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BETTER FINANCE Welcomes the Return to On-Site AGMs in Germany

BETTER FINANCE, the European Federation of Investors and Financial Services Users, welcomes the encouraging vote by Siemens shareholders against virtual-only AGMs - a decision that signals what will hopefully become a broader trend from 2025 onwards. This important development has been largely driven by the efforts of its German member organisation, DSW (Deutsche Schutzvereinigung für Wertpapierbesitz), and BETTER FINANCE itself, both of which have been at the forefront of advocating for individual and minority shareholder rights.

The recent rejection of Siemens' attempt to permanently switch to virtual-only AGMs highlights a strong preference among shareholders for physical attendance. Despite the advantages of digitalisation, investors have demonstrated a clear demand for direct, face-to-face engagement with corporate management and boards. The 2025 Siemens AGM saw robust shareholder participation, with 63.4% of votes cast in person, reinforcing the importance of physical presence.

Why the Return to On-Site AGMs Matters

AGMs are a vital forum for corporate governance, offering investors the opportunity to hold executives accountable, raise critical questions, and engage in meaningful discussions that shape corporate strategy. While virtual formats provide accessibility, they often limit the scope of interaction, reduce spontaneous debate, and create barriers to shareholder influence.

DSW has rightly highlighted that online-only meetings risk diminishing shareholder rights by restricting engagement to pre-submitted questions, thereby limiting direct exchanges with management. Furthermore, fully virtual AGMs can hinder transparency and reduce the overall impact of investor participation.

BETTER FINANCE's studies further support these concerns. Research has shown that less than half of European individual shareholders were able to exercise their voting rights at AGMs in 2022 due to fragmented and costly intermediated processes. Additionally, investor advocates continue to call for enhancements to hybrid AGMs and shareholder representation frameworks while rejecting virtual-only meetings.

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Striking the Right Balance: Combining Virtual Access with On-Site Presence

BETTER FINANCE supports a balanced approach that ensures AGMs remain inclusive while preserving their democratic function. *“A combined format, which offers both on-site attendance and virtual access, allows companies to cater to a broader shareholder base while maintaining the integrity of live, in-person discussion,”* said Jella Benner-Heinacher, President of BETTER FINANCE. *“This model ensures that all investors, regardless of location, can participate meaningfully without compromising the interactive nature of AGMs.”*

The rejection of virtual-only AGMs at Siemens is a clear victory for investor rights and corporate democracy. BETTER FINANCE applauds DSW’s role in securing this outcome and urges other European markets to follow Germany’s example by ensuring AGMs remain accessible, transparent, and accountable.
