

Implications of Coronavirus - National Emergency Measures

	Baltic Countries	Belgium	Denmark
	Baltic Institute of Corporate Governance	Guberna	Board Leadership Society of Denmark
Board Meetings		Measures taken by the government are in favor of remote participation in general meetings of listed companies. Remote voting and remote participation via internet is possible, but it presupposes that it is made possible by the articles of the association of the company. If not, an update or amendment of the statutes is necessary, but this requires a general meeting : it is therefore too late to organize.	The Danish government has prohibited meetings +10 persons including AGMs AGMs can still be held electronically (or by proxy) provided that a physical AGM (of less than 10 person attending) is held at the same time.
General Meetings			
Executive compensation (LT plan incentives)			

	Finland	France	Germany
	Directors' Institute Finland	Institut Français des Administrateurs, IFA	Vereinigung der Aufsichtsräte in Deutschland e.V., VARD
Board Meetings	State of emergency until April 13 but no legislative modification on the holding of AGMs	<p>Pb with the closing of the accounts: Obligation to meet in person and to get 50% of the board members being present agreeing on the accounts. A solution could be to bring together at least half of the members of the board in person and</p> <p>to encourage the other members to attend in a remote way/ Those ones can give proxy to the ones being present (only one proxy by board member), they will not be able to vote but they will participate in the debate via video.</p>	<p>The German Parliament has approved a Law to mitigate the consequences of the COVID-19 pandemic. The legislation covers :</p> <p>-Measures to simplify decisions in corporate law (most notably AGMs), the laws of associations and of cooperatives as well as of homeowner associations : Pursuant to the proposed law, the management board can decide that the (annual or extraordinary) general meeting is transmitted electronically and shareholders participate and vote electronically, even if this not provided for in the articles of association.</p> <p>Furthermore, the management board is also free to decide that the AGM can be entirely conducted in virtual format, i.e. without physical presence of any shareholder, provided that the following prerequisites are met:</p> <ul style="list-style-type: none"> •the entire AGM is transmitted electronically (i.e. via the internet); •shareholders can vote electronically (i.e. via electronic communication sent in advance of the meeting or

			<p>online);</p> <ul style="list-style-type: none"> •shareholders can ask questions electronically, which are answered in the due discretion by the management board; •the voting shareholders are given the necessary means to contest resolutions of the AGM without being physically present <p>The convocation period of AGMs is reduced to 21 days (and other related periods are shortened accordingly) and the current requirement for companies to convene their AGM within eight months of their business year – ending for most companies on 31 August 2020 – is extended to twelve months.</p> <p>The latter does not apply, however, to European Companies (SE) – see below. The management board can further decide to pay an advance dividend for the last fiscal year even if this is not provided for in its articles. All of the above decisions require consent of the supervisory board. Shareholders’ rights to contest AGM resolutions based on certain formalities, including the convocation in electronic/virtual format (referred to above), are limited; they can only be based on intentional or grossly negligent violations.</p>
General Meetings	An AGM is not considered to be such a public meeting (banned by the Finnish Government).	Deadline: 6months - if not respected: risk of penal sanctions. In certain circumstances, AGMs can be postponed. If the articles of association allow it, it is still possible to organize a	Today EuropeanIssuers member Deutsches Aktieninstitut published a position paper.

	<p>The Advisory Board of Finnish Listed Companies : urging companies for risk management and due care in their decisions.</p> <p>If meeting : concise and no catering.</p> <p>Furthermore, the Advisory Board of Finnish Listed Companies calls for an amendment of the Companies Act. The law includes strict timelines for AGMs. Some companies have cancelled (and postponed) their AGMs. This is naturally not without consequences, e.g. dividends cannot be paid without AGM decision. Other companies are searching digital tools. DIF organises webinars to their members on AGMs to give information about the current situation</p>	<p>meeting via a teletransmission (videoconference) and / or on a dedicated website, but a physical meeting will remain necessary in the case of listed companies. Voting may take place by proxy (, spouse, other shareholder, chairman) or by correspondence or directly during the teletransmission. In the latter case, a website dedicated exclusively to voting must be set up with methods of identifying shareholders.</p>	
<p>Executive compensation (LT plan incentives)</p>		<p>The year 2020 will be marked by an economic situation both globally and at the corporate level not anticipated by the boards of directors and by the dedicated committees including those in charge of the remuneration of executive directors.</p> <p>In this context, the criteria, the performance conditions and the objectives to be achieved in terms of variable compensation set by the boards, in particular in terms of long-term compensation of executive corporate officers may in certain cases prove irrelevant in the circumstances economic news. Article 25.3.3 of the revised Afep-Medef Code stipulates that: Only exceptional circumstances (substantial change in the scope, unforeseen changes in the competitive environment, loss of relevance of a benchmark or comparison group, etc.) justify that the performance conditions may be modified during the period considered.</p>	

