for the effective oversight of publicly traded companies within company groups.

The definition of company groups can be explicitly provided in law or regulation, or the concept may be defined implicitly, by separately identifying the typical elements of a group, such as parent, subsidiary, affiliate or associate company. The majority of jurisdictions (28) define company groups or their elements in multiple sources such as company law/regulations, securities law/regulations, national corporate governance codes, listing rules and others. Nineteen jurisdictions have a single source for defining company groups. Only **Canada** and **China** do not have a definition of company groups. Company groups or their elements are mostly defined in company law/regulations (38 jurisdictions) and in securities law/regulations (24 jurisdictions).

Figure 3.16. Definitions of company groups



Note: Panels A and B are based on definitions applicable across 49 jurisdictions. Panel B adds up to more than 49 because some jurisdictions have multiple sources of definitions.

As shown in Panel B of Figure 3.16, a large majority of jurisdictions (38) define criteria for when a set of companies are regarded as constituting a group in company law/regulations. Securities law/regulations of 24 jurisdictions also provide a specific definition. Only 11 jurisdictions have listing rules that include a

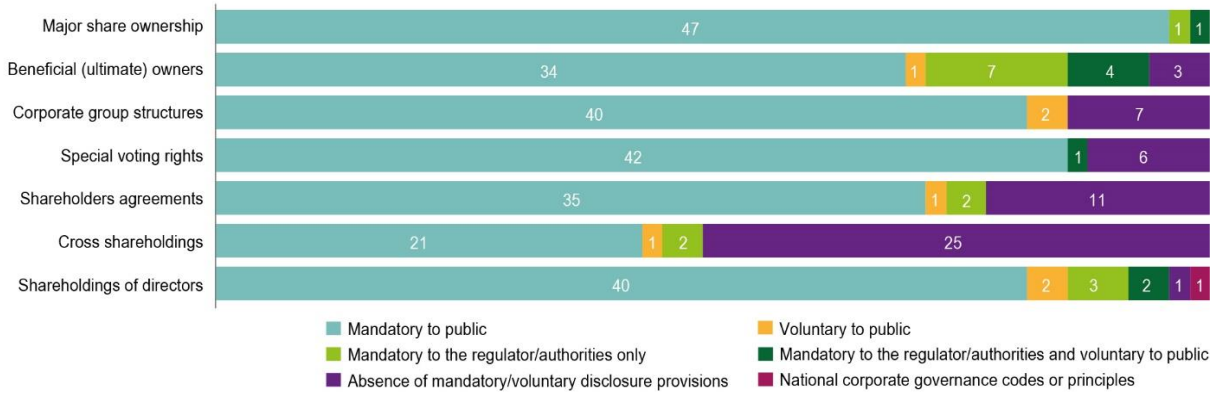
specific reference to company groups. In only four jurisdictions (**Colombia, Finland, Saudi Arabia** and **South Africa)** does the national corporate governance code include a definition of a company group.

Disclosure of important company group structures and intra-group activities for listed companies is required by over 80% of jurisdictions across a range of categories such as major share ownership, special voting rights, corporate group structures and shareholdings of directors. Such disclosure is less widespread in the case of beneficial ownership, shareholder agreements and cross-shareholdings.

The revised *Principles* recognise the fundamental importance of transparency of share ownership and corporate control. In particular, sub-Principle IV.A.3. establishes that "Disclosure should include, but not be limited to, material information on: Capital structures, group structures and their control arrangements." The key transparency requirements for company group structures and intra-group activities for listed companies in the Factbook jurisdictions are based on the consolidated financial statements based on IFRS and the disclosure of major shareholdings in annual reports. Despite this commonality, there is not a clear consensus on the level of specificity needed for, among others, the disclosure of ownership, relationships among key shareholders, group structures and governance policies. Major share ownership is disclosed publicly in all but two jurisdictions (Table 3.13). Only in the **Czech Republic** and in **South Africa** is this information disclosed to the regulator only. South Africa also allows for voluntary disclosure of major share ownership to the public.

Special voting rights in a company group provide specific shareholders of the group more voting power than a common shareholder. Special voting rights are required to be publicly disclosed in 42 jurisdictions, and six jurisdictions have no provision for such disclosure. Public disclosure of corporate group structures is mandatory in 40 jurisdictions, while there is no provision in seven (**Costa Rica, Ireland, Latvia, Singapore, South Africa, Sweden and Türkiye**). In **Australia** and **Japan** public disclosure of group structures is voluntary. It is mandatory to disclose the shareholdings of directors in 40 jurisdictions. In the **Czech Republic** and **Switzerland** public disclosure is voluntary, whereas in **Argentina, Brazil** and **Colombia** disclosure is to the regulator only. In the **Slovak Republic** and **South Africa,** the disclosure of directors' shareholdings to the regulator is required and public disclosure is voluntary.

Figure 3.17. Mandatory and/or voluntary disclosure provisions for all listed companies



Note: Based on 49 jurisdictions.

The disclosure of beneficial owners in company groups is particularly important as it facilitates the identification of related parties and therefore helps to address many of the agency issues around company groups. However, requirements for public disclosure of beneficial owners are not as widespread as for the other elements mentioned above. Thirty-four jurisdictions have a mandatory requirement to disclose

information on beneficial owners to the public, and in one jurisdiction this is voluntary. However, in some cases such as **Israel**, this mandatory requirement applies only to interested parties defined as shareholders with a minimum shareholding – 5% in the case of Israel. In 11 jurisdictions companies are required to disclose beneficial owners to the regulator only, and in four of them, **Costa Rica, Saudi Arabia,** the **Slovak Republic** and **South Africa**, they also have the option to disclose it to the public. The remaining jurisdictions have no provision on this issue.

Agreements between shareholders that describe how a company should be operated and outline shareholders' rights and obligations are also a common feature in company groups. In 35 jurisdictions shareholder agreements are disclosed to the public. In **Finland**, listed companies are liable to publish only shareholder agreements that are known to the company, and shareholders have an obligation to notify the offeree company and the supervisor when a shareholder has entered in such an agreement. In **Japan**, public disclosure of shareholder agreements is voluntary, whereas in **Greece** and the Slovak **Republic**, companies are obliged to disclose shareholder agreements to the regulator. However, in **Greece** the requirement applies only if the shareholder agreements lead to significant change in shareholders rights. In 11 jurisdictions (22%) there is no provision to disclose shareholder agreements.

Cross shareholdings, where one publicly traded company holds a significant number of shares of another publicly traded company, are also required to be disclosed, but to a lesser extent. Only 21 jurisdictions require disclosure of cross shareholdings to the public and only two jurisdictions mandate their disclosure to the regulator. One of these is **Greece**, and the requirement applies only if the cross shareholding leads to significant change in shareholders rights. In the **Slovak Republic,** public disclosure of cross shareholdings is voluntary. Importantly, in over half of the jurisdictions there is no requirement to disclose information on cross shareholdings.

Table 3.1. Means of notifying shareholders of the annual general meeting

Jurisdiction	Minimum period in advance	Provision to send a notification to all shareholders	Provisions for publication		
			Newspaper	Firm's website	Regulator's/ Exchange's website or Federal Gazette
Argentina	20-45 days	-	L	C	L
Australia	28 days	L			R
Austria	28 days	-	L	-	L
Belgium	30 days	-	L	L	L
Brazil	21 days	-	L	L	L
Canada	21-60 days	L			L
Chile	10 days	L	L	-	-
China	20 days	L	L	-	L
Colombia	15 days (30 days)	L, C	L	C	L
Costa Rica[1]	15 days	-	L	-	L
Czech Republic	30 days	L	-	L	-
Denmark	3 weeks	-	-	L/R	-
Estonia	3 weeks	L	L	L	R
Finland	3 weeks	L	-	L	L
France	15 days	L	L	-	L
Germany	30 days	L	L	L	L
Greece	20 days	-	-	L	L
Hong Kong (China)[2]	21 days (20 business days)	L, R	-	L, R	L, R
Hungary	30 days	L	-	L	R
Iceland	21 days	L	-	L	R
India	21 days	L	L	L	L
Indonesia	22 days	L	L	L	L
Ireland	21 days	L	L	L	-
Israel	21 days	L	L	L	L
Italy	30 days[3]	L	L	L	-
Japan	2 weeks	L		C	C
Korea	2 weeks	L	L	C	L
Latvia	30 days	-	-	L	L
Lithuania	21 days	L	L	L	L
Luxembourg	16 days	L	L		L
Malaysia	21 days (28 days)	L; R	R	R	R
Mexico	15 days[3]	-	-	-	L
Netherlands	42 days	L	-	L	-
New Zealand	10 working days	L	-	-	-
Norway	21 days	L		L	
Peru	25 days	L	L	C	L, R
Poland	26 days	-	-	L	-
Portugal	21 days	-	-	L	L
Saudi Arabia	21 days	L	L	L	L
Singapore	14 days (21 days for special resolutions)	L, R	-	-	R
Slovak Republic	30 days	L	L	L	-
Slovenia	30 days	L	L	L	L
South Africa	15 business days (public companies)	L	-	-	R
Spain	30 days	-	L	L	L
Sweden	4 weeks	-	L	L	L
Switzerland	20 days	L[4]	-	-	L

Jurisdiction	Minimum period in advance	Provision to send a notification to all shareholders	Provisions for publication		
			Newspaper	Firm's website	Regulator's/ Exchange's website or Federal Gazette
Türkiye	21 days	-	-	L	L
United Kingdom	21 days	L		L	
United States	10-60 days[5]	L	-	-	L

Key: **L** = requirement by the law or regulations; **R** = requirement by the listing rule; **C** and **( )** = recommendation by the codes or principles; "**-**" = absence of a specific requirement or recommendation.

1. In **Costa Rica**, the notification for general meetings is by default 15 working days prior to the meeting, unless the company bylaws specify a different date or all the members agree to hold an assembly and expressly agree to waive the notification procedure.
2. For companies incorporated in **Hong Kong (China)**, the Companies Ordinance requires a minimum 21-day advance notice for annual general meetings. The Companies Ordinance allows notice to be given (i) in hard copy form or in electronic form; or (ii) by making the notice available on a website. The Listing Rules require notice of every annual general meeting to be published on the Exchange's website and the issuer's own website and require an issuer to send notices to all holders of its listed securities whether or not their registered address is in Hong Kong (China).
3. In some jurisdictions, shareholders with a certain shareholding (e.g. one-third in **Italy** and 10% in **Mexico**) can also request to postpone the voting on any matter for a few days. In **Italy**, they can request to postpone the meeting for a maximum of five days according to Art. 2 374 of the Civil Code if they consider that they have been insufficiently informed. Further, the minimum period in advance may vary in relation to the item on the agenda (40 days for board renewal, 21 days in specific cases such as the reduction of share capital).
4. In **Switzerland**, registered shareholders are notified of in writing, bearer shareholders by publication in the Swiss Official Gazette of Commerce (Art. 696 sect. 2 CO) and additionally in the form prescribed by the articles of association. Moreover, if provided in their articles of incorporation, companies can provide the information on newspapers and their websites.
5. In the **United States**, the obligation for corporations to distribute timely notice of an annual meeting is determined by a source of authority other than federal securities laws, and may vary within each of the individual 50 state jurisdictions. Generally, the written notice of any meeting shall be given not less than ten nor more than 60 days before the date of the meeting at which each stockholder is entitled to vote. For companies incorporated under Delaware law that elect to send a full set of proxy materials, they are subject to a minimum 10-day notice requirement. However, companies that choose to furnish proxy materials to shareholders by posting them on the Internet must provide 40 days' notice of the availability of their proxy materials on the Internet.

Table 3.2. Shareholder rights to request a shareholder meeting and to place items on the agenda

Jurisdiction	Request for convening shareholder meeting		Placing items on the agenda of general meetings		
	Shareholders	The firm	Shareholders		The firm
	Minimum shareholding	*Deadline for holding the meeting after the request*	*Minimum shareholding*	*Deadline for the request (before the meeting/ [ ]: after notice)*	*Accept and publish the request (before meeting)*
Argentina	5%	40 days	5%	-	-
Australia	5%	2 months	5% or 100 SHs	2 months	28 days
Austria	5% with 3 months holdings	14 days (3 weeks)	5% with 3 months holdings	7 or 14 days	-
Belgium	10%	3 weeks	3%	22 days	15 days
Brazil	1% / 2% / 3% / 4% / 5% depending on share capital	23 days	1% / 2% / 3% / 4% / 5% depending on share capital	35 or 45 days	30 days
Canada (federal)	5%	-	1% 5% for nominating a director	90-150 days before anniversary of previous meeting	21 days to notify of refusal
Chile	10%	30 days	10%	10 days	10 days
China	10%	10 days	3%	10 days	2 days
Colombia	10%[1]	-	50%+1 share	5 days after notice	15 days

Jurisdiction	Request for convening shareholder meeting		Placing items on the agenda of general meetings		
	Shareholders	The firm	Shareholders		The firm
	Minimum shareholding	*Deadline for holding the meeting after the request*	*Minimum shareholding*	*Deadline for the request (before the meeting/ [ ]: after notice)*	*Accept and publish the request (before meeting)*
Costa Rica	25%[2]	30 days	25%	-	-
Czech Republic	1% / 3% / 5% depending on share capital	50 days	1% / 3% / 5% depending on share capital	17 days	12 days
Denmark	5%	Minimum 3 weeks and maximum 7 weeks	-	6 weeks	
Estonia	10%	1 month	10%	15 days	-
Finland	10%	Minimum 3 weeks and maximum 3 months	-	4 weeks before notice	Required
France	5%	35 days	5%	25 days	-
Germany	5%	Without delay, minimum 30 days	5% or EUR 500 000	[30 days]	Promptly
Greece	5%	45 days	5%	15 days	13 days for listed companies
Hong Kong (China)	5%	49 days (21 for calling the meeting + 28 for holding the meeting after notice)	2.5% or 50 SHs	6 weeks	Promptly
Hungary	1%	30 days	1%	8 days	Promptly[3]
Iceland	5%	-	-	10 days	3 days
India	10% (of paid up share capital corresponding to voting power)	21 days	10% (of paid up share capital corresponding to voting power)	21-45 days	21 days from the date of receipt of requisition
Indonesia	10%	51 days	5%	28 days	21 days
Ireland	5%	14 or 21 days	3%	42 days	21 days
Israel	5%	56 days	1%	[21 or 32 days]	14 or 25 days
Italy	5%	Without delay[4]	2.5%	[10 days][5]	15 days
Japan	3% with 6 months holdings	8 weeks	1% or 300 voting rights with 6 months holdings	8 weeks	-
Korea	1.5% with 6 months holdings	Promptly	0.5% with 6 months holdings[6]	6 weeks	-
Latvia	5%	3 months	5%	[7 days]	14 days
Lithuania	10%	30 days	5%	14 days	10 days
Luxembourg	10%	1 month	5%	22 days	-
Malaysia	10%	42 days (14 for calling the meeting, 28 for holding the meeting after notice)	2.5% (or 50 shareholders with average paid-up capital of at least RM 500)	28 days	-
Mexico	10%	15 days	10%	-	15 days
Netherlands	10%	6 weeks	3%	60 days	42 days

Jurisdiction	Request for convening shareholder meeting		Placing items on the agenda of general meetings		
	Shareholders	The firm	Shareholders		The firm
	Minimum shareholding	*Deadline for holding the meeting after the request*	*Minimum shareholding*	*Deadline for the request (before the meeting/ [ ]: after notice)*	*Accept and publish the request (before meeting)*
New Zealand	5%	-	At least 1 share	20 days	5 days
Norway	5%	1 month	At least 1 share	7 + 21 days[7]	21 days
Peru	20%[8]	15 days	- [9]	-	-
Poland	5%	14 days	5%	21 days	18 days
Portugal	2%	60 days	2%	[5 days]	5 days if by letter; 10 days by publication
Saudi Arabia	10%	51 days (30 for invitation, 21 for holding a meeting)	10%	-	-
Singapore	10%	As soon as practicable, and no later than 2 months	5% (or 100 members with average paid-up capital of SGD 500)	6 weeks	14 days
Slovak Republic	5%	40 days	5%	20 days	10 days
Slovenia	5%	2 months	5%	[7 days]	14 days
South Africa	10%	-	Any 2 SHs	-	-
Spain	5%	2 months	3%	5 days after announcement	15 days
Sweden	10%	About 2 months	-	7 weeks	Required
Switzerland	5%	-[10]	0.5%	>20 days	>20 days
Türkiye	5%	45 days	5%	>3 weeks	>3 weeks
United Kingdom	5%	49 days	5% or 100 SHs holding together ≥GBP 10 000	7 weeks	
United States	10% (Model Business Corporation Act); Certificate of incorporation or bylaws (Delaware)		Continuous ownership thresholds of at least one to three years and USD 25 000 to 2000	Disclosed in previous year's proxy statement	Subject to exclusion based on certain criteria

Key: **[ ]** = requirement by the listing rule; **( )** = recommendation by code or principles; "**-**" = absence of a specific requirement or recommendation; **Promptly** = immediately or within five days of the AGM.

