

# ENGAGE?

## How to Vote & Engage as a Citizen owning Listed Equity



There are certain universal rights applying to all types of equities corporations. Among these are:

- ✓ the right to vote,
- ✓ the right to file a counterproposal,
- ✓ the right to amend/extend the agenda of a general meeting,
- ✓ the right to call a general meeting.

*In Germany, the one equity – one vote principle applies. Certain types of equities (preference shares/equities) have voting rights only in exceptional cases.*

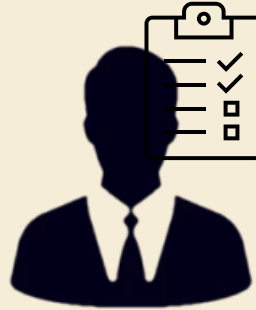


- ❑ 1 equity/share = the right to file a counterproposal
- ❑ 5% of equity/share capital/500,000 EUR = right to amend/extend the agenda of a general meeting
- ❑ 5% of share equity/capital = right to call a general meeting



When new shares are issued, shareholders, in principle, have pre-emptive rights corresponding to their share of the equity capital.

❑ Registered shares/equities (only those who are entered as such in the share register (entitled to vote/receive dividends)



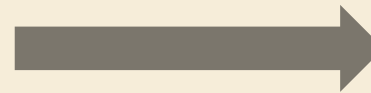
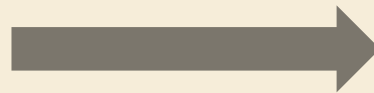
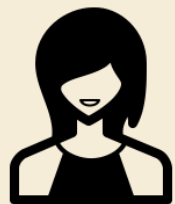
❑ Owner of bearer shares/equities (entitled to all rights derived from the ownership of the shares)



At a general meeting, resolutions normally are passed if a simple majority of the shareholders vote in favour of the motion. Sometimes, resolutions require a higher majority, which is either stipulated by law or laid down in the company's by laws which of course vary from company to company.



Both registered and bearer equities/shares differentiate only in the way information is transmitted between investor and issuer



# How to delegate my vote and engage?



## Who decides on voting rights?

You have the legal right to vote or to give a proxy to another shareholder to vote on your behalf. Whether you can easily exercise this legal right is another story...

If you own shares/equities as an employee the voting rights are decided under the same rules and procedures as when you are the normal shareholder.

## How can you engage?

You can check the annual reports and statements of the company and express - if any - your preferences associated with the shares/equities.

You can check the annual reports and statements of the company, control the management, and express your preferences associated with the shares.

You can also contact your local investor associations to provide you with legal advice. Whether you invest directly or through a proxy agency (proxy voting in Germany is often offered by investment associations too).