	Italy	Luxembourg	Netherlands
	Nedcommunity	Institut Luxembourgeois des Administrateurs, ILA	NCD Academy
Board Meetings		<p>The Luxembourg Government declared a state of emergency on 18 March 2020 for a period of three months :</p> <p>Board of directors/managers, supervisory boards or any other bodies of a company may hold their meetings without a physical meeting by way of;</p> <ul style="list-style-type: none"> ● written circular resolutions; or ● video conference or other means of telecommunication enabling the identification of the members of the body participating in the meeting. <p>Again participants through such aforementioned means will be considered present for the purposes of determining the quorum and majorities of the meeting.</p>	
General Meetings		<p>Among the measures introduced by the Government, certain rules introduce the possibility for the meetings of companies to be held exclusively in digital form without requiring the physical presence of their members¹ and will therefore be able to conduct such meetings in a manner that protects the health and safety of their shareholders and board members.</p> <p>The following rules apply regardless notwithstanding any provision to the contrary in the articles of association of</p>	

		the relevant company and regardless of the number of participants	
Executive compensation (LT plan incentives)		All Luxembourg companies will automatically benefit from a relief period of 4 months to make their financial data filings at the Luxembourg Trade and Companies Register.	

	Norway	Romania	Slovenia
	The Norwegian Institute of Directors	Independent Directors Association	Slovenian Directors' Association (SDA)
Board Meetings		The government /BG/ declared emergency state some days ago. On Friday March 20th National assembly has to pass the Law for emergency state. It was communicated postponement for the filing of fin.reports.	
General Meetings			
Executive compensation (LT plan incentives)			

	Spain	Sweden	Switzerland
	Instituto de Consejeros -Administradores, IC-A	The Swedish Academy of Board Directors	The Swiss Institute of Directors
Board Meetings	<p>All legal obligations are stopped. When the alarm situation finish then all companies will have 3 additional months for board meetings , agms and related to full fill normal requirements.</p> <p>Listed companies :</p> <ul style="list-style-type: none"> - are allowed to have AGMs until October 2020 - can publish the annual financial report up to six months after closing of the financial year - The annual shareholders meeting can be held within the first 10 months of the financial year. - The board may call the GSM to be held electronically and to have remote voting - <p>Even if a company's articles of association do not expressly allow for this possibility, meetings of the board and other collegiate governing bodies (e.g. commissions and committees) can be held by videoconference (provided that it is possible to identify the attendees via image and audio in real time). Resolutions can also be passed by those bodies in writing, without a physical meeting, provided that this is</p>		The Swiss Government declared National Emergency which puts all the existing regulation in question