1. In **Colombia**, the Superintendent may also order the convening of extraordinary meetings or make it, directly, at the request of a group of shareholders whose percentage must be set in the bylaws (Art. 423 of the Commercial Code).
2. In **Costa Rica**, it is also possible for the owner of a single share to request the convening of a shareholder meeting and suggest items on the agenda when no meeting has been held for two consecutive financial years and when the meetings held at that time did not deal with ordinary matters, such as the discussion and approval of the financial reports, or the distribution of profits, among others.
3. In **Hungary**, the invitation for the general meeting shall be published on the company's website at least 30 days prior to the first day of the general meeting (Art. 3:272 paragraph (1) of the Civil Code) in case of public limited companies.
4. In **Italy**, while the Civil Code (Art. 2 367) requires the meeting to be convened "without delay", courts have established 30 days as a fair term to call the meeting, without setting a deadline for time required to hold the meeting.
5. In **Italy**, the default deadline is of 10 days, although a shorter deadline of five days applies to meetings called to resolve on measures to contrast a takeover or in case of particular losses in the company's share capital.

6. In **Korea**, more than six months shareholding is required for a shareholder of listed companies to qualify. The shareholding threshold of 1% to place items on the agenda applies to companies with equity capital valued under 100 billion won.
7. In **Norway**, a shareholder can request placing items on the agenda until seven days before the general meeting is convened. The time limit for written notice to all shareholders is 21 days before the company convenes the general meeting.
8. In **Peru**, a 20% threshold applies to any corporation with securities registered in the SMV and a 5% threshold only applies to a specific group of corporations with dispersed ownership.
9. In **Peru**, according to Principle 11 "Proposals for agenda items" of the Corporate Governance Code, corporations should include mechanisms in their general shareholders' meeting rule that allow shareholders to exercise the right to formulate proposals for agenda items to be discussed at the general shareholders' meeting.
10. In **Switzerland**, the law does not set forth a specific deadline. If the board of directors does not grant such a request within a reasonable time, the court must at the request of the applicant order that a general meeting be convened.

Table 3.3. Preferred shares and voting caps

Jurisdiction	Issuing a class of shares with:			Multiple voting rights	Voting caps
	Limited voting rights	Without voting rights			
			And without preferential rights to dividends		
Argentina	Allowed[1]	Allowed	Not allowed	Not allowed[2]	Allowed
Australia[3]	[Allowed for preference securities only]	[Not allowed]	[Not allowed]	[Not allowed]	[Not allowed]
Austria	Allowed	Allowed	Not allowed	Not allowed	Not allowed
Belgium	Allowed	Allowed	Allowed	Allowed (Double voting shares for listed companies)	Allowed
Brazil	Allowed: Max 50%	Allowed: Max 50%	Allowed[4]	Allowed	Allowed
Canada[5]	Allowed	Allowed	Allowed	Allowed	Allowed
Chile	Allowed	Allowed	Allowed	Not allowed	Allowed
China	Allowed	Allowed	Not allowed	Not allowed[6]	Not allowed
Colombia	Allowed	Allowed: Max 50%	Not allowed	Not allowed	Not allowed
Costa Rica	Allowed	Allowed[7]	Allowed	Not allowed	Allowed
Czech Republic	Allowed	Allowed: Max 90%	Allowed	Allowed	Allowed
Denmark	Allowed	Allowed	Allowed	Allowed	Allowed
Estonia	Allowed	Allowed	-	-	
Finland	Allowed	Allowed	Allowed	Allowed	Allowed
France	Allowed	Allowed: Max 25%	-	Allowed (Double voting shares with more than 2 years holding)[8]	Allowed
Germany	Allowed	Allowed: Max 50%	Not allowed	Not allowed	Not allowed
Greece	Allowed	Allowed	Allowed	Not allowed	-
Hong Kong (China)	Allowed for preference shares	Allowed for preference shares	-	[Allowed][9]	-
Hungary	Allowed	Allowed	Allowed	Allowed	Allowed
Iceland	Allowed	Allowed	Allowed	-	-
India[10]	Allowed	Allowed	Not allowed	Allowed with condition	Allowed
Indonesia[11]	Not allowed	Allowed	Allowed	Allowed with condition	Allowed
Ireland	Allowed	Allowed	Allowed	Allowed[12]	Allowed
Israel	Not allowed[13]		-	Not allowed	Not allowed

Jurisdiction	Issuing a class of shares with:			Multiple voting rights	Voting caps
	Limited voting rights	Without voting rights			
			And without preferential rights to dividends		
Italy	Allowed: Max 50% (cumulated for limited and non-voting shares)	Allowed: Max 50% (cumulated for limited and non-voting shares)		Allowed[14]	Allowed
Japan	Allowed: Max 50%	Allowed: Max 50%	Allowed	Not allowed	Not allowed
Korea	Allowed: Max 25% (cumulated for limited and non-voting shares)	Allowed: Max 25% (cumulated for limited and non-voting shares)	Allowed	Not allowed	Not allowed
Latvia	Allowed	Allowed	Allowed	Allowed	Not allowed
Lithuania	Allowed	Allowed: General provision that preference shares may not constitute more than 1/3 of the capital)[15]	-	-	-
Luxembourg	Allowed	Allowed: Max 50%			
Malaysia	Allowed	Allowed	-	-	-
Mexico	Allowed with approval: Max 25%[16]	Allowed with approval: Max 25%	Not Allowed	Allowed	Not allowed
Netherlands	Allowed	Not allowed	-	-[17]	Allowed
New Zealand	Allowed	Allowed	Allowed	Allowed	Allowed
Norway	Allowed[18]	Allowed		Allowed	Allowed
Peru[19]	Allowed	Allowed	Allowed	-	-
Poland	Allowed	Allowed	Not allowed	Allowed	-
Portugal	Allowed	Allowed: Max 50%	Allowed	Allowed	Allowed[20]
Saudi Arabia	Allowed	Allowed	Not allowed	Not allowed	-
Singapore[21]	Allowed	Allowed	-	[Allowed]	[Not allowed]
Slovak Republic	Allowed	Allowed[22]	-	-	Allowed
Slovenia	Allowed	Allowed: Max 50%	Not allowed	Not allowed	Not allowed
South Africa	Allowed	Allowed	Allowed	Allowed	Not allowed
Spain	Allowed	Allowed: Max 50%	Not allowed	Allowed [23]	Allowed
Sweden	Allowed	Not allowed	-	Allowed (1/10)	Allowed
Switzerland	Allowed[24]	Allowed	Allowed	Allowed	Allowed
Türkiye[25]	-	-	-	Allowed	Allowed
United Kingdom	Allowed	Allowed	Allowed	Allowed[26]	Allowed
United States[27]	Allowed	Allowed	Allowed	Allowed	Allowed

Key: **Allowed** = specifically allowed by law or regulation; **Not allowed** = specifically prohibited by law or regulation; **[ ]** = Requirement by the listing rule; **( )** = Recommended by the codes or principles; "**-**" = absence of a specific requirement or recommendation; **N/A** = not applicable.

1. In **Argentina**, shareholders with limited voting rights might recover their right to vote in special cases, such as a suspension of public offer (Section 217 of the General Companies Law).
2. In **Argentina**, privileged voting shares cannot be issued after the company has been authorised to make a public offer (Section 216 of the General Companies Law).
3. In **Australia**, ASX Listing Rule No. 6.9 requires ordinary securities to have one vote per fully paid security. Preference securities have more limited voting rights but must have preferential rights to dividends.

4. In **Brazil**, no voting right shares and limited voting right shares must have preferential rights to dividends, or if they do not have preferential rights to dividends, such shares must have tag-along-rights (the right to sell shares in cases of change of corporate control, usually on the same terms as the controlling shareholder).
5. In **Canada**, a public company may have, as part of its authorised capital, one or more classes of shares with differing voting entitlements (subject to certain requirements, including: prior shareholder approval of the multi-class structure, prescribed naming conventions that signal the restricted nature of the investment and supplementary disclosure requirements, and a requirement to include "coattail" provisions that protect shareholders with restricted voting rights in the event of a takeover bid.
6. In **China**, the Company Law does not permit shares with multiple voting rights or caps on such shares for listed companies. However, an exception has been granted for companies listed on the Science Technology Innovation Board of SSE or on the ChiNext Market of SZSE which may have multiple voting rights or caps in place under certain conditions: as a threshold, a shareholder with special voting stocks must own more than 10% of all issued voting stocks of the company. The number of voting rights for each special voting stock shall be the same and shall not exceed 10 times that of voting rights for each ordinary stock.
7. In **Costa Rica**, voting rights of preferred shareholders can be restricted in company statutes, but under no circumstance will their rights be limited in their right in extraordinary meetings to modify the duration or the purpose of the company, to agree on a merger with another company or to establish its registered office outside the territory of Costa Rica.
8. In **France**, double voting rights may be conferred on fully paid shares which have been in registered form for at least two years in the name of the same person, unless the issuer decides otherwise by a two-thirds majority shareholder vote.
9. In **Hong Kong (China)**, the Listing Rules contain a chapter which allows shares with multiple voting rights subject to specified conditions, for example, a ten to one voting cap.
10. In **India**, the total voting rights of shareholders with superior voting rights (including ordinary shares), post listing, shall not exceed 74%. Voting caps are allowed only with respect to banking companies.
11. In **Indonesia**, according to OJK Regulation No. 22/POJK.04/2021, implementation of classification with multiple voting rights for issuers are applied for issuers with innovation and high growth rates that conduct public offering in the form of shares. In addition, issuers regulated under this provision should meet certain criteria such as utilising a technology to increase productivity and economic growth, having shareholders who have significant contributions in the utilisation of technology, having minimum total assets of at least Rp. 2 Trillion (about USD 132 million), and others. Regarding the voting cap, it is only applied to multiple voting shares as stipulated in OJK Regulation No. 22/POJK.04/2021.
12. In **Ireland**, although legally permissible (Companies Act 2014, Section 66(3)), for shares in listed companies with a primary listing of equity shares on Euronext Dublin, all shares in a class that has been admitted to listing must carry an equal number of votes on any shareholder vote (LR 7.2.1).
13. In the case of **Israel**, shares with preference profits are allowed under certain conditions, but they may not restrict voting rights (in publicly traded companies).
14. In **Italy**, multiple voting rights are allowed for shareholders with more than two years holding ("Loyalty Shares": up-to double voting, according to the bylaws) and for newly-listed companies that issued such shares before listing ("Multiple Voting Shares": up-to three votes, according to the bylaws).
15. In **Lithuania**, as of 1 May 2023, preference shares without voting rights may not constitute more than 1/2 of the capital.
16. In **Mexico**, prior authorisation by the national authority (CNBV) is required when issuing limited right shares or shares without voting rights. This 25% corresponds to the stock capital publicly owned (Art. 54 Securities Markets Law). The CNBV can authorise a percentage higher than 25% as long as these are convertible into ordinary shares in a maximum period of five years.
17. In the **Netherlands**, while there is no explicit regulatory provision prohibiting or allowing multiple voting rights, a few companies have shares with such rights.
18. In **Norway**, the ministry has to approve shares with no or limited voting rights if the combined nominal value of the shares in the company shall make up more than half of the share capital in the company. In accordance with the articles of association, law or relevant regulations, companies are given discretion to refuse the exercise of voting rights, but only for a reasonable justification. The Code recommends that the company should only have one class of shares and equal voting rights.
19. In **Peru**, while different classes of shares with limited or no voting rights are legally permitted, according to the Corporate Governance Code, the company should not promote the existence of classes of shares without voting rights. When there are shares with equity rights other than ordinary shares, the company should promote and execute a policy of redemption or voluntary exchange of such shares for ordinary shares.
20. In **Portugal**, when the company is a credit institution, the maintenance of voting caps must be submitted to the vote of the shareholders at least once every five years. In case of failure to comply with the submission requirement such caps are automatically cancelled/revoked at the end of the relevant year. Additionally, Art. 21-D of the Portuguese Securities Code allows the possibility to issue shares with more than one voting right.
21. In **Singapore**, issuing a class of shares with multiple voting rights, carrying no more than ten votes per share, is allowed for Mainboard listed companies, subject to other restrictions [SGX Listing Rule 210(10)]. Under Section 64A of the Companies Act, shares in public companies may confer special, limited, or conditional voting rights. Such shares may also confer no voting rights.
22. In the **Slovak Republic**, voting rights to these shares might be recovered in special cases, such as resulting from a decision of the general meeting that the dividend will not be paid until the general meeting decides on the payment of such dividend.

23. In 2021, **Spain** established a system to allow loyalty shares (Articles 527 ter to 527 undecies of the Capital Companies Law). Loyalty shares have some key aspects: (i) they give only a double vote, not a multiple vote; (ii) they represent an opt-in system for companies; and (iii) for establishing these shares, the company needs approval by a qualified majority. Specifically, for a quorum of 50% (capital stock), a majority of 60% of the capital (attending personally or by representation, the meeting) is required; and for a quorum of 25% (capital stock), a majority of 75% of the capital. Furthermore, the articles of association which have provided for loyalty shares must be renewed every five years. However, to revoke this mechanism and erase the loyalty shares, companies only need a simple majority.
24. In **Switzerland**, the nominal value of the other shares must not exceed ten times the nominal value of the voting shares.
25. In **Türkiye**, the Capital Markets Board may authorise issues of shares without voting rights should the need arise.
26. In the **United Kingdom**, shares with multiple voting rights, while legally permitted, are not likely to be found in practice due to having insufficient liquidity to qualify for admission for listing. Companies are not permitted to have a Premium listing for shares that do not confer full voting rights.
27. In the **United States**, a company may have multiple voting rights or caps in place at the time that it goes public/lists its securities, and also is permitted to issue non-voting classes of securities. However, once a company has listed its securities, it may not disparately reduce or restrict the voting rights of existing shareholders through any corporate action or issuance (NYSE Listed Company Manual Section 313.00 and Nasdaq Listing Rule 5 640).

Table 3.4. Voting practices and disclosure of voting results

Jurisdiction	Formal procedure for vote counting	Disclosure of voting result for each agenda item		
		Deadline after GM	Issues to be disclosed	
			Outcome of vote	*Number or percentage of votes for, against and abstentions*
Argentina	Required	1 business day	Required	Required for each resolution
Australia	Required	Immediately	Required	Required for each resolution
Austria	Required	Promptly	Required	Required
Belgium	Required	15 days	Required	Required for each resolution
Brazil	-	Immediately	Required	Required for each resolution
Canada	-	Promptly[1]	Required	Required, if the vote was conducted by ballot
Chile	Required	10 days	Required	Required
China	Required	Immediately (SZSE) 2 business days (SSE&BSE)	Required	Required for each resolution
Colombia	-	Immediately	Required	Required
Costa Rica	Recommended	Immediately	Required	Recommended
Czech Republic	Required	15 days	Required	Required
Denmark	-	2 weeks	Required	Required upon shareholder's request
Estonia	-	7 days	Required	Required
Finland	Required	2 weeks	Required	Required (if a full account of the voting that has been carried out in the GM)
France		15 days	Required	Required
Germany		Promptly	Required	Required
Greece	Required	5 days	Required	Required
Hong Kong (China)	Required	Promptly[2]	Required	Required
Hungary	Required	Immediately (max. 1 working day)	Required	Required
Iceland	Required	15 days	Required	-
India	Required	Promptly[3]	Required	Required
Indonesia	Required	2 business days	Required	Required
Ireland	Required	15 days	Required	Required
Israel	Required	Promptly	Required	Required
Italy	Required	5 days[4]	Required	Required
Japan	Required	Promptly	Required	Required

Jurisdiction	Formal procedure for vote counting	Disclosure of voting result for each agenda item		
		Deadline after GM	Issues to be disclosed	
			Outcome of vote	*Number or percentage of votes for, against and abstentions*
Korea		Immediately	Required	(Required upon shareholder's request)
Latvia	Required	Promptly	Required	Required upon shareholder's request
Lithuania	Required	7 days	Required	Required
Luxembourg	-	ASAP	Required	
Malaysia	Required	Immediately	Required	Required (disclosure of votes 'for' and 'against')
Mexico	Required	Immediately	Required	Required
Netherlands	Required	15 days	Required	Required
New Zealand	Upon shareholder's request	-	-	-
Norway	-	15 days	Required	Required
Peru	Required	Immediately (if the act is approved in the General Meeting) / 10 days (otherwise)	Required	Required
Poland	Required	1 day	Required	Required
Portugal	-	15 days / Immediately (when qualifying as inside information)	Required	Required
Saudi Arabia	Required	Immediately	Required	Required
Singapore	Required	Immediately	Required	Required for each resolution
Slovak Republic	Required	15 days	Required	Required for each resolution
Slovenia	Required	2 days	Required	Required
South Africa	Required	Immediately	Required	Required
Spain	Required	15 days	Required	Required
Sweden	Upon shareholder's request	2 weeks	Required	Required upon shareholder's request
Switzerland	-	15 days	Required	Required
Türkiye	Required	Immediately	Required	Required
United Kingdom	Required	Immediately	Required	Recommended
United States	Required	4 days	Required	Required for each candidate and resolution

Key: **Immediately** = within 24 hours. **Promptly** = may be more than 24 hours after the AGM but no more than five days."**-**" = absence of a specific requirement or recommendation.

