

# ENGAGE?



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

Rights of shareholders in listed companies linked to annual general meetings (AGMs)

- ✓ the right to vote on resolutions or decisions to be taken by the company,
- ✓ the right to file a counterproposal,
- ✓ the right to amend/extend the agenda of a general meeting,
- ✓ the right to call a general meeting.

• **Luxembourg corporate law is governed by the 'one share - one vote' rule.**

**i** *Loyalty shares also exist in Luxembourg for certain issuer, although less common. When held for a longer period (i.e. 2 years) they entitle to additional voting rights, and sometimes a higher dividend.*



- ☐ 1 equity/share = the right to file a counterproposal / ask questions
- ☐ 5% of equity/share capital [one or more shareholders] = right to amend the agenda, add items, file resolutions

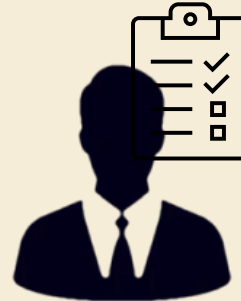
10% of share equity/capital = right to call a general meeting



**Record date is 14 days before the date of the general meeting:** *date by which investors must be on the company's books to receive a stock's dividend or be eligible to vote.*

❑ **'Registered' shares/equities**  
[held via the issuer]

Those who are entered as such in the company's share register directly (entitled to vote/receive dividends)



❑ **Owner of 'bearer' shares/equities**  
[held via broker or bank]  
(entitled to all rights derived from the legal ownership of the shares)

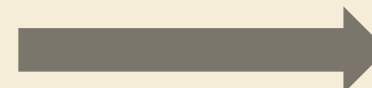
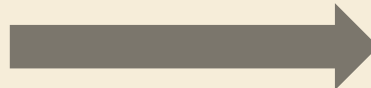


- Contact your broker/bank (or the company directly) to request voting.
- Request to receive the company's AGM invitation notice and vote information.

AGMs resolutions are passed if a simple majority of the shareholders vote in favour of the motion (sometimes, they require a higher majority). This is either stipulated by law, or laid down in the company's bylaws.



Both registered and bearer equities/shares differentiate only in the way information is transmitted between investor and issuer (as dematerialised securities)



# How to delegate my vote and engage?

## Who decides on voting rights?

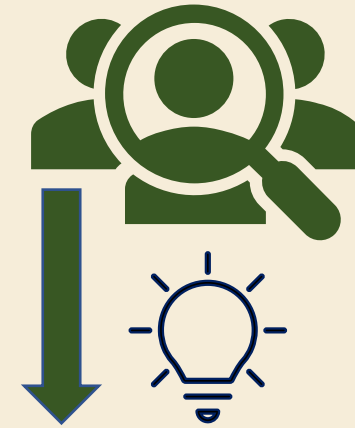
You have the legal right to **vote or give a proxy to another shareholder or an agency to vote on your behalf.** Whether you can easily exercise this legal right is another story...

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

## How can you engage?

You can check the **annual reports and statements** of the company and **express 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.



**Local investor associations can provide legal advice. Whether you invest directly or through a proxy agency .**