	<p>requested by the chairperson or at least two members. In both cases it is understood that the meeting is held at the company's corporate domicile. Any meetings that were due to be held after the state of emergency was announced, but that were called beforehand, can be cancelled or rescheduled by resolution passed by the management body, which must be published on the company's website or in the BORME (Companies Registry Journal) 48 hours prior to the date on which the meeting was due to be held.</p>		
<p>General Meetings</p>	<p>Independent of by-laws, legal laws and others it have authorised that all digital/virtual agreements are valid.</p> <p>Drafting and approval of the annual accounts. The term of three months from closing of the financial year given to companies to draft their annual accounts has been extended to three months beyond the end of the state of emergency. The deadline for auditing those companies that have already drafted their annual accounts is also pushed back to two months after the end of the state of emergency. As a result, the deadline for approving the annual accounts will be three months from the date on which they are ultimately drafted pursuant to the above paragraph. In other words, if the state of emergency ends on 1 April</p>	<p>The Swedish Association of Enterprise (SAE) has just filed a letter to the government urgently demanding a temporary amendment of the Companies Act to the effect that certain measures aimed at decreasing - or even eliminating - physical presence of shareholders at AGMs</p> <p>Such measures could include a right for the company to collect proxies from its shareholders to vote on their behalf and to allow voting by mail, both of which options are otherwise not allowed unless explicitly stated in the Articles of Association, which is seldom the case. The SAE further proposes the government to consider the more far-reaching option to allow companies to determine that voting at the AGM shall be made by proxy or mail, thus eliminating the need for any physical assembly at all.</p> <p>If a General Meeting cannot be postponed, the emergency measures restricting the assembly</p>	<p>In order to enable Swiss companies to hold their general meetings despite the current restrictions, the Amended COVID-19 Ordinance authorizes the holding of general meetings in writing, in electronic form, or by an independent proxy designated by the company.</p> <p>For Swiss companies this means:</p> <p>General meetings with physical presence are banned until 19 April 2020. Companies which already issued their invitations to general meetings to be held on a date before or on 19 April 2020 must either postpone the general meeting or, because no physical meeting can be held, inform the shareholders on how they can exercise their voting rights. If the general meeting is not postponed, the company must notify its shareholders in writing or electronically (for example on the company's website) on how they can exercise their voting rights at the latest four days before the date of</p>

	<p>2020, companies will have until 1 July to draft their accounts and until 1 October 2020 to approve them.</p>	<p>of more than 10 people imposed by the Finnish Government and the Regional State Administrative Agencies shall be taken into account.</p> <ul style="list-style-type: none"> o Actual (physical) General Meeting has to be held (the meeting cannot be organised electronically only). o However, participating to and/or observing the meeting through electronic remote access (e.g. through web broadcast or such) can be arranged. Relevant instructions for such participation and/or observation shall be included to the meeting notice. o Advance voting and participation through proxy can be used to lower the number of people attending to the meeting. Relevant instructions shall be included to the meeting notice. 	<p>the general meeting. The company must implement respective measures so that the shareholders can exercise their voting rights. Currently, the ban is in force until 19 April 2020, but could be extended. Hence, if general meetings are scheduled to fall after 19 April 2020, they may still be planned as meetings with physical presence but, to be on the safe side, companies should also plan on the basis of an ongoing ban. This means that the date of the general meeting should not be before 24 April 2020, so that there is sufficient time (at least four days) after 19 April 2020 and the date of the general meeting to allow the company for the election, implementation and communication on how the shareholders can exercise their voting rights. Roche held an AGM on week 12 with only BoD, CEO and a shareholder representatives present (not be acceptable in normal times)</p>
<p>Executive compensation (LT plan incentives)</p>			

	UK	Malta	Cyprus
	Institute of Directors	Institute of Directors - Malta Branch	Institute of Directors - Cyprus Branch
Board Meetings			
General Meetings	<p>There does not appear to be a legal obstacle in the UK to holding a virtual AGM as long as it is permitted by the organisation's constitutional documents. However, the most practical option in the first instance is likely to be delaying the AGM as far out as is possible, subject to meeting statutory deadlines. It should be possible in the UK, following enactment of Companies Act 2006 provisions which allow entirely electronic general meetings if allowed by the articles.</p> <p>In 2017, Jimmy Choo was the first UK company to have an an entirely virtual AGM. But they haven't taken off because institutional investors have disliked the idea.They see them as destroying shareholder accountability.</p> <p>In the US they've been quite common - Netflix and some other tech companies have been using them in recent years. However it's possible that there may still be restrictions in some European countries. See ICSA Guidance:file:///C:/Users/Admin/Downloads/agms-and-impact-of-covid-19-web%20(2).pdf</p>		
Executive compensation (LT plan incentives)			