1. In **Canada**, the requirement to disclose voting results only applies to issuers listed on senior exchanges (e.g. the TSX).
2. In **Hong Kong (China)**, according to the Listing Rules (Rule 13.39(5)), the poll results of general meetings must be announced as soon as possible, but in any event at least 30 minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the business day after the meeting.
3. In **India**, listed entities are required to disclose the voting results within 48 hours of conclusion of general meeting pursuant to submission of a report by the scrutinizer.
4. In **Italy**, listed companies are also required to publish the minutes of the shareholder meetings, including the details on shareholders attending such meetings and votes cast by each of them on all the items of the meeting's agenda.

Table 3.5. Virtual and hybrid shareholder meetings

Jurisdiction	Provisions allowing remote meetings (L, R, C, -, NP)		Provision in the articles of association, bylaws or equivalent		Other safeguards	Code of conduct for remote meetings (L, R, C, -)		Equal participation of all shareholders (L, R, C, -)[1]
	Hybrid meetings[2]	Virtual meetings[3]	Hybrid meetings	Virtual meetings		Code of conduct at jurisdiction level	Code of conduct at company level	
Argentina	L	L	L	L	-	-	L[4]	L
Australia	L	L	L	L	-	-	-	L[5]
Austria		L	-	-				
Belgium	L	L	-	-	-	-	-	L
Brazil	L	L	-	-		L	-	L
Canada	L			L		-	-	-
Chile	L	L	-	-	Guarantee shareholders' identity and voting systems that safeguard principles of simultaneity and secrecy of voting[6]	-	-	L
China	R	NP	R	NP	-	R	R	R
Colombia	L	L	-	-	-	-	-	L, C
Costa Rica	-	`-	C	C	-	-	-	L
Czech Republic	L	L	L	L	-	-	-	L
Denmark	L, C	L	-	L		-	-	-
Estonia	L	L	-	-		-	-	-
Finland	L	L	-[7]	L	Safeguards for malfunction in telecommunications or other technical issue which may affect the validity of the decisions[8]	-	L	L
France	L	L	L	L		-	-	L
Germany	L	L	L	L	Authorisation for virtual meeting may be granted for a maximum period of 5 years and is to be renewed by shareholders' meeting afterwards	L	-	L
Greece	L	L	-	-	-	-	-	L
Hong Kong (China)[9]	-	-	-	-	-	-	-	R[10]

Jurisdiction	Provisions allowing remote meetings (L, R, C, -, NP)		Provision in the articles of association, bylaws or equivalent		Other safeguards	Code of conduct for remote meetings (L, R, C, -)		Equal participation of all shareholders (L, R, C, -)[1]
	Hybrid meetings[2]	Virtual meetings[3]	Hybrid meetings	Virtual meetings		Code of conduct at jurisdiction level	Code of conduct at company level	
Hungary[11]	L, C	L, C	L, C	L, C	The AoA shall include the procedure for identifying Shareholders participating via telecommunication means to ensure their identification. mutual and unrestricted communication	-	-	L
Iceland	L	L	-	L		-	-	-
India	-	L	-	-	Virtual meeting should allow two way teleconferencing or webex for the ease of participation of the members.	-	-	L[12]
Indonesia	L	L	-	-	-	L	L	L, C
Ireland[13]	L	L	-	-	Data security and connectivity	-	-	L
Israel	L	L	-	-	Participants in the meeting can hear each other at the same time[14]	C	-	L
Italy	L	-	L[15]	-	Identification of shareholders and security of communications; confidentiality of votes cast in advance until the meeting	-	-	-
Japan	L	L	-	L	AoA based upon a shareholders meeting's resolution, prior to which receiving a confirmation by the authority	C	-	L
Korea[16]	C	C	C	C	Board's decision	-	-	-
Latvia	L	L	-	L	Virtual meeting decided by general meeting with agreement of all shareholders + provided in the AoA	-	-	L

Jurisdiction	Provisions allowing remote meetings (L, R, C, -, NP)		Provision in the articles of association, bylaws or equivalent		Other safeguards	Code of conduct for remote meetings (L, R, C, -)		Equal participation of all shareholders (L, R, C, -)[1]
	Hybrid meetings[2]	Virtual meetings[3]	Hybrid meetings	Virtual meetings		Code of conduct at jurisdiction level	Code of conduct at company level	
Lithuania	L	L	-	L	Virtual meeting decided by general meeting with agreement of all shareholders and have to be provided by AoA	-	L (+ board has to approve the rules of procedures for participation and voting in virtual meetings)	L
Luxembourg	L	L	L	L	-[17]	-	-	L
Malaysia	L	L	-	-		C	-	L, C
Mexico	-	-	-	-	-	-	-	-
Netherlands	L	L[18]	L	L	Questions submitted virtually to be answered during a hybrid meeting; decisions are considered invalid if legal provisions are not complied with[19]	-	-	L
New Zealand	L	L	-	-	Board approves shareholder participation by electronic means[20]	-	-	-
Norway	L	L	-	-	-	-	-	-
Peru	-	L	-	L		-	-	L
Poland	L	L	L	L	-	C	-	L
Portugal	L	L	-	-	Company must ensure the authenticity of the declarations and the security of the communications	-	-	L
Saudi Arabia	L	L	-	-	-	L	L	L
Singapore	L	L	-	-	-	C	-	C
Slovak Republic	-	-	L	L	Qualified electronic signature (for shareholder verification); subsequent confirmation of voting by electronic means by company	-	-	-
Slovenia	L	-	L	-	-	-	-	-

Jurisdiction	Provisions allowing remote meetings (L, R, C, -, NP)		Provision in the articles of association, bylaws or equivalent		Other safeguards	Code of conduct for remote meetings (L, R, C, -)		Equal participation of all shareholders (L, R, C, -)[1]
	Hybrid meetings[2]	Virtual meetings[3]	Hybrid meetings	Virtual meetings		Code of conduct at jurisdiction level	Code of conduct at company level	
South Africa	L, R	L, R	L, R	L, R	Listing requirements of exchange; Discretion of the Board of Directors in accordance with Companies Act; MOI	-	C (Company Policies)	L
Spain	L	L	-	-	-	L	L	L
Sweden	L	-	L	-	-	-	-	-
Switzerland	L	L	L	L	Virtual only if an independent voting representative has been designated	-	L	L
Türkiye	L	NP	L	NP	-	L		L
United Kingdom	L	-	-	-	-	-	-	C
United States[21]	L	L						

Key: **L** = specified by the law or regulations; **R** = specified by the listing rule; **C** = specified in recommendations by the codes or principles; "**-**" = absence of a specific requirement or recommendation; **NP** = not permitted.

1. **Equal participation** is intended to measure whether jurisdictions provide in their legal and/or regulatory framework any provision or recommendation concerning the possibility for shareholders to engage and participate regardless of how the meetings is held and how they choose to participate. Equal participation may include aspects such as the possibility for shareholders to engage with and ask questions to boards and management in comparison to physical meetings, provide comments and access information and, therefore, does not intend to measure the possibility for remote voting during remote shareholder meetings.
2. Hybrid meetings are defined as shareholder meetings in which certain shareholders attend the meeting physically and others virtually.
3. Virtual meetings are defined as shareholder meetings in which all shareholders attend the meeting virtually.
4. In **Argentina**, under Art. 29 of Section II, chapter II, Title II of CNV Rule No. 622/13 (Ordered Text 2013), companies must establish the procedures to hold remote meetings, including those related to shareholder voting rights and participation.
5. In **Australia**, all meetings regardless of how they are held must give the members as a whole a reasonable opportunity to participate. This includes holding the meeting at a reasonable time and place and using reasonable technology. Members are also able to exercise their rights to ask questions and make comments regardless of the format of the meeting.
6. In **Chile**, Article 108 of D.S. 702, Corporations Regulation, establishes, that "sociedades anónimas abiertas" will be subject to the regulation established by the CMF regarding the use of technological means for the participation in shareholders meetings for those who are not physically present. Further, general Rule No. 435 of 2020 of the CMF authorised the use of technological means to allow the participation of shareholders that are not physically present, along with remote voting mechanisms, as long as these systems guarantee the identity of these shareholders and safeguard the principle of simultaneity or secrecy of all votes. In addition, it establishes that the board of these companies shall be responsible to implement the systems or procedures necessary to verify: (i) the identity of remote participants in the assembly, (ii) the powers that allow them to act on behalf of the shareholder, if these are not acting by themselves, and (iii) the secrecy of remote votes.
7. In **Finland**, according to the Finnish Limited Liability Companies Act, a board of directors can decide that shareholders are allowed to participate with full shareholders' rights to a hybrid general meeting. However, the Act provides a possibility to limit or deny the use of hybrid general meetings in the articles of association of a company.
8. In **Finland**, shareholders participating remotely in a virtual or hybrid meeting must have the same participation rights as in a physical meeting, including the right to vote in real time and make proposals and questions. Moreover, if there is malfunction in a telecommunications or other technical means being used to hold a virtual or hybrid meeting, which may have an effect on the validity of the decisions and whose repair is expected to cause a considerable delay to the meeting, under certain conditions the chair of the general meeting may decide to interrupt the general meeting and resume it within four weeks of the opening of the general meeting according to the original convocation.
9. In **Hong Kong (China)**, the Companies (Amendment) Bill 2022 was passed on 18 January 2023 to expressly cater for the scenario of local companies holding fully virtual or hybrid general meetings without limiting them to physical venues. The Companies (Amendment) Bill 2022 was gazetted on 27 January 2023 and came into operation on 28 April 2023.

10. In **Hong Kong (China)**, the Core Shareholder Protection Standards (Appendix 3 to the Listing Rules) require that members of an issuer must have the right to speak and vote at a general meeting, except where the Listing Rules require a member to abstain from voting.
11. In **Hungary**, members may exercise their rights by means of electronic communications instead of personal attendance at the meeting of the supreme body, if the instrument of incorporation specifies the electronic communications equipment allowed to be used, as well as the condition and the mode of their use, in a manner that ensures the identification of members and their mutual and unrestricted communication (Civil Code 3:111§ (2)).
12. In **India**, the facility for virtual meeting should have a capacity to allow at least 1 000 members to participate on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairperson of the audit committee, nomination and remuneration committee and stakeholder's relationship committee, auditors, may be allowed to attend the meeting without restriction on account of first-come-first-served principle.
13 In **Ireland**, temporary measures introduced in the Companies (Miscellaneous Provisions) (COVID-19) Act 2020 have been extended to the end of 2023.
14. In **Israel**, ISA issued a regulation during the COVID-19 pandemic, which allows remote shareholder meetings and requires that all participants in the meeting can hear each other at the same time. In practice, issuers conduct remote meetings regardless of the COVID-19 restrictions.
15. In **Italy**, exceptional temporary measures adopted during the pandemic to, among other things, allow companies to hold virtual meetings and hold hybrid meetings regardless of bylaws provisions were extended until 31 July 2023.
16. In **Korea**, running a hybrid meeting depends on the board's decision or articles of association. However, virtual participants are not able to have a voice or right to vote at the ongoing meeting; e-notices and e-voting provisions are regulated in separate chapters.
17. In **Luxembourg**, if members are participating in the meeting by video conference or by telecommunication means permitting their identification, they are deemed present for the calculation of the quorum; such means shall satisfy technical characteristics which ensure an effective participation in the meeting whose deliberation shall be on-line without interruption, as per the provisions of the Law on commercial companies.
18. In the **Netherlands**, under COVID-19-regulations virtual meetings were permitted, provided that the legal and statutory regulations applying to regular (physical or hybrid where already statutorily admitted) meetings were met. This specific COVID-19-regulation ended on 6 February 2023. However, a proposal of law is being prepared that, if accepted, will enable companies to provide for (entirely) virtual shareholder meetings.
19. In the **Netherlands**, all questions submitted virtually must be answered during a hybrid meeting and remote participants must be able to participate; if legal provisions for meetings are not met, decisions are considered invalid.
20. In **New Zealand**, conditions may be imposed by the board in relation to participation by electronic means, e.g. conditions relating to the identity of the shareholder.
21. In the **United States**, state law, rather than federal law, governs the legality of corporations holding virtual or hybrid shareholder meetings. As of early 2023, the majority of the 50 US states permitted shareholder meetings to be held remotely.

Table 3.6. Sources of definition of related parties

Jurisdiction	Provision
Argentina	Law 26831, Sections 72 and 73 National Securities Commission Rules No. 622/13 (Ordered Text 2013): Section IV, chapter III, Title II.
Australia	Corporations Act2001, Volume 1, Part 1.2, Division 1, Section 9 & Part 2E.2, Section 228 ASX Listing Rules, Chapter 10 with the definition of related party contained in Listing Rule 19.12
Austria	Commercial Code (UGB), Section 238 Abs. 1 Z 12 Stock Corporation Act (AktG), Section 95a Abs. 3
Belgium	Art. 7:97, Section1 Code of Companies and Associations
Brazil	CVM Resolution No. 94/2022 - Annex A, Art. 9 (IAS 24)
Canada	Canada Business Corporations Act, Section 2(2)-(5); provinces and territories also have corporate statutes. For public companies, see also Section 1.1 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* as well as rules applicable to each stock exchange
Chile	Securities Market Law, Title XV, Art. 100 Articles 44 and 146 (Title XVI) of Law No.18.046
China	Company Law Art. 21 Code of Corporate Governance for Listed Companies in China 2018 Section 6, Articles 74-77 Administrative Measure for the Disclosure of Information of Listed Companies (Revised in 2021) Art. 62 Rules Governing the Listing of Stocks on Shanghai Stock Exchange (Revised in 2022) Art. 6.3.3 Rules Governing the Listing of Shares on Shenzhen Stock Exchange (Revised in 2022) Art. 6.3.3 Rules Governing the Listing of Shares on Beijing Stock Exchange (Trial) Art. 12.1.12. Rules Governing the Listing of Shares on the ChiNext Market of SZSE (2020 Revision) Articles 7.2.2-7.2.6. Rules Governing the Listing of Shares on the Star Market of SSE (2020 Revision) Art.15.1.14. Accounting standards for enterprises No.36 Guidelines for the implementation of related party transactions of Listed Companies in Shanghai Stock Exchange Articles 7-12

