

4 August 2020

Hogan
Lovells

Shareholder Rights Directive II: New rights for shareholders regarding confirmation of their votes cast by poll

New regulations implementing certain requirements of the Shareholders Rights Directive II in the UK will require certain publicly traded companies to provide shareholders with confirmations regarding their votes cast by poll on, or after, 3 September 2020. Companies will need to consider what arrangements should be put in place to ensure that they can comply with the new requirements in respect of their general meetings scheduled for later this year.

Listed companies will be required to provide shareholders with a confirmation of receipt of those votes which are cast on a poll by electronic means on, or after, 3 September 2020. Additionally, for general meetings held on, or after, the same date, shareholders will have the right to request information from the listed company which enables them to confirm that their electronic votes cast on a poll have been validly counted and recorded.

Background

The new rules are set out in the [Companies \(Shareholders' Rights to Voting Confirmations\) Regulations 2020](#) and come into force on 3 September 2020 (the Regulations). The Regulations implement certain requirements of the [Shareholders Rights Directive II](#) ((EU) 2017/828) and its corresponding [Implementing Regulation](#) which relate to the transmission of information and the facilitation of the exercise of shareholder rights. In particular, the Regulations transpose those requirements which are not already provided for under the Companies Act 2006 (the Act).

For background on the Shareholder Rights Directive II, click [here](#) to read our article.

Which companies must comply?

The new rules apply to UK companies whose shares carry voting rights and are admitted to trading on an EEA regulated market (traded companies). This means that UK listed companies and companies trading on the High Growth segment of the Main Market are in scope – but AIM companies are not.

What's changed?

The Regulations insert the following two new requirements into the Act:

- Where a vote is cast electronically on a poll (whether at a physical or electronic meeting or in advance of one), a traded company must ensure that, as soon as reasonably practicable after the vote is received, confirmation of the receipt of that vote is sent electronically to the person casting the vote (whether a member, proxy or authorised representative) (*new section 360AA*).
- If a member so requests, a traded company must provide that member with information that enables he or she to confirm that their vote on a resolution at a general meeting where a poll has been taken has been validly recorded and counted. Note that the company must receive the member's request no later than 30 days from the date of the meeting and the member must not have any other reasonable way to determine that their vote has been validly recorded and counted by the company. The company must provide the information to the member '*as soon as reasonably practicable*' but in any event, within 15 days from the later of the first working day after either of (i) the day that the poll result is declared, or (ii) the day on which the request was received by the company (*new section 360BA*).

Next steps

Whilst the Regulations come into force on 3 September 2020, listed companies should start considering what preparations should be made in respect of general meetings taking place later this year so that they are able to comply with the new requirements. In particular, companies should liaise with their registrars to consider whether there are appropriate procedures in place to properly record the correct email addresses for members and proxies wishing to participate in the meeting by electronic means. Additionally, companies and their registrars must carefully consider and implement procedures which accurately record how members' votes are cast, counted and recorded on a poll for each resolution for all meetings going forward in order to timely respond to any member's request for information.

When planning what procedures to put in place, companies should take comfort from the explanatory note to the Regulations which clarifies that the Act (*section 360A(2)*) enables companies to impose whatever requirements are necessary to ensure the identification of those taking part by electronic means in a general meeting of the company.

If you have any queries on the above or on any matter regarding your upcoming shareholder meetings, please contact your usual contact at Hogan Lovells or one of the listed contacts.

Topic centers

COVID-19

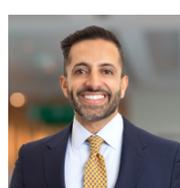
You can access all of the firm's latest publications, webinars and useful tools on the Hogan Lovells COVID-19 Topic Center.

[Learn more](#)

Contacts



Maegen Morrison
Partner, London
maegen.morrison@hoganlovells.com



Raj S. Panasar
Partner, London
raj.panasar@hoganlovells.com



Daniel Simons
Partner, London
daniel.simons@hoganlovells.com



Danette Antao
Counsel Knowledge Lawyer, London
danette.antao@hoganlovells.com

[Update your Preferences](#)

hoganlovells.com

About Hogan Lovells

Hogan Lovells is an international legal practice that includes Hogan Lovells International LLP, Hogan Lovells US LLP and their affiliated businesses.

Atlantic House, Holborn Viaduct, London EC1A 2FG, United Kingdom
Columbia Square, 555 Thirteenth Street, NW, Washington, D.C. 20004, United States of America

Disclaimer

This publication is for information only. It is not intended to create, and receipt of it does not constitute, a lawyer-client relationship.

So that we can send you this email and other marketing material we believe may interest you, we keep your email address and other information supplied by you on a database. The database is accessible by all Hogan Lovells' offices, which includes offices both inside and outside the European Economic Area (EEA). The level of protection for personal data outside the EEA may not be as comprehensive as within the EEA.

The word "partner" is used to describe a partner or member of Hogan Lovells International LLP, Hogan Lovells US LLP or any of their affiliated entities or any employee or consultant with equivalent standing. Certain individuals, who are designated as partners, but who are not members of Hogan Lovells International LLP, do not hold qualifications equivalent to members.

Images of people may feature current or former lawyers and employees at Hogan Lovells or models not connected with the firm.

For more information about Hogan Lovells, the partners and their qualifications, see <http://www.hoganlovells.com/>.

Where case studies are included, results achieved do not guarantee similar outcomes for other clients.

To stop receiving email communications from us please click here.

© Hogan Lovells 2020. All rights reserved. Attorney advertising.