

Virtual/hybrid meetings

We are concerned with the proposed policy update on virtual shareholders meetings since the added language on consideration of “[a]ssurance that virtual-only meetings will only be convened in the case of extraordinary circumstances that necessitate restrictions on physical attendance”, is too far reaching.

As previously communicated, we believe that as long as shareholders can duly exercise their rights (e.g. vote, ask questions, get information) at shareholders meetings, the form of the meeting (in person, hybrid or virtual) is not important. The revised policy language limits the flexibility of the Boards of Directors of issuers as to how to best engage with shareholders at shareholders meetings. It is not in the best interest of the shareholders to limit this flexibility as this will likely limit due (and necessary) development of the meeting format to secure that shareholders meetings remain relevant in the future and to secure due shareholder engagement going forward. It is in the best interests of the shareholders if the meeting format can be adapted to the situation at hand and to the shareholder base of the specific company, as long as the shareholders are able to duly exercise their rights. As long as this is the case, it is reasonable to entrust the Board of Directors with the right to decide on the meeting format.

Based on the above, we believe that the revised language is unfortunate and that the prior policy language is better. It is key that ISS take a flexible approach when making recommendations in this regard, based on a case by case assessment of what would be in the best interest of the shareholders in each specific case.

Auditor rotation

We believe that it is good that the text on auditor rotation do not extend beyond companies subject to applicable EU rules on auditor rotation.



Svenskt Näringsliv - Confederation of Swedish Enterprise
Storgatan 19
SE-114 82 Stockholm