Jurisdiction	Provision
Colombia	Decree 2555 of 2010, Articles 2.6.12.1.15, 2.31.3.1.12, 5.2.4.1.3, 5.2.4.2.2, 5.2.4.2.3, 5.2.4.3.1 and 7.3.1.1.2 Num 2(b) Decree 1486 of 2018, Art.2.39.3.1.2
Costa Rica	Code of Commerce CONASSIF Corporate Governance Regulation
Czech Republic	Business Corporations Act No. 90/2012, Part 9, Articles 71-91 Capital Market Undertakings Act No. 256/2004, Part 9, Articles 121s-121v
Denmark	Danish Company Act, Art.139 d (8)
Estonia	Securities Market Act, Section 168
Finland	Accountancy Decree1339/1997 Chapter 2, section 7 b. Limited Liability Companies Act, Chapter 1, Section 12 Securities Market Act, Chapter 12, Section 5 and Chapter 8, Section 1a Finnish Corporate Governance Code, Rec. 27 (IAS 24)
France	Commercial Code, Book II, Title II, chapter V, Section 2, Articles L225-38 and L225-86
Germany	Stock Corporation Act (Aktiengesetz) Sections 15, 89, 111a-111c, 115, 291-318
Greece	Capital Market Commission Circular No. 45/2011 Law 4308/2014 on Greek Accounting Standards
Hong Kong (China)	Companies Ordinance (Cap. 622), Section 486 Main Board Listing Rules, LR 14A.06(7) GEM Listing Rules LR 20.06(7)
Hungary	Act C of 2000 on Accounting, Art. 3, Para. (2), Point 8; Act LXVII of 2019 on long-term shareholder engagement Art. 2, Point 4
Iceland	Public Limited Liability Companies Act No 2/1995, Art.95 a
India	Companies Act, 2013, Section 2(76) Indian Accounting Standard 24 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 2 (1) (zb)
Indonesia	Capital Market Law Art. 1 Number 1OJK Regulation Number 42/POJK.04/2020
Ireland	Companies Act 2014, Sections 1110L and 1110O
Israel	Companies Law 5759-1999, Part 1 Definitions
Italy	Civil Code, Art. 2391-bis / CONSOB Regulation 17221/2010, (making reference to IAS-IFRS)
Japan	Ordinance on Company Accounting (Enforcement of the Company Act), Art.112(4)
Korea	Commercial Act Article 398, Art.542-9
Latvia	Articles184.1 and 184.2 of the Company Law Articles1 (4) and 59.1 of the Financial Instrument Market Law Annual Accounting and Consolidated Annual Accounting Law, Sections 1 (3) and 53 (1) 14
Lithuania	Law on Companies (Art. 372) Law on Financial Reporting by Undertakings (Subparagraph 5 of the Paragraph 1 of the Art. 231)
Luxembourg	Companies Law, Articles 430-23 (3), 1711-1, 1790-2
Malaysia	Bursa Malaysia Main Market Listing Requirements, Part B Clause(s) 10.02 (j), (k), (l), 10.08, 10.09, Appendix 10C, Appendix 10D Capital Markets and Services Act2007, Clause 256U, Schedule 2, Section 4 Companies Act2016, Section 228 (1) (A)
Mexico	Securities Market Law, Art. 2, Section XIX Rules applicable to Issuers, Annex N, Section II, C) 4, b) (Disclosure approach)
Netherlands	Civil Code, Book 2, Art. 167, Civil Code, Book 2, Art. 381
New Zealand	Companies Act1993, Section 2(3) Companies Act1993, Section 291A NZX listing rules Part A
Norway	The Public Limited Company Act, Articles 1-5, 2-10 a, 3-8 to 3-19 and 8-7 to 8-11, The Accounting Act Art. 7-30b and The Securities Trading Act Articles 5-6 and 6-1
Peru	Securities Market Law. Title III, chapter I, Art. 51 Provisions for the application of literal c) of Art. 51 of the Securities Market Law, approved by Resolution SMV No. 029-2018-SMV/01
Poland	Code of Commercial Companies, Art. 4
	Act on Trading in Financial Instruments, Art. 3

Jurisdiction	Provision
	Accounting Act, Art. 3
Portugal	International Accounting Standards (IAS 24) Corporate Governance Code of the Portuguese Institute of Corporate Governance (IPCG) (Chapter II, Principle II.5.A) Portuguese Securities Code, Articles: 29S, 29T, 29U, 29V
Saudi Arabia	Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority Corporate Governance Regulations
Singapore	SGX Listing Manual, Chapter 9, Listing Rule 904 Companies Act, Chapter 50, Sections 5, 5A, 5B, 6, 7, 162(8) and 163(5) Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 Fourth Schedule - Definition of "interested person" for prospectus disclosure
Slovak Republic	Commercial Code, Section 59a and Section 196a for all Joint Stock companies and Section 220ga for publicly listed Joint Stock companies (Section 220ga is implemented on the basis of the EU Directive 2017/828)
Slovenia	Companies Act, Articles: 38a, 270a, 281b - 281d, 284a, 515a and 527-534
South Africa	Companies Act of 2008, Sections 1, 2, 3, 41, and 75 and Listing requirements and rules of the exchanges
Spain	Companies Act (Articles 529 vicies to 529 duovicies), Ministerial Order3050/2004 (Art. 2)
Sweden	Companies Act, Chapter 16, Section 2 and Chapter 16a; in relation to related party transactions – Securities Council's statement; additional definitions exist in other rules
Switzerland	Art. 718b CO (Contracts between the company and its representative)
Türkiye	Capital Markets Law Art. 17(3)
	CMB Communiqué II-17.1Art. 3
United Kingdom	Companies Act, Sections 252-256 FCA Listing Rules, LR 11.1.4 R FCA Disclosure Guidance and Transparency Rules DTR 7.3
United States	Securities Exchange Act of 1934, Rule 13e-3
	SEC Regulation S-K, Item 404
	Accounting Standards Codification Topic 850 and Rules 1-02(u) and 4-08(k) of Regulation S-X State Law: For example, Section 203 of the Delaware General Corporation Law

Table 3.7. Disclosure of related party transactions

Jurisdiction	Periodic disclosure		Immediate disclosure for specific RPTs
	Financial statement	Additional disclosure	
Argentina	IAS 24	Required	Required
Australia	AASB 124 incorporates IAS 24	AASB 124 has additional requirements identified with the prefix 'Aus'	Required for director's interests in company's securities
Austria	IAS 24	Required	Required
Belgium	IAS 24	Required	Required
Brazil	IAS 24	Required (intra-group)[1]	Required[2]
Canada	IAS 24		Required[3]
Chile	IAS 24	Required[4]	Required
China	Local standard	Required	Required[5]
Colombia	IAS 24	Required	Required
Costa Rica	IAS 24	Required	-
Czech Republic	IAS 24	Required (intra-group) [1]	Required
Denmark	IAS 24		Required
Estonia	IAS 24	Required	Required
Finland	IAS 24	Required[6]	Required
France	IAS 24	Required	Required
Germany	IAS 24	Required (intra-group)[1]	Required
Greece	IAS 24	Required	Required
Hong Kong (China)	IAS24 or Local standard	Required	Required[7]
Hungary	IAS 24	Required (intra-group)[1]	Required[8]
Iceland	IAS 24	Required	Required

Jurisdiction	Periodic disclosure		Immediate disclosure for specific RPTs
	Financial statement	Additional disclosure	
India[9]	Local standard	Required	Required
Indonesia	Local standard (PSAK)[10]	Required	Required
Ireland	IAS 24	Required	Required
Israel	IAS 24	Required	Required for SHs approval
Italy	IAS 24	Required	Required[11]
Japan	Local standard	Required	Required[12]
Korea	IAS 24	Required[13]	-
Latvia	IAS24 and Local standard	Required	Required
Lithuania	IAS 24	Required	Required
Luxembourg	IAS 24	-	-
Malaysia[14]	IAS 24	Required	Required
Mexico	IAS 24	Required	Required
Netherlands	IAS 24	-	Required
New Zealand	IAS 24	Required	Required
Norway	IAS 24	Required	Required[15]
Peru	IAS 24	Required	Required
Poland	IAS 24	Required	Required
Portugal	IAS 24	Required (intra-group)[1]	-
Saudi Arabia	IAS24	Required	Required
Singapore	IAS24 or Local standard	Required	Required[16]
Slovak Republic	IAS 24	-	Required
Slovenia	IAS 24	Required (intra-group)[1]	Required
South Africa	IAS 24	Required	Required
Spain	IAS 24	Required	-
Sweden	IAS 24	-	Required
Switzerland	IAS 24 or US GAAP or Local standard (Swiss GAAP FER or Accounting Rules for Banks [ARB]), Art. 13 f. Ordinance against Excessive Compensation for Listed Stock Corporations of 20 November 2013 (compensation report)	Required	Required
Türkiye	IAS 24	Required	Required
United Kingdom	IAS 24		Required
United States	US GAAP Item 404 of Regulation S-K, ASC 850 and Rules 1-02(u) and 4-08(k) of Regulation S-X	Required	-

1. In the jurisdictions which have adopted the "German model" for the treatment of company groups (**Brazil, the Czech Republic, Germany, Hungary, Portugal** and **Slovenia**), the negative impact of any influence by the parent company must be disclosed, audited and compensated in certain prescribed cases.
2. In **Brazil**, companies must report material related party transactions (RPTs) within seven business days (Art. 33, XXXII, of CVM Resolution No. 80/2022, as amended). Material RPTs are defined as those exceeding (i) BRL 50 million or (ii) 1% of the issuer's total assets. CVM regulation also establishes specific disclosure requirements regarding loans granted by the issuer to a related party.
3. In **Canada**, if a material change report is required for a RPT, it must contain information prescribed in Section 5.2 of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (MI 61-101). When minority approval is required under MI 61-101, information prescribed in Section 5.3 of MI 61-101 must be circulated prior to approval.
4. In **Chile**, Corporations Law requires the disclosure of all RPTs in the next general meeting, with the exception of (a) those regarding a non-relevant amount, (b) the ones involving a subsidiary whose equity is controlled by 95% or more, (c) and those considered ordinary according to the routine operations policy approved by the board. General Rule No. 30 establishes what information may be considered as essential and should be disclosed immediately to the public, which includes RPTs under certain conditions.
5. In **China**, a listed company should issue a prompt announcement of material connected transactions that exceed certain *de minimis* thresholds. Apart from disclosing such matters promptly, a listed company is required, in the cases where it makes significant transactions meeting certain requirements, to obtain opinions from independent directors, arrange for an intermediary institution qualified to conduct securities and futures businesses to conduct the audit and evaluation of the transaction target and submit the transaction to the shareholders general meeting.
6. In **Finland**, the Corporate Governance Code imposes an obligation to define the principles for the monitoring and evaluation of RPTs. The company must report these principles once a year in the Corporate Governance Statement and maintain a list of its related- parties.

7. In **Hong Kong (China)**, the Listing Rules require listed companies to issue an announcement of material connected transactions that exceed certain *de minimis* thresholds as soon as practicable after their terms have been agreed.
8. In **Hungary,** companies publicly announce material transactions with related parties on their website at the latest at the time of the conclusion of the transaction. The announcement shall contain at least: information on the nature of the relationship, the name of the related party, the date and the value of the transaction and other information necessary to assess whether or not the transaction is fair and reasonable from the perspective of the company and of the shareholders who are not a related party, including minority shareholders. (Art. 23 (1) of Act LXVII of 2019 on long-term shareholder engagement).
9. In **India**, listed entities are required to disclose RPTs on a half-yearly and annual basis, in the format specified in the relevant accounting standards. Further, RPTs, i.e. transactions which exceed a certain minimum threshold require shareholder approval. In such cases, the notice to the shareholder agenda includes relevant disclosures of such transactions. Disclosure on approval of such transactions by the shareholders is also required. RPTs that are material events e.g. amalgamation, etc. need immediate disclosure.
10. In **Indonesia**, there is a local standard which comprises optional provision either for convergence with IAS 24 or full adoption of IAS 24 to be implemented by public listed companies.
11. **Italy** takes a proportionate approach differentiating between material and immaterial transactions: prompt disclosure is required for material transactions, i.e. those exceeding materiality thresholds (5% or 2.5% for pyramids) of the listed company's capitalisation or total assets.
12. In **Japan**, a listed company that has a controlling shareholder shall, in the cases where it makes significant transactions with a controlling shareholder, obtain an opinion from an independent entity and disclose it timely. This opinion shall ensure that any decision on the matters will not undermine the interests of minority shareholders of such listed company.
13. In **Korea**, under Art. 11-4 of the Monopoly Regulation And Fair Trade Act, when a member company included in a business group subject to disclosure (the Fair Trade Commission designates a business group with combined total assets equal to or more than five trillion won presented on the balance sheet as of the end of the previous business year) has total assets of 10 billion or more for the immediately preceding business year, it shall regularly disclose the status of transactions with affiliated persons.
14. In **Malaysia**, under the Listing Requirements (LR), listed issuers must disclose particulars of the material contracts and loans involving the interests of the directors, chief executive or major shareholders in their annual report. Further, a listed issuer must file an immediate announcement of non-recurrent RPTs as soon as possible after the terms of the transaction have been agreed, if any of the percentage ratios defined in paragraph 10.02 of the LR is 0.25% or more. The immediate announcement must contain the information prescribed in Appendix 10A and Appendix 10C of the LR. However, this does not apply to transactions below RM500 000 or recurrent RPTs.
15. In **Norway**, the board of directors shall ensure that a report regarding RPTs is prepared as per the Public Limited Liability Companies Act, Articles 3-14(1). The report is attached to the notice of the general meeting, and shall without delay be sent to the Register of Business Enterprises for disclosure. A notice about the transaction shall be published without delay on the company's webpage.
16. In **Singapore**, an issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets. They are also required to disclose all transactions (regardless of transaction value) if the cumulative transaction with that interested person and its associates is above a 3% threshold. Interested person transactions exceeding the 5% materiality threshold must be subject to independent shareholders' approval. However, this does not apply to any transaction below SGD 100 000, or to certain types of transactions.

Table 3.8. Board approval for related party transactions

Jurisdiction	Board approval for non-routine RPTs	Abstention of related board members	Review by independent directors / audit committee	Opinion from outside specialist
Argentina	Required	Required	Required[1]	Optional
Australia	Required	Required	-	-
Austria	Required	Required		
Belgium	Required	Required	Required	Optional
Brazil	-[2]	Required	-	-
Canada	Required	Required	Recommended[3]	Required[4]
Chile	Required	Required	Required	Recommended[5]
China	Required[6]	Required	Required	-
Colombia	Required	Required	Recommended	-
Costa Rica	Required	Required	-	-
Czech Republic	-[7]	-	-	-
Denmark	Required	Required	-	-
Estonia	Required	-	Recommended	-
Finland	Required	Required	Required[8]	Optional
France	Required	Required	-	Required
Germany	Required[7]	Required	Optional	Optional
Greece	Required	Required	Required	Required

Jurisdiction	Board approval for non-routine RPTs	Abstention of related board members	Review by independent directors / audit committee	Opinion from outside specialist
Hong Kong (China)	Required	Required	Required	-
Hungary	Required[7]	-	-	-
Iceland	Required	Required	-	-
India	Required	Required	Required	Optional
Indonesia	-	-	Required[9]	Required
Ireland	Required	Required	-	Required
Israel	Required	Required	Required	-
Italy	Required	Required (in addition, veto power by a committee of independent directors)	Required	Required if requested by independent directors
Japan	Required	Required	Recommended	-
Korea	Required[11]	-	-	-
Latvia	Required	Required	Required	Optional
Lithuania	Required	Required	Required	-
Luxembourg	Required	Required	-	-
Malaysia	-[12]	Required	Required	Required
Mexico	Required	Required	Required	Required[13]
Netherlands	Required (supervisory board)	-	-	-
New Zealand	-	-	-	-
Norway	Required	Required	-	Required
Peru	Required[14]	Required	-	Required
Poland	Required	Required	-	-
Portugal	Required[7]	Required	Required[15]	-[16]
Saudi Arabia	Required	Required	Required	-
Singapore	Required	Required	Required[17]	Required[18]
Slovak Republic	Required (supervisory board)	-	-	-
Slovenia	Required[7]	Required	Required	Optional[19]
South Africa	Required	Required	Required	Optional
Spain	Required	Required	Required	Optional
Sweden	-	-	-	Optional
Switzerland	[2]	Required	-	Recommended [20]
Türkiye[21]	Required	Required	Required	Required
United Kingdom	-	-	-	-
United States	Required	-	Recommended	Recommended[22]

1. In **Argentina**, the board or any members thereof shall request a ruling from the audit committee on whether the terms of a transaction may be reasonably deemed adapted to regular and usual market conditions (the committee must decide within five days). Notwithstanding the consultation with the audit committee, a resolution may be adopted by the company on the basis of a report from two independent evaluation companies, which shall express their opinion on the same matter and other terms of the transaction.
2. In **Brazil** and **Switzerland**, approval of material related party transactions (RPTs) by the board is expected based on their fiduciary duties.
3. In **Canada**, the use of a special committee of independent directors is recommended for all material RPTs.
4. In **Canada**, Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions requires the provision of a valuation prepared by an independent valuator for certain categories of RPTs, subject to the availability of an exemption.
5. In **Chile**, RPTs must be approved by the majority of the directors with no interest in the transaction, or by two-thirds of the extraordinary general meeting. In this event, the board shall appoint at least one independent evaluator. The directors' committee, and/or the non-interested directors, may also appoint an additional independent evaluator, in case of disagreement with the evaluator appointed by the board.
6. In **China**, any guarantee provided to a listed company's related party shall be subject to board approval and shareholder approval at a general meeting, irrespective of the amount thereof.
7. In some jurisdictions which follow the "German model" with respect to company groups (**Czech Republic**, **Germany**, **Hungary**, **Portugal** and **Slovenia**), the board of the controlled entity must prepare a report on relations with the controlling entities (including the negative impact of any influence by the controlling entities).

8. In **Finland**, according to the Companies Act, the audit committee (or, in absence of audit committee, the board of directors) must monitor and assess how agreements and other legal acts between the company and its related parties meet the requirements of ordinary activities and are at arm's-length terms.
9. In **Indonesia**, according to OJK Regulation No. 42/POJK.04/ 2020 review statement is made by the directors and the boards, that include independent directors are needed to make sure that the affiliated transaction has no conflict of interest and all the material information have been disclosed and are not misleading.
10. In **Italy**, the general procedure for transactions below the materiality threshold (e.g. 5% of the market capitalisation) requires that a committee of unrelated directors comprising a majority of independent ones gives its advice on the company's interest in entering into the transaction and on its substantial fairness. The opinion of the committee is not binding for the body responsible to approve the RPT. The involvement of independent directors is stronger when the RPT is material. First, a committee of unrelated independent directors must be timely involved in the negotiations: they have to receive adequate information from the executives and may give them their views. Second, the committee has a veto power over the transaction: material RPTs can only be approved by the whole board upon the favourable advice of the committee of independent directors.
11. In **Korea**, board approval for non-routine RPTs is required for listed firms with book value of assets of more than 2 trillion won.
12. In **Malaysia**, RPTs are subject to shareholders' approval based on Section 228(1)(A) of Companies Act 2016. In addition, Paragraph 3 under Appendix 10C of the Listing Requirements (LR) requires the audit committee (AC) to state its views, along with the basis for such views on whether a RPT is (i) in the best interest of the listed issuer; (ii) fair, reasonable and on normal commercial terms; and (iii) not detrimental to the interest of the minority shareholders. Further, a listed issuer is required to appoint an independent adviser for transactions with a certain percentage ratio of 5% or more.
13. In **Mexico**, according to the CNBV Issuers' Provisions (CUE) Article 71, firms planning to undertake RPTs, simultaneously or successively, which could be considered as a single transaction due to their characteristics in the course of one business year, valued at least at 10% of total consolidated assets of the firm, should obtain an opinion on the fairness of the prices and the market conditions of the transaction from an independent specialist designated by the Corporate Practices Committee, prior to the approval by the board of directors.
14. In **Peru**, the acts or contracts that involve at least 5% of the assets of the issuing corporation with natural or legal persons related to their directors, managers or shareholders that directly or indirectly represent more than 10% of the corporation's capital, require the prior approval of the board of directors, excluding the related director(s). In transactions wherein the issuing corporation's controlling shareholder also exercises control of the legal person participating as a counterparty in the corresponding act or contract subject to prior approval by the board of directors, it is required that the terms of such transaction are reviewed by an entity external to the issuer.
15. In **Portugal**, review by the audit committee is required for non-routine RPTs, i.e. those that are not conducted in the issuer's ordinary course of business nor performed in accordance with market conditions.
16. In **Portugal**, an opinion to shareholders from an independent auditor is required for certain purchases of goods before, simultaneously or within two years of incorporation or share capital increase.
17. In **Singapore,** the Listing Manual requires the audit committee to announce whether it is of the view that the interested person transaction is on normal commercial terms, and is not prejudicial to the interests of the issuer and its minority shareholders or if it would obtain an opinion from an independent financial adviser before forming its view.
18. In **Singapore**, an opinion of an independent financial adviser is required for RPTs that meet the requisite materiality threshold requiring shareholders' approval. However, this is not required for (i) issue of listed securities for cash; or (ii) purchase or sale of any real property, where the consideration for the purchase or sale is in cash, and an independent professional valuation has been obtained for the purpose of the purchase or sale of such property and disclosed in the shareholders' circular.
19. In **Slovenia**, if the audit committee does not approve a transaction with a related party, the supervisory board can approve it only if an independent third party produces a report assessing whether the transaction is fair and reasonable.
20. In **Switzerland**, an opinion from an outside specialist (auditor) is recommended for verification of the compensation report, according to Article 17 of the Swiss Code of Best Practice for Corporate Governance.
21. In **Türkiye**, the majority of independent directors must have voted in favour of non-routine RPTs. In case the majority of independent directors haven't approved the RPT in the voting, this shall be disclosed to public and the RPT shall be discussed and resolved by the general assembly. In such general assembly meeting, the related parties and other relevant persons shall abstain from voting. If such principles are not followed, the board and general assembly resolutions on the RPT shall be void.
22. In the **United States**, to the extent that a company or an affiliate is a party to, or otherwise engaged in, such transaction and security holders will lose the benefits of public ownership by taking the class of equity private, Rule 13e-3 also requires disclosure on whether: the transaction is fair to unaffiliated security holders; the transaction was approved by a majority of directors not employed by the issuer; and the transaction is structured to require that at least a majority of the unaffiliated security holders approve.

Table 3.9. Shareholder approval for related party transactions (non-equity)

Jurisdiction	Shareholder approval for individual RPT		Opinion from		Type of shareholder voting requirement
	Requirement	RPTs for shareholder approval	Auditors	Outside specialists	
Argentina	Yes	If classified as not reasonably appropriate to the market by the audit committee or assessment firms	Optional	Optional	-
Australia	Yes[1]	Not on arm's length terms. Listed entities need to seek approval for certain transactions with persons in a position of influence (whether or not on arm's length terms)	-	Required for Listing Rule 10.1 transactions: LR 10.1.2	Simple majority with related parties or their associates precluded from voting
Austria	No	-	-	-	-
Belgium	No	-	-	-	-
Brazil	No	-	-	-	-
Canada	Yes	Required subject to the availability of an exemption	-	Required[2]	Minority approval
Chile	Yes	If not approved by the majority of the board members with no conflict of interest. If disinterested board members are less than the majority they must approve unanimously.	-	Required	2/3 majority
China	Yes	When more than CNY 30 million, accounting for more than 5% of total value of the latest audited net assets.	Required (when more than CNY 30 million, accounting for more than 5% of total value of the latest audited net assets)	Required (when more than CNY 30 million, accounting for more than 5% of total value of the latest audited net assets)	Minority approval
Colombia	Yes	When a board member has conflicts of interest	-	-	-
Costa Rica	No	-	-	-	-
Czech Republic	Yes	RPTs exceeding 10% of the company assets in the last accounting period and not on arm's length terms (with some exceptions).	-	-	Simple majority
Denmark	No	-	-	-	-
Estonia	No	-	-	-	-
Finland	No[3]	-	-	-	-
France	No[4]	-	Required	-	-
Germany	No	-	-	-	Optional
Greece	Yes	In case of conflict of interests or following a request by the minority shareholders	Required	Required	Minority approval
Hong Kong (China)	Yes	>5% ratios (except profit ratio)	-	Required	Minority approval
Hungary	Yes	Substantial property transactions (>10% of equity) within two years from the company's registration, except when the property is transferred under a contract of ordinary magnitude, by virtue of official resolution or by official auction, or in connection with stock exchange transactions	-	-	Simple majority
Iceland	No	-	-	-	-

Jurisdiction	Shareholder approval for individual RPT		Opinion from		Type of shareholder voting requirement
	Requirement	RPTs for shareholder approval	Auditors	Outside specialists	
India[5]	Yes	Material transactions (individually or taken together with previous transactions during a financial year, exceeding rupees 1 000 crores or 10% of the annual consolidated turnover of the listed entity, whichever is lower)	-	Optional	Minority approval
Indonesia	Yes	i) Transaction with employees and board members; ii) Conflict of interest transactions (>0.5% of paid capital); iii) Material transactions (>50% of equity)); iv) transaction that might have negative impact to the companies' going concern.	-	Required[6]	Simple majority for i) and Independent shareholder meeting approval for ii), iii) and iv)
Ireland	Yes	Substantial property transactions, loans, credit transactions, guarantees and the provision of security	-	Required	Simple majority
Israel	Yes	Either of the following: Not on market terms; Material; Not on regular business activity	-	-	Minority approval
Italy	Yes[7]	If disapproved by the committee of independent directors	-	Required if requested by independent directors	Minority approval
Japan	No	-	-	-	-
Korea	No	-	-	-	-
Latvia	Yes	Conflict of interest transactions (all of the board members are the interested parties)	-	-	Simple majority with related parties or their associates precluded from voting
Lithuania	No	-	-	-	-
Luxembourg	No	-	-	-	-
Malaysia	Yes	If equal to or >5% of the relevant percentage ratio stipulated under Paragraph 10.02 of the Listing Requirements (Percentage Ratio)	Not required	Required if equal to or >5% of the relevant Percentage Ratio – appointment of an independent advisor	Simple majority of those eligible to vote8
Mexico	Yes	For all transactions that represent >20% of consolidated assets of the company	-	Required	Minority approval
Netherlands	Yes	In case of conflict of interests of the entire supervisory board	-	-	Minority approval
New Zealand	Yes[1, 9]	>10% of market cap	-	Required	Minority approval
Norway	Yes	For transactions that represent > 2.5% of the balance sum at the last approved annual financial statement.	Required	-	Simple majority[10]
Peru	Yes	For contracts/acts that involve at least 5% of the assets of the issuer with natural or legal persons related to the directors, managers, or shareholders of the issuer. For contracts/acts in which the issuer´s controlling shareholder is also the controlling shareholder of the legal entity that participates as counterpart.[11]	-	Required	-

Jurisdiction	Shareholder approval for individual RPT		Opinion from		Type of shareholder voting requirement
	Requirement	RPTs for shareholder approval	Auditors	Outside specialists	
Poland	No (optional in company statutes)	-	-	-	-
Portugal	Yes	Certain purchases of goods to shareholders before, simultaneously or within 2 years of incorporation or share capital increase	Required	-	Minority approval
Saudi Arabia	Yes	For transactions in which board members have an interest	Required	Required	-
Singapore	Yes	≥5% of latest audited consolidated net tangible assets[12]	-	Required	Minority approval
Slovak Republic	Yes	For all material transactions (above 10% of the share capital)[13]			Simple majority with related parties precluded from taking part as well as voting in General Meetings
Slovenia	Optional	In case the Supervisory Board refuses to give consent, the Management Board can request that the General Meeting decide on the consent.	-	-	3/4 majority, related parties or their associates precluded from voting
South Africa	Yes	Approval requirements apply according to the type of related party transaction.	Required in Audited Financial Statements	Required[14]	Simple majority
Spain	Yes	10% of company's assets	Required	Optional	Minority approval
Sweden	Yes	Material transactions (1% of market cap)	-	Required	Simple majority (shareholder may not vote if related party)
Switzerland	No	-	-	-	-
Türkiye	Yes	If disapproved by majority of independent directors	-	Required	Minority approval
United Kingdom	Yes[15]	Non-routine transactions	-	-	Minority approval
United States	Yes[16]	Non-routine transactions	-	-	-

1. In **Australia** and **New Zealand**, the regulator (ASIC) or stock exchange (NZX) must be given an opportunity to comment on or approve the proposed resolution. In **Australia**, there are additional requirements for entities listed on ASX if the transaction is covered by Listing Rule 10.1.
2. In **Canada**, an issuer must not carry out a related party transaction (RPT) unless it has obtained minority approval, subject to the availability of an exemption. The exemptions from this requirement are set out in Section 5.7 of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions and include circumstances where: the fair market value of the subject matter and the consideration for the RPT, insofar as it involves interested parties, does not exceed 25% of the issuer's market capitalisation; the RPT is a distribution of securities for cash whose fair market value is not more than USD 2.5 million; the RPT is a purchase or sale in the ordinary course of business; and the RPT is a loan obtained from a related party on reasonable commercial terms and is not convertible into equity or voting securities of the issuer.
3. In **Finland**, according to the Companies Act, the board of directors may submit a matter within the general competence of the board of directors or the managing director to be decided by the general meeting. in such cases, a shareholder who is a related party of a listed company may not take part in a vote on a contract or another transaction to which he or she or a person in a related party relationship to him or her is a party and the transaction is outside the ordinary course of business of the company or it is not concluded on normal market terms.
4. In **France**, while shareholder votes on RPTs are required, those that are not approved by shareholders can nevertheless be entered into. When a given transaction does not receive the shareholders' approval, however, the interested party can be held liable for any detrimental consequences that the transaction may have had on the company (Commercial Code Articles L225-41 §2 and L225-89 §2).
5. In **India**, in the case of listed entities, all entities falling under the definition of related parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.
6. In **Indonesia,** related to the transaction with employees and board members are excluded in case the transaction is applied for all directors, board commissioners, and employees such as special benefits that are part of the remuneration.
7. In **Italy**, companies may provide that a transaction can still be entered into despite the negative advice of independent directors, provided that it is submitted to the vote of the shareholder meeting and a majority of unrelated shareholders approve it (the whitewash). Internal procedures adopted by companies may also provide that for the majority of unrelated shareholders to block the transaction, the unrelated shareholders represented at the meeting must hold a minimum percentage of outstanding shares, no higher than 10%.

8. In **Malaysia**, pursuant to Paragraph 10.08(7) of the Listing Requirements, a related party with any interest, direct or indirect, must not vote on the resolution in respect of the related party transaction.
9. In **New Zealand**, the issuer can avoid the requirement to obtain the approval of the ordinary resolution provided that either the person is not a related party at the time of the transaction, or the transaction is not material. Under the Companies Act 1993, if a transaction in which a company is interested in is entered into, it can be avoided by the company at any time before the expiration of three months after the transaction is disclosed to all shareholders, however a transaction cannot be avoided under the Companies Act 1993 if the company receives fair value under it.
10. In **Norway**, when voting, voting rights connected to shares owned by a related party or another company in the same company group as the related party, cannot be exercised.
11. In **Peru**, Art. 133 of the General Corporation Law establishes that the right to vote at a shareholders' meeting cannot be exercised by anyone who has, on their own account or on behalf of a third party, an interest in conflict with that of the company.
12. In **Singapore**, for the purposes of determining the 5% threshold, transactions entered into with the same related party during the same financial year must be aggregated, while a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
13. In the **Slovak Republic**, "material transaction" is defined as a performance or provision of a security under a contract if provided by a public joint stock company in favour of a person related to the public joint stock company and the value of the performance or security exceeds 10% of the share capital of the public joint stock company. This 10% threshold also applies to the aggregated value of such performances or securities provided in an accounting period or during 12 months in favour of one related party.
14. In **South Africa**, for RPTs including transactions not subjected to shareholder approval, the disclosure requirements remain applicable, and are required if a positive fairness opinion is obtained.
15. In the **United Kingdom**, under the Listing Rules, Premium listed companies must obtain shareholder approval for RPTs above a 5% materiality threshold, or in the case of smaller transactions in excess of a 0.25% threshold obtain written confirmation from an approved sponsor that the terms of the proposed transaction are fair and reasonable. Aggregation rules also apply. In the case of the shareholder approval process, the related party and its associates may not vote on the proposal.
16. In the **United States**, a company's organisational documents, state corporate law and exchange rules set forth the specific types of transactions that are required to be approved by shareholders, including certain RPTs. A company's board of directors may require approval of a majority of the minority of shareholders in order to support its reliance on the business judgment rule under state law jurisprudence. Not all RPTs, however, are required to be submitted to shareholders for approval regardless of whether such transactions could be considered non-routine.

Table 3.10. Takeover bid rules

Jurisdiction	Institutions in charge of takeover bids	Key thresholds of mandatory takeover bids	Key requirements for the minimum bidding price M: Mandatory takeover bids V: Voluntary takeover bids	
Argentina	CNV	*ex-post*: (a) 50% or more of voting rights + 1 share; (b) less than 50% of voting rights based on control to establish corporate policy at regular shareholders' meetings or to appoint or revoke the appointment of a majority of directors or members of the supervisory committee	M	a) Highest price the offeror has provided or agreed to provide in the 12 months preceding the bid; b) Average market price of the last 6 months prior to the announcement of takeover.
Australia	ASIC, Takeovers Panel	*ex-ante*: From less than 20% to more than 20%; from more than 20% to less than 90%	M	Highest price the offeror has provided or agreed to provide in the 4 months preceding the bid
Austria	Takeover Commission	*ex-post:* 30% of voting rights	M	a) Highest price paid by offeror within last 12 months; b) Average market price of last 6 months
Belgium	FSMA	*ex-post:* 30% of voting rights	M	a) Highest price paid by offeror within last 12 months; b) Average market price of last 30 days
Brazil	CVM	*ex-post:* Sale of control	M	At least 80% of the price paid to the controlling entity.
			V	Same price paid to the controlling entity.[1]
Canada (Provinces e.g. Ontario)	OSC, other provincial regulators[2]	*ex-post:* 20% of voting rights	M	All holders of the same class of securities must be offered identical consideration; Pre-bid integration requirements apply to acquisitions of the same class of securities made within 90 days before the start of the bid.

Jurisdiction	Institutions in charge of takeover bids	Key thresholds of mandatory takeover bids	Key requirements for the minimum bidding price M: Mandatory takeover bids V: Voluntary takeover bids	
Chile	CMF	*ex-post:* two-thirds of voting rights	M	Price not lower than the market price.
China	CSRC	*ex-post:* 30% of issued shares	M	Highest price paid by offeror within last 6 months
Colombia	SFC	*ex-ante:* 25% of voting rights; 5% acquisition by SH with 25%	M	a) Highest paid by offeror within last 3 months; b) Highest price set in a previous agreement, if any; c) Price fixed by an appraiser firm for delisting takeover bids and other takeover bids such as indirect offers; d) Otherwise, the price is voluntary set by the offeror.
Costa Rica	SUGEVAL	*ex-ante:* 25% of voting rights	M	Price fixed by an appraiser firm (just for delisting takeover bids).
Czech Republic	CNB	*ex-post:* 30% of voting rights; control over the board	M	a) Highest price paid by offeror within last 12 months; b) Average market price of last 6 months.
Denmark	DFSA	*ex-post:* 33% of voting rights	M	Highest price paid by offeror within last 6 months
Estonia	EFSA	*ex-post:* 50% of voting rights; control over the board	M	Highest price paid by offeror within last 6 months
Finland	FIN-FSA	*ex-post:* 30% or 50% of voting rights	M, V	a) Highest price paid by offeror within last 6 months;
			M	b) Weighted average market price of last 3 months
France	AMF	*ex-post:* 30% of voting rights	M	Highest price paid by offeror within last 12 months
Germany	BaFin	*ex-post:* 30% of voting rights	M, V	a) Highest price paid by offeror within last 3 months; b) Average market price of last 3 months
Greece	HCMC	*ex-post:* 33% of voting rights; 3% acquisition by the SH with 33-50% (within 6 months)	M	a) Highest price paid by offeror within last 12 months; b) Weighted average market price of last 6 months c) Valuation[3]
Hong Kong (China)[4]	SFC	*ex-post:* 30% of voting rights; 2% acquisition by the SH with 30-50% (within a year)	M	Highest price paid by offeror within last 6 months;
			V	Not lower than 50% discount to the lesser of the latest market price on the day of announcement and average market price of the last 5 days prior to that day
Hungary	CBH	*ex-ante:* 33% or 25% (if no other SH with more than 10%) of voting rights	M	a) Highest price paid by offeror within last 180 days; b) Weighted average market price of last 180 days (or, if available, 360 days)
Iceland	CBI	*ex-post:* 30% of voting rights	M	a) Highest price paid by offeror or related parties within last 6 months and; b) At least equal to last price paid on the day before offer or announcement of offer

Jurisdiction	Institutions in charge of takeover bids	Key thresholds of mandatory takeover bids	Key requirements for the minimum bidding price M: Mandatory takeover bids V: Voluntary takeover bids	
India	SEBI	*ex-ante:* 25% of voting rights; 5% acquisition by SH with 25% (within a year)	M	a) Highest negotiated price per share for any acquisition under the agreement attracting the obligation to make a mandatory takeover offer; b) Volume-weighted average price paid or payable for acquisitions by the acquirer during 52 weeks; c) Highest price paid or payable for any acquisition by the acquirer during 26 weeks; d) Volume-weighted average market price of such shares for a period of 60 trading days; (e) where the shares are not frequently traded, the price determined by the acquirer and the manager to the open offer taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary.
Indonesia	IFSA (OJK)	*ex-post:* 50% of voting rights; control over the board; direct or indirect control and/or decide policies over the company	M	Average of the highest daily price of last 90 days or its takeover price, which one is the highest.[5]
Ireland	Irish Takeover Panel	*ex-post:* 30% of voting rights acquiring control or acquisition of 0.05%[6] consolidating control	M	Highest price paid by offeror within last 12 months
Israel	ISA	*ex-ante:* 25% of voting rights; 45% of voting rights; 90% of voting rights	-	-
Italy	CONSOB	*ex-post:* 25% of voting rights (30% for SMEs); 5% acquisition by SH with 30-50% (within a year)[7]	M	Highest price paid by offeror within last 12 months
Japan	FSA	*ex-ante:* 33% of voting rights; 5% of voting rights from more than 10 SHs (within 60 days)	-	-
Korea	FSC	*ex-ante:* 5% acquisition from 10 or more SHs[8]	-	-
Latvia	LVB	*ex-post:* 30% of voting rights[9]	M	a) Highest price paid by offeror within last 12 months; or b) Average market price of last 12 months; or c) value of a share calculated by dividing the net assets of the target company with the number of issued shares.
Lithuania	LB	*ex-post*: 1/3 of voting rights	M	a) Highest price paid by offeror within last 12 months and weighted average market price regulated market and MTF of last 6 months; b) where the highest price may not be established and the securities concerned have not been traded, – the value established by the asset valuator by not less than two viewpoints
Luxembourg	CSSF	*ex-post*: 33% or 1/3 voting rights	M	Highest price paid by offeror (or persons acting in concert) within last 12 months
Malaysia	SCM	*ex-post*: Over 33% of voting rights; acquisition of more than 2% by SH with 33%-50% (within 6 months)	M	Highest price paid by offeror during the offer period and within last 6 months;
			V	Highest price paid by offeror during the offer period and within last 3 months
Mexico	CNBV	*ex-ante:* 30% of voting rights or control over the company	-[10]	-
Netherlands	AFM	*ex-post:* 30% of voting rights	M	Highest price paid by offeror within last 12 months

Jurisdiction	Institutions in charge of takeover bids	Key thresholds of mandatory takeover bids	Key requirements for the minimum bidding price M: Mandatory takeover bids V: Voluntary takeover bids	
New Zealand	Takeovers Panel	*ex-post:* 90%	-	-
Norway	OSE	*ex-post:* 33%, 40% or 50% of voting rights	M	Highest price paid by offeror within last 6 months
Peru	SMV	*ex-post:* 25%,50%,60% of social capital of the company (only if its shares are listed in the stock exchange)	M	Calculated by a specialised entity
Poland	KNF	*ex-post:* 50% (mandatory call) or 95% (mandatory takeover) of voting rights	V/M	Average market price of last 6 months
Portugal	CMVM	*ex-post:* 33% or 50% of voting rights	M	a) Highest price paid by offeror within last 6 months; b) Weighted average market price of last 6 months; c) value defined by an independent expert under certain conditions.[11]
Saudi Arabia	CMA	*ex-post:* 50% of voting rights	M	Highest price paid by the Offeror, or persons acting in concert, for shares of that class during the Offer period and within 12 months prior to its commencement
Singapore	Securities Industry Council	*ex-post:* 30% of voting rights; acquisition of more than 1% by SH with 30-50% (within 6 months)	M	Highest price paid by offeror or any person acting in concert with the offeror during the offer period and within last 6 months
			V	Highest price paid by offeror or any person acting in concert with the offeror during the offer period and within last 3 months
Slovak Republic	NBS	*ex-post:* at least 30% of voting rights attached to the shares of a single offeree company	M	a) Highest price paid by offeror within last 12 months; b) Average market price of last 12 months (in case of listed shares) c) price stipulated by the expert opinion d) the net value per share of the business assets, including the value of intangible assets, of the offeree company, according to the most recent financial statements audited before the takeover bid became mandatory
Slovenia	ATVP	*ex-post:* 1/3 of voting rights	M, V	Highest price paid by offeror within last 12 months
South Africa	Takeover Regulation Panel	*ex-post:* 35% of voting rights	-	-
Spain	CNMV	*ex-post:* 30% of voting rights; control over the board; appointing a number of directors who represent more than one half of the members of the management body of the company within 24 months	M, V	Highest price paid by offeror within last 12 months
Sweden	FI/SFSA, Swedish Securities Council	*ex-post:* 30% of voting rights	M, V	a) Highest price paid by offeror within last 6 months b) (if not a) 20 days trading average prior to disclosure (only applies to mandatory bids)
Switzerland	Swiss Takeover Board	*ex-post:* 33 1/3% (can be raised to up to 49% or can be repealed completely by company) of voting rights	M, V	a) Stock exchange price (i.e. volume-weighted average price of the last 60 trading days) or evaluation by audit firm (if listed equity securities are not liquid); b) Highest price paid by offeror within last 12 months

Jurisdiction	Institutions in charge of takeover bids	Key thresholds of mandatory takeover bids	Key requirements for the minimum bidding price M: Mandatory takeover bids V: Voluntary takeover bids	
Türkiye	CMB	*ex-post:* 50% of voting rights; or regardless of such percentage, acquiring privileged shares enabling their holder to elect or to nominate simple majority of total number of the BoDs	M	a) Highest price paid by offeror within last 6 months; b) the arithmetical average of daily adjusted weighted average market price of last 6 months
United Kingdom	Panel on Takeovers and Mergers	*ex-post:* 30% of voting rights; acquisition by SH with 30-50%	M,	a) Highest price paid by offeror during the offer and within last 12 months prior to this announcement;
			V	b) Highest price paid by offeror during the offer and within the 3 months before offer period. If offeror has bought more than 10% of offeree's shares for cash during the offer period and the previous 12 months, highest price paid by offeror in that period.
United States	SEC	No mandatory takeover bids[12]	-	-

1. In **Brazil**, some of the special listing segments of B3 require the new controlling shareholder to offer in the mandatory tender offer the same price per share paid to the previous controlling shareholder.
2. In **Canada**, takeover bids are subject to applicable provincial securities law, including the rules in National Instrument 62-104 Take-Over Bids and Issuer.
3. In **Greece**, the valuation is required under certain conditions.
4. In **Hong Kong (China)**, the Codes on Takeovers and Mergers and Share Buy-backs are issued pursuant to the Securities and Futures Ordinance. Although the codes are non-statutory in nature, full compliance with the codes is required.
5. In **Indonesia**, if within more than 90 days before the announcement it has not been traded, the lowest share price is set at the average of the highest daily price in the Stock Exchange within the last 12 months or its takeover price, whichever is the highest.
6. In **Ireland**, no mandatory bid obligation applies for a single holder of securities who already controls more than 50% of the securities.
7. In **Italy**, the mandatory triggering threshold is differentiated according to the size of companies: for small & medium sized enterprises (SMEs) the first mandatory triggering threshold is 30%, unless a threshold in the range 25%-40% of voting rights is established in the bylaws; for larger companies, the first mandatory triggering threshold is 25% of voting rights provided that no other shareholder holds a higher stake and, in this case, the first mandatory triggering threshold remains at 30%. The mandatory bid thresholds are calculated based on the total number of voting rights, and the obligation is triggered both by acquisition of shares and increased voting rights through loyalty shares (except for the 25% threshold which is triggered only in case of acquisition of shares).
8. In **Korea,** the 5% threshold establishes a requirement to make a tender offer bid but does not mandate takeover of the company through the purchase of remaining shares.
9. **Latvia** enacted a law in June 2016 reducing the ex-ante takeover threshold from 50% to 30%, but existing listed firms with shareholders owning between 30% and 50% are grandfathered in to allow them to maintain their shares but must initiate a takeover bid if they increase their shareholdings.
10. In **Mexico**, compensation should be the same and no premia or surcharges should be paid, according to Articles 98, 99 and 100 of the Securities Markets Law.
11. In **Portugal**, conditions are: i) If the higher price has been set through an agreement between the acquirer and the seller through private negotiation; ii) If the securities in question have reduced liquidity compared to the regulated market in which they are admitted to trading; iii) If it has been established based on the market price of the securities in question and that market or the regulated market in which they are admitted has been affected by exceptional events.
12. In the **United States**, neither statutes nor rules impose a requirement that a bidder conduct a mandatory tender offer, leaving it to the bidder's discretion as to whether to approach shareholders, whether on an unsolicited basis without the prior approval of the target, or, alternatively, pursuant to a private agreement between the bidder and the target that has been reached following a negotiation.

Table 3.11. Roles and responsibilities of institutional investors and regulated intermediaries: Exercise of voting rights and management of conflicts of interest

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
Argentina	Public: Law No. 24083 Title V, chapter II, Section IV, Article 16. Title V, chapters II (Section VII), V, VI, VII, VIII y IX CNV Rules.	Open-end funds Closed-end funds Resolution covers 10 types of funds including mutual funds, other investment funds, insurance, banks, the national pension fund and different types of public funds	-	-	(L: specific bans)	L
Australia	Private: FSC Standards Public: Superannuation (Industry) Supervision Act1993; Corporations Act2001	FSC members: Investment funds, pension funds, life insurance, etc.	I, L	I, L	I, L	I, L
Austria	Public: Investment Funds Act 2011	Investment funds	-	-	L	-
	Public: Austrian Stock Exchange Act 2018	Institutional investors, asset managers, proxy advisors	L	-	L	L
	Private: Code of conduct to be drawn up by the proxy advisors themselves (comply or explain)	Proxy advisors	C	-	C	C
Belgium	Private: BEAMA Code of Conduct BEAMA Code of Conduct (pdf)	Asset managers	C	-	C	C
	Public: Law of 28April 2020	Institutional investors, asset managers and proxy advisors	L	L	L	L
Brazil	Public: CVM Instruction 555/2014	Investment funds	L	L	L	L
	Public: CVM Resolution 21/2021 Private: ANBIMA's Self-regulation Code for Portfolio Administration Additional Rules and Procedures of ANBIMA's Self-regulation Code for Portfolio Administration	Asset managers	I	I	L, I	L, I
Canada	Public: Provincial Securities Acts and associated rules; e.g.: British Columbia Securities Act, Ontario Securities Act; NI 81-106 Investment Fund Continuous Disclosure; NI 81-107 Independent Review Committee for Investment Funds	Investment funds	L	L	L	-
	National Policy 25-201 Guidance for Proxy Advisory Firms	Proxy advisors	C	-	C	C
Chile	Public: Decree Law No. 3.500 of 1980	Pension funds	L	L	L	L
China	Public: Code of Corporate Governance for listed companies of 2018	National social security funds, Pension funds Insurance funds, Public offering funds, etc.	C	C	-	-
	Public: Guidelines for the voting rights of the fund managers	Investment funds	I	I	I	I
Colombia	Public: Decree 2555 of 2010 / CBJ, Part II, Title III, chapter IV, # 3	Pension funds	L	L	L	L

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
Costa Rica	Public: CONASSIF Governance Regulation Public: Worker Protection Law (Law 7 983); Financial Assets management regulation for Pension Funds Public: Regulatory Law of the Securities Market (Law 7 732); Investment Funds Regulation	Institutional Investors	L	-	L	-
Czech Republic	Public: Act on Management Companies and Investment Funds, No 240/2013 Coll Public: Capital Market Undertakings Act, No 256/2004 Coll.	Investment funds, mutual funds; institutional investors and asset managers	L	L	L	L
	Public: Capital Market Undertakings Act, No 256/2004 Coll.	Proxy advisors	L	-	L	L
Denmark[1]	Public: Law No. 369 of 2019	Institutional Investors	L	L	L	L
Estonia	Public: Securities Market Act Ch 22[1]	Investment funds, asset managers, insurers, pension funds	L	L (excluding insignificant votes)	L	L
	Public: Securities Market Act Ch 22[1]	Proxy advisors	L	-	L	L
Finland	Public: Organisation and code of conduct of investment funds and asset managers	Investment funds and asset managers	-[2]	-	L	-
France	Public: Code monétaire et financier	Investment funds and asset managers	L	L	L	-
	Public: Code monétaire et financier	Proxy advisors	-	-	L	L
Germany	Public: German Stock Corporation Act; German Capital Investment Code Private: Corporate Governance Code for Asset Management Companies; BVI code of conduct	Investment funds, asset managers	L, C	L	L, C	L, C
	Public: German Stock Corporation Act Private: Code of conduct to be drawn up by the proxy advisors themselves (comply or explain)	Proxy advisors	L	-	L	L
Greece	Public: HCMC rule 15/633/2012	Mutual funds	-	-	L	-
Hong Kong (China)	Public: Code of Conduct for Persons Licensed by or Registered with the SFC[3]	Investment funds and asset managers	-	-	- (Requirement for management of conflicts of interest)	- (Requirement for disclosure of conflicts of interest)
	Public: Principles of Responsible Ownership	Investment funds and asset managers	C	-	C	-
Hungary	Public: Act on the Capital Market; Act XVI of 2014 on Collective Investment Trusts and Their Managers, and on the Amendment of Financial Regulations; Act LXVII of 2019 on long-term shareholder engagement	Investment funds and asset managers	L	L	L	L
	Public: Act LXVII of 2019 on long-term shareholder engagement	Proxy advisors	-[4]	-	L	L

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
Iceland	Public: Act on pension funds	Pension funds	-	-	-	-
India	Public: Circulars. SEBI/IMD/CIR.No.18/198647/2010 CIR/IMD/DF/05/2014 SEBI/HO/IMD/DF2/CIR/P/2016/68 CIR/CFD/CMD1/168/2019 SEBI/HO/IMD/DF4/CIR/P/2021/29	Mutual funds Alternative Investment Funds	L	L	(L: Specific bans)	L
	Public: Guidelines on Stewardship Code for Insurers in India	Insurers	L	L	L	L
	Public: Common Stewardship Code	Pensions funds	L	L	L	L
	Public: SEBI (Research Analysts) Regulations, 2014 Circular – SEBI/HO/IMD/DF1/CIR/P/2020/147	Proxy advisors	L[5]	-	L	L
Indonesia	Public: OJK Regulation 17/POJK.04/2022	Fund Managers	-	-	L	(L: Disclosure of conflicts of interest)
	Public: OJK Regulation 10/POJK.04/2018	Investment managers	L[6]	L[6]	L	L
	Public: OJK Regulation 73/POJK.05/2016	Insurance companies	-	-	L	L
	Public: OJK Regulation 15/POJK.05/2019	Pension funds	-	-	L	L
Ireland	Public and Private: Funds Regulation	Investment funds and asset managers	-	-	L	L
	Companies Act 2014, Chapter 8b[7]	Institutional investors, asset managers and proxy advisors	L	-	L	L
Israel	Public: Joint Investment Trust Law Supervision of Financial Services Regulations (Provident Funds) (Participation of Managing Company in General Meeting), 2009	Mutual funds, fund managers (including ETFs), provident funds, pension funds and insurance companies	L	L	L	L
Italy	Public: Consolidated Law On Finance and Bank of Italy-CONSOB regulations Private: Italian Stewardship Principles	Pension funds, insurance companies and asset managers	L, CE	L, CE	L, CE	L, CE
	Public: Consolidated Law On Finance and Bank of Italy-CONSOB regulations Best Practices Principles for Shareholder Voting Research	Proxy advisors	L, CE		L, CE	L, CE
Japan	Public: Principles for Responsible Institutional Investors: Japan's Stewardship Code	Institutional investors and service providers for institutional investors including proxy advisors	CE	CE	CE	CE
Korea	Public: Financial Investment Services and Capital Markets Act	Institutional investors	L	- (L if holding equities more than a certain level)	L	-
	Private: Stewardship Code Principle on the Stewardship Responsibilities of Institutional Investors	Institutional investors	CE	CE	CE	CE

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
Latvia	Public: The Law On Private Pension Funds and The Law On Investment Management Companies	Pension funds and investment funds	L	-	L	L
	Financial instruments Market Law	Proxy advisors	L	-	L	L
Lithuania	Public: Law on Collective Investment Undertakings Public: Law on Collective Investment Undertakings Intended for Informed Investors Public: Law on Managers of Alternative Collective Investment Undertakings Public: Law on the Supplementary Voluntary Accumulation of Pensions Public: Bank of Lithuania regulations	Investment Funds and Asset Managers, Pension Funds	(L: to clients)	(L: to clients upon request)	L	- (although they are required to disclose sufficient information)
	Public: Law on Markets in Financial Instruments	Proxy advisors	-	-	L	L
Luxembourg	Private: ALFI Code of Conduct for Luxembourg Investment Funds	ALFI members: Investment funds	C	C	C	-
Malaysia	Private: Malaysian Code for Institutional Investors (MCII)	Asset owners, asset managers and service providers (including proxy advisors)	CE[8]	CE	CE	CE
Mexico	Public: General financial provisions for pension funds systems Public: Securities Markets Law Public: Investment Fund Law	Pension funds, institutional investors, asset managers, fund managers	L	-	L	-
Netherlands	Public: Act on Financial Supervision Mixed: Dutch corporate governance code Chapter 4	Institutional investors (pension funds, life insurance companies), asset managers and proxy advisors	L, CE	L, CE	L	L
	Private: Eumedion Dutch Stewardship Code	Institutional investors (pension funds, life insurance companies), asset managers	C	C	C	C
New Zealand	Public: Financial Markets Conduct Act 2013	Fund managers (including proxy advisors)	C	-	C	-
Norway	Private: VFF recommendation on exercising ownership rights	VFF members: Investment funds and asset managers	C	C to clients upon request	C	-
Peru	Public: Regulation of the Pension Fund System Law; Law N° 861 Securities Market Law; Law N° 862 Investment Fund Law; Regulation of Insurance Companies	Pension funds; Mutual Funds; Investment Funds; Insurance Companies	L[9]	L	L	L
Poland	Private: Code of Good Practices of Institutional Investors	IZFiA members: Institutional investors	CE	CE	CE	-
	Public: Polish Code of Commercial Companies[10]	Proxy advisors in joint stock companies	-	-	L	L

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
Portugal	Public: Decree Laws on pension funds, General Framework for Collective Investment Undertakings, Insurance and Pension Funds Supervisory Authority (ASF) Regulatory Norms and CMVM regulations / recommendations / Commercial Company Act / Portuguese Securities Code / Law n.º 50/2020 of 25August	Institutional investors and asset managers	L/C	- (L: Applicable to collective investment undertakings in case of divergence from voting policy)	- (L: Specific bans)	L
		Proxy advisors	L	-	L	L
Saudi Arabia	Public: Companies law Corporate governance regulations Capital market law Investment Funds Regulation	Investment Funds-	-	-	L	L
Singapore	Private: Singapore Stewardship Principles IMAS Guidelines on Corporate Governance	Institutional investors, including asset owners and asset managers IMAS members: Investment funds and asset managers	I	-	I	C
Slovak Republic	Public: Act on Collective Investments	Mutual funds and asset managers	L to clients	-	- (L: Specific bans)	-
	Mixed: Corporate Governance Code	Institutional investors (including proxy advisors)	C	-	C	C
	Public: Securities and Investment Services Act	Investment firms	L	-	L	L
	Public: Act No 203/2011 Coll. on collective investment	Investment funds and asset managers	L	-	L	L
	Public: Act No 39/2015 Coll. on insurance	Insurance companies	L	-	L	L
	Public: Act No 483/2001 Coll. on banks	Banks	L	-	L	L
	Public: Act No 43/2004 Coll. on the old-age pension saving scheme	Pension Funds	L	-	L	L
	Public: Act No 650/2004 Coll. on the supplementary pension scheme	Supplementary pension funds	L	-	L	L
Slovenia	Public: Market in Financial Instruments Act and Investment Funds and Management Companies Act	Investment funds	-	-	L	-
	Public: Companies Act	Institutional investors, asset managers	L	L	L	L
South Africa	Public: General Code of Conduct for Authorised Financial Services Providers and their Representatives issued under the Financial Advisory and Intermediary Services Act, 2002, Section 3A	Pension funds and asset managers, including financial institutions as defined in financial sector law	-	-	L	L
	Private: Code for Responsible Investing for South Africa		C	C	C	C
	Private: ASISA Guidelines for personal account trading policy		C	C	C	C

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
Spain	Public: Securities Market Act and Collective Investment Institutions Act	Investment funds and asset managers	- (L for those cases in which the value of shares is quantitatively significant and "temporarily stable")	-	L	(L for those cases in which the value of shares is quantitatively significant and "temporarily stable")
Sweden	Public: National Pension Insurance Funds Act	Public pension funds (AP1, AP2, AP3, AP4 and AP7)	- (L: Policy setting for AP1-4)	-	- (L: Specific bans for AP1-4)	-
	Public: Act on safeguarding pension commitments, Investment Funds Act, Securities Market Act, Insurance Business Act, Alternative Investment Fund Managers Act	Institutional Investors	L	L	L	L
	Public: Act on voting advisers, Regulation on voting advisers	Proxy advisors	L	-	L	L
Switzerland	Public: Federal Act on Collective Investment Schemes and Swiss Code of Obligations, Private: Guidelines for institutional investors	Institutional investors	CE	(L: on certain issues: e.g. board election, remuneration)	L	- (CE: Disclosure of unavoidable conflicts of interest)
Türkiye	Public: Communiqué on Principles of Investment Funds No. III-52.1; Communiqué on Principles for Securities Investment Companies No. III-48-5; Regulation on Principles Regarding Establishment and Activities of Pension Funds Communiqué on Portfolio Management Companies and Activities of Such Companies No. III-55.1.	Institutional investors and asset management companies	-	-	L	-
United Kingdom	Public: The UK Stewardship Code 2020	Asset managers, asset owners and service providers	C	C	C	C
	Public: Financial Conduct Authority (FCA) Conduct of Business Sourcebook and Senior Management Arrangements, Systems and Controls	Asset managers and insurers	L	L	L	L
	Public: The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019	Pension Funds	L	L	L	L
	Public: FCA Handbook Proxy Adviser Regulations 2019	Proxy Advisers	L		L	L

Jurisdiction	National framework (Public / private / mixed initiative)	Target institutions	Exercise of voting rights		Management of conflicts of interest	
			Disclosure of voting policy	Disclosure of actual voting records	Setting of policy	Disclosure of policy
United States	Public: Investment Company Act of 1940 Enhanced Reporting of Proxy Votes by Registered Management Investment Companies; Reporting of Executive Compensation Votes by Institutional Investment Managers Disclosure of Proxy Voting Policies and Proxy Voting Records by Registered Management Investment Companies	Registered Management Investment Companies	L	L	L	L
	Public: The Employee Retirement Income Security Act of 1974	Private pension funds	-	-	-	-
	Public: Investment Advisers Act of 1940; Proxy Voting by Investment Advisers	Registered investment advisers[11]	L (must describe voting policies and provide a copy to clients upon request)	L (must disclose how clients can obtain voting records)	L	L

Key: **L** = requirement by the law or regulations; **I** = self-regulatory requirement by industry association without comply or explain disclosure requirement; **C** = recommendation by codes or principles without comply or explain disclosure requirement; **CE** = recommendation including comply or explain disclosure requirement overseen by either a regulator or by the industry association; "**-**" = absence of a specific requirement or recommendation.

Jurisdictions were asked to include industry, association or institutional investor stewardship codes only if they have official status and their use is endorsed or promoted by the relevant regulator. Targeted institutions shown in the table may include different types of institutional investors as well as advisory services/proxy advisors. Where requirements or recommendations concerning proxy advisors differ significantly from those of other institutional investors, they are specified in a separate line with footnote if necessary.

Note: European Fund and Asset Management Association (EFAMA) provides "EFAMA Code for external governance – Principles for the exercise of ownership rights in investee companies"; International Corporate Governance Network (ICGN) provides "ICGN Statement of Principles for Institutional Investor Responsibilities".

1. In **Denmark**, the investment fund, asset manager, insurer or pension fund may choose not to comply with the requirements of the legislation if they publish a clear and reasoned explanation of why they have chosen not to comply.
2. In **Finland**, although proxy advisers are not required to disclose their conflict of interest policies to the public, they are required under the EU Shareholder Rights Directive to take all appropriate measures to identify and prevent conflicts of interest and, in the event of such conflicts, treat the client in accordance with good practice. If a conflict of interest cannot be avoided, the proxy adviser shall clearly inform the client in sufficient detail of the nature of the conflict and its causes and of the measures taken to reduce the risk to the client's interests before giving advice or recommendation on the exercise of voting rights.
3. In **Hong Kong (China)**, the "Code of Conduct for Persons Licensed by or Registered with the SFC" applies to all licensed or registered persons carrying on the regulated activities for which they are licensed or registered. To the extent such persons' business involves the management of collective investment schemes (whether authorised or unauthorised) and/or discretionary accounts (in the form of an investment mandate or pre-defined model portfolio), such person is also subject to the Fund Manager Code of Conduct.
4. In **Hungary**, Section 15 of the Act LXVII of 2019 on long-term shareholder engagement requires proxy advisors to disclose certain key information relating to the preparation of their research, advice and voting recommendations and any actual or potential conflicts of interests that may influence the preparation of the research, advice and voting recommendations.
5. In **India**, proxy advisors give voting recommendations to their clients (institutional investors) and generally do not vote on behalf of their clients. Proxy advisors in India are required to formulate and disclose the voting recommendation policies to their clients.
6. In **Indonesia,** in OJK Regulation No 10/POJK.04/2018 (Section 53) provides that Investment Managers are encouraged to disclose voting policy and actual voting records.
7. In **Ireland**, the Companies Act, 2014 as amended implements the EU's Shareholders Rights Directive II requiring institutional shareholders and asset managers to disclose an engagement policy and an explanation of the most significant votes taken but all on a comply or explain basis. Similarly, proxy advisors are required to have such policies on a comply or explain basis as well.

8. In **Malaysia**, the Malaysian Code for Institutional Investors (MCII) adopts the "apply and explain" approach where signatories are encouraged to explain how they have applied the principles of the MCII, and where there are departures, to highlight the same, along with the measures to address the departures, and the time frame required to apply the relevant principles.
9. In **Peru**, in the case of Pension Funds, the management companies must appoint representatives that protect the rights and obligations related to Funds' investments. In consequence, the representatives must pronounce on the matters that are submitted for discussion, record their vote in the respective documents, and inform to the pension fund management company the results of their management. These companies must keep those reports for any request of the Superintendence of Banking, Insurance and Pension Funds Management Companies. On the other hand, the main institutional investors, such as Private Pension Funds Management Companies, Insurance Companies, Mutual Funds Management Companies and Investment Funds Management Companies must give priority to the interests of their affiliates and investors, in the event of possible conflicts of interest regarding their own incentives or from third parties. The aforementioned fiduciary duties must be included in internal documents and policies, such as Internal Rules of Conduct.
10. In **Poland**, proxy advisor firms are regulated in the Polish Code of Commercial Companies (law). The Code requires such advisor to immediately inform its clients about any conflicts of interest and to publish its conflict of interest policy every year.
11. In the **United States**, the Securities and Exchange Commission has issued guidance regarding the proxy voting responsibilities of investment advisers exercising proxy voting authority with respect to client securities, including examples to help investment advisers' compliance with their obligations in connection with proxy voting. See Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers; Supplement to Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers.

Table 3.12. Roles and responsibilities of institutional investors and related intermediaries: Stewardship / fiduciary responsibilities

Jurisdiction	Target groups	Stewardship / fiduciary responsibilities					
		Specific requirements				Setting of voting policy	Report of actual activities to clients / beneficiaries
		Monitoring	Constructive engagement[1]	Engagement on sustainability issues[2]	Maintaining effectiveness of supervision when outsourcing[3]		
Argentina	-	-	-	-	-	-	-
Australia	FSC members, investment funds, pension funds, life insurance, etc.	I, L	I	I	L	I	L
Austria	Investment funds	L	-		L	-	-
	Institutional investors, asset managers	L	L		L	L	L
	Proxy advisors	L, C	L, C		L, C	L, C	L, C
Belgium	Institutional investors	L	L		L	L	-
	Asset managers	L	L		L	L	L
	Proxy advisors	-	-		-	L	-
Brazil	Investment funds and asset managers	L	C	C	L	L	-
Canada	Investment funds	-	-	-	-	L	L
	Pension funds, investment funds, asset managers, etc.	C	C	-	C	C	-
	Proxy advisors	-	-	-	-	C	C
Chile	Pension funds	L	L	L[4]	L	L	L
China	Institutional investors	-	-	-	-	I	-
Colombia	Pension funds	L	L	L	L	L	-
Costa Rica	Institutional Investors	L	-	L	-	-	-
Czech Republic	Institutional investors, asset managers and proxy advisors	-	-	-	-	L	-

Jurisdiction	Target groups	Stewardship / fiduciary responsibilities					
		Specific requirements				Setting of voting policy	Report of actual activities to clients / beneficiaries
		Monitoring	Constructive engagement[1]	Engagement on sustainability issues[2]	Maintaining effectiveness of supervision when outsourcing[3]		
Denmark	Investment funds, asset managers, insurers and pensions funds[5]	L	L	-	-	L	L
Estonia	Investment funds, asset managers, insurers, pension funds	L	-	L[6]	L	L	L
Finland	Investment funds, asset managers and pension funds	L	C	C[7]	-	L	L
France	Investment funds and asset managers	L	L	L	-	L	L
	Proxy advisors	-	-	-	-	-	L
Germany	Investment funds and asset managers	L	L	C	L, C	L	L
	Proxy advisors	L	L			L	L
Greece	Mutual funds	-	-	-	-	-	-
Hong Kong (China)	Investment funds and asset managers	C	C	C	-	C	C
Hungary	Investment funds and asset managers	L	-	-	L	L	L
Iceland	Institutional investors	-	-	-	-	-	-
India	Mutual funds and Alternative Investment Funds	L	L	L	L	L	L
	Insurers	L	L	L	L	L	L
	Pension funds	L	L	L	L	L	L
	Proxy advisors	-	L	-	-	L	-
Indonesia	Fund Managers, Pension Funds and Insurance Companies	L	L	C	L	L	L
Ireland[8]	Institutional investors and asset managers	L	L	L	-	L	L
Israel	Mutual funds managers	L	L	-[9]	L	L	L
	Insurance companies, provident and pension funds	L	L	L	L	L	L
Italy	Investment funds	L, CE	CE	CE	CE	CE	L
	Proxy advisors	-	-		CE	CE	L, CE
Japan	Institutional investors and service providers for institutional investors including proxy advisors	CE	CE	CE	CE	CE	CE
Korea	Institutional investors	CE	CE	-	CE	CE	CE
Latvia	Investment funds and asset managers, pension plans and pension funds, insurance companies	L	-	-	L	L	L
	Proxy advisors	-	-		-	-	L
Lithuania	Investment Funds and Asset Managers, Pension Funds,	L	-	L	L	L (except insurance	L

Jurisdiction	Target groups	Stewardship / fiduciary responsibilities					
		Specific requirements				Setting of voting policy	Report of actual activities to clients / beneficiaries
		Monitoring	Constructive engagement[1]	Engagement on sustainability issues[2]	Maintaining effectiveness of supervision when outsourcing[3]		
	Insurance Companies					companies)	
	Proxy advisors	L	-	-	-	L	L
Luxembourg	ALFI members: Investment funds	C	-	C	-	-	-
Malaysia	Asset owners, asset managers and service providers	CE	CE	CE	CE	CE	CE
Mexico	Institutional investors, asset managers, fund managers	L	-	L	-	-	-
Netherlands	Institutional investors (pension funds, life insurance companies) and asset managers	L	L	-	L	L	L
	Proxy advisors[10]	L	L	-	L	L	L
	Eumedion Code: Institutional investors and asset manager	C	C	-	C	C	C
New Zealand	Fund Managers, Statutory Supervisors, Custodians and proxy advisors	L	-	-	L	-	L
Norway	VFF members: Investment funds and asset managers	C	-	-	C	C	-
Peru	Pension funds; Mutual Funds; Investment Funds; Insurance Companies	L	L	-	L	-	L
Poland	IZFiA members: Institutional investors	-	-	-	CE	CE	-
Portugal	Institutional investors, asset managers and proxy advisors	L/C	L/C	L	-	L/C	L/C
Saudi Arabia[11]	-	-	-	-	-	-	-
Singapore	IMAS members: Investment funds and asset managers	I	I	I	-	I	I
Slovak Republic	Mutual funds and asset managers	-	-	-	-	L	-
	Institutional investors	-	-	-	-	-	-
	Proxy advisors	-	-	-	-	L	L
Slovenia	Investment funds	-	-		-	-	-
	Institutional investors, asset managers, proxy advisors	L	L	L	L	L	L
South Africa	Pension funds, Collective Investment Schemes and investment funds	L, I	L, C	C	L, I	C	L, I
Spain	Investment funds and asset managers	L	-	-	L	L	L
Sweden	Public pension funds (AP1, AP2, AP3, AP4 and AP7)	-	-	L	-	(L: Policy setting for AP1-4)	-
	Insurance companies	L	L	-	L	L	-
	Institutional investors	L	L	L	L	L	-
	Proxy advisors	-	-	-	-	L	-

Jurisdiction	Target groups	Stewardship / fiduciary responsibilities					
		Specific requirements				Setting of voting policy	Report of actual activities to clients / beneficiaries
		Monitoring	Constructive engagement[1]	Engagement on sustainability issues[2]	Maintaining effectiveness of supervision when outsourcing[3]		
Switzerland	Institutional investors	CE	-	-	CE	CE	CE
Türkiye	Institutional investors and asset managers	L	-	-	L	-	L
United Kingdom	Institutional investors and proxy advisors	L/C	L/C	L/C	L/C	L/C	L/C
United States	Registered Management Investment Companies	L	-	-	L	L	L
	Private pension funds	-	-	-	L	L	-
	Registered investment advisors (proxy voting)	L	-	-	L	L	L

Key**: L** = requirement by the law or regulations; **I** = self-regulatory requirement by industry association without comply or explain disclosure requirement; **C** = recommendation by codes or principles without comply or explain disclosure requirement; **CE** = recommendation including comply or explain disclosure requirement overseen by either a regulator or by the industry association; "**-**" = absence of a specific requirement or recommendation.

Note: This table shows information on institutional investors with significant shares in the domestic market based on either legal requirements, industry association requirements or code recommendations. Advisory services/proxy advisors may be included among the target groups as applicable but are shown on a separate line if the requirements or recommendations differ significantly from those of other institutional investors.

1. "Constructive engagement" in the top row means purposeful dialogues with investee companies on matters such as strategy, performance, risk, capital structure and corporate governance.
2. "Engagement on sustainability issues" refers to regulatory or code provisions going beyond the governance topics cited in the prior column and footnote on constructive engagement to explicitly address environmental or social issues including, for example climate-related concerns.
3. Maintaining effectiveness of supervision when outsourcing" refers to whether the institutional investors which outsource some of the activities associated with stewardship to external service providers (e.g. proxy advisors and investment consultants) remain responsible for ensuring those activities being carried out in a manner consistent with their own approach to stewardship (UK Stewardship Code).
4. In **Chile**, the Superintendence of Pensions issued the General Rule No. 276, which incorporates Climate Risk and ESG factors in investment and risk management policies of Pension Fund Managers.
5. In **Denmark**, the investment fund, asset manager, insurer or pension fund may choose not to comply with the requirements of the legislation if they publish a clear and reasoned explanation of why they have chosen not to comply.
6. In **Estonia**, according to the Accounting Act Section 24(6), a large undertaking which is a public interest entity with more than 500 employees must set out information on the environmental and social impacts resulting from its activities, and issues concerning the human resource management, the observation of human rights and anticorruption efforts in the management report to a necessary extent.
7. In **Finland**, the Responsible Investing Guide by Finland's Sustainable Investment Forum (Finsif), which is a Finnish registered association. The members of the association have engaged to apply the Guide.
8. In **Ireland**, institutional shareholders and asset managers may choose not to comply with the statutory requirement if they provide a clear explanation.
9. In **Israel**, according to new regulation that has entered into force in June 2023, mutual funds have an obligation by law to monitor and create constructive engagement (mainly on corporate governance) by participation and voting in the shareholders meeting.
10. In the **Netherlands**, a statutory obligation requires proxy advisors to make publicly available the procedures put in place to ensure quality of the research, advice and voting recommendations and qualifications of the staff involved. Furthermore, a statutory obligation requires proxy advisors to report whether purposeful dialogues with investee companies take place.
11. In **Saudi Arabia**, there are no regulations setting specific legal requirements for institutional investors in particular. However regulations do mention and guarantee investor rights in voting. Moreover, there are not any specific regulations that regulate the institutional investors in the matter of conflicts of interest, unless they are board members or representatives.

Table 3.13. Disclosure related to company groups

Jurisdiction	Source(s) of definition of company groups	Mandatory and/or voluntary disclosure provisions for all listed companies						
		Major share ownership	Beneficial (ultimate) owners	Corporate group structures	Special voting rights	Shareholder agreements	Cross shareholdings	Shareholdings of directors
Argentina	CL, SL, O	MP	MR	MP	MP	MP	-	MR
Australia	CL, R	MP	MP,[1] MR	VP	MP	-	MR[2]	MP
Austria	CL	MP	MR	MP	MP	-	-	MP
Belgium	CL	MP	MP	MP	MP	MP	-	MP
Brazil	CL	MP	MP	MP	MP	MP	-	MR
Canada	-	MP	MP	MP	MP	MP	MP	MP
Chile	SL	MP	MP	MP	MP	MP	-	MP
China	-	MP	MP	MP	MP	MP	-	MP
Colombia	CL, C	MP	MR	MP	MP	MP	MP	MR
Costa Rica	SL, O	MP	MRVP	-	-	MP	-	MP
Czech Republic	CL	MR	MR	MP	MP	-	-	VP
Denmark	CL, O	MP		MP	MP	-	-	C
Estonia	CL, O	MP	MP	MP	MP	MP	MP	MP
Finland	CL, SL, R, C, O	MP	MP	MP	MP	MP[3]	-	MP
France	CL	MP	MP	MP	-	MP	-	MP
Germany	CL	MP	MP	MP	MP	MP	MP	MP
Greece	CL, SL, O	MP	MR	MP	-	MR[4]	MR[5]	MP
Hong Kong (China)	CL, SL, R	MP	MP	MP	MP	-	-	MP
Hungary	CL, SL	MP	MP	MP	MP	MP	MP	-
Iceland	CL	MP	MR	MP	MP	MP	-	MP
India	CL, SL	MP	MP	MP	MP	MP	MP	MP
Indonesia	SL	MP	MP	MP	MP[6]	-	-	MP
Ireland	CL, O	MP	MP	-	MP	MP	MP	MP
Israel	SL, O	MP	MP[7]	MP	-	MP	MP	MP
Italy	CL	MP	MP	MP	MP	MP	MP	MP
Japan	CL, SL, R	MP	VP	VP	MP	VP	MP	MP
Korea	CL, R, O	MP	MP	MP	MP	MP	MP	MP
Latvia	O	MP	MP	-	MP	MP	-	MP
Lithuania	O	MP	MP	MP	MP	MP	-	MP
Luxembourg	CL	MP	MP	MP	-	-	-	MP
Malaysia	CL, SL	MP	MP	MP	-	-	-	MP
Mexico	SL	MP	MP	MP	MP	MP	MP	MP
Netherlands	CL	MP	MP	MP	MP	MP	-	MP
New Zealand	CL, SL, R	MP	MP	MP	MP	MP	MP	MP
Norway	CL, SL	MP	MP	MP	MP	MP	MP	MP
Peru	SL	MP	MP	MP	MP	MP[8]	MP	MP
Poland	CL, SL, O	MP	-	MP	MP	MP	MP	MP
Portugal	CL, SL	MP	MP	MP	MP	MP	MP	MP
Saudi Arabia	CL, SL, R, C	MP	MRVP	MP	MP	MP	-	MP
Singapore	CL, SL, R	MP	MP	-	MP	MP	MP	MP
Slovak Republic	CL, SL	MP	MRVP	MP	MRVP	MR	VP	MRVP
Slovenia	CL, O	MP	MP	MP	MP	MP	MP	MP
South Africa	CL, R, C	MRVP	MRVP	-	MP	MP	-	MRVP
Spain	CL, SL, O	MP	MP	MP	MP	MP	-	MP
Sweden	CL	MP	MR	-	MP	-	MP	MP
Switzerland	CL	MP	MP	MP	MP	-	-	VP
Türkiye	CL	MP	-	-	MP	-	-	MP

Jurisdiction	Source(s) of definition of company groups	Mandatory and/or voluntary disclosure provisions for all listed companies						
		Major share ownership	Beneficial (ultimate) owners	Corporate group structures	Special voting rights	Shareholder agreements	Cross shareholdings	Shareholdings of directors
United Kingdom	CL, SL, R	MP	MP	MP	MP	MP	-	MP
United States	SL, R	MP	MP	MP	MP	MP	MP	MP

Key: Sources of definitions: **CL** = Company law or regulations; **SL** = Securities law or regulations; **R** = Listing rules; **C** = National corporate governance codes or principles; **O** = Others; "**-**" = absence of a specific requirement or recommendation.
Mandatory and/or voluntary disclosure provisions for all listed companies: **MP** = Mandatory to public; **VP** = Voluntary to public; **MR** = Mandatory to the regulator/authorities only; **MRVP** = Mandatory to the regulator/authorities and voluntary to public; "**-**" = Absence of mandatory/voluntary disclosure provisions.
1. In **Australia**, there are general provisions applicable to listed companies in Chapter 6C of the Corporations Act 2001. These provisions require disclosure to the market by persons who have a 'relevant interest' in securities of the listed company amounting to a 'substantial holding'. They also enable listed companies or ASIC (either of its own volition or on request of a shareholder) to direct a person to disclose if they have a 'relevant interest' in securities of the listed company (the 'tracing provisions'). A 'relevant interest' is broadly defined in the Corporations Act and is centred around whether a person holds or has power to control voting or disposal of the securities, so will often capture beneficial ownership. Under the tracing provisions there is no minimum holding required before the direction can be issued. Once this information is obtained from a direction by ASIC it may be provided to the listed company. The listed company must record the information about the relevant interest in a register within two business days of receipt. This register is available for inspection by any person.
2. In **Australia**, cross-shareholding may be disclosable under the substantial holding disclosure provisions in Section 671B of the Corporations Act 2001, where a subsidiary has a 'relevant interest' in securities representing more than 5% in its parent.
3. In **Finland**, listed companies are liable to publish only such shareholder agreements that are known to the company. A shareholder shall have an obligation to notify the offeree company and the Financial Supervisory Authority when a shareholder has, on the basis of a security (including shareholder agreements or other such arrangements) the right to obtain shares of the offeree company amounting to that the proportion of voting or proprietary rights reaches or exceeds or falls below 5, 10, 15, 20, 25, 30, 50 or 90% or two-thirds of the voting rights or the number of shares of the offeree company. The said obligation to notify applies also to shareholder agreements on the transfer and use of voting rights pertaining to such shares (Finnish Securities Markets Act (746/2012), Chapter 9, Sections 5, 6, 6a, 6b and 10).
4. In **Greece**, disclosure of shareholder agreements to the regulator is required only if they lead to significant change in shareholders rights.
5. In **Greece**, cross shareholdings must be disclosed to the regulator only if they lead to significant change in shareholders rights.
6. In **Indonesia**, it is mandatory for the specific regulated issuers that allowed to have multiple voting rights which have innovation and high growth rates that conduct public offering in the forms of shares. In addition, issuers regulated in this provision should meet the certain criteria such as utilising the technology to innovate product that increase productivity and economic growth, having shareholders who have significant contributions in the utilisation of technology, having minimum total assets of at least Rp. 2 trillion (or about USD 132 million), and others as promulgated by Art. 3 OJK Regulation No. 22/POJK.04/2021.
7. In **Israe**l, mandatory discovery provision regarding beneficial owners applies only to interested parties defined as shareholders with at least 5% shareholding.
8. In **Peru**, in question V.4 of the Report on Compliance with the Code of Good Corporate Governance for Peruvian Corporations, issuers are required to indicate whether there are agreements or pacts between shareholders, and if so, indicate what matters are dealt with by each of the aforementioned agreements or pacts in force.

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Note

[1] The Proposal for a Directive of the European Parliament and of the Council on multiple-vote share structures in companies that seek the admission to trading of their shares on an SME growth market of 8 December 2022 is available here. The proposal is part of the measures under the Listing Act package and was submitted by the European Commission on 7 December 2022 to the Council and the European Parliament, and is undergoing its first reading within the European Parliament. The Council adopted its position on 19 April 2023 ("negotiating mandate") on the proposed directive on multiple-vote share structures.