

SRD II Implementation – Impact on Issuers (updated February 2020)

	Vote Confirmation	Transmission of Data Relate to Voting	Shareholder Identification	Remuneration Reporting & Shareholder Vote on Remuneration		Related Party Transaction (“RPT”) Reporting & Approval		
	EU Commission Implementing Regulation 2018/1212	EU Commission Implementing Regulation 2018/1212	EU Directive 2017/828	EU Directive 2017/828		EU Directive 2017/828		
	Confirmation of receipt of votes must be provided immediately. Further, upon request, confirmation of how votes were recorded and counted must be provided within 15 days of the request or the date of the relevant general meeting, whichever is later.	The EU Regulation specifies how the electronic transmission of information regarding the notice of meeting, agenda items, deadlines, voting rights, shareholder participation in the general meeting and shareholder voting instructions will be standardised into tabular formats and that it must be transmitted “without delay”.	Companies may request the identification of shareholders holding more than 0.5% of issued share capital or voting rights. The Directive allows member states to lower this threshold.	Shareholders must have the right to vote on executive remuneration policies at least every four years. They will also have a vote on the remuneration report on implementation of the policy annually, unless a member state makes this a non-voting discussion item for smaller companies.		Member states must set materiality thresholds for evaluating RPTs. Material RPTs must be publicly disclosed and either approved by the board or shareholders, without the participation of interested parties.		
	<i>The EU Regulation applies (Effective September 3, 2020)</i>	<i>The EU Regulation applies (Effective September 3, 2020)</i>	<i>Minimum shareholding for identification (Effective September 3, 2020)</i>	<i>Remuneration policy</i>	<i>Remuneration report</i>	<i>Materiality threshold</i>	<i>Approving Body</i>	<i>Disclosure threshold</i>
Austria	✓	✓	0.5%	Advisory vote every 4 years	Annual advisory vote (from 2021)	5% of total assets	Supervisory board	10% of total assets
Belgium	✓	✓	0.5%	Binding vote every four years	Annual advisory vote	1% of total assets	Supervisory board	All related party transactions must be published at the time their execution
Bulgaria	✓	✓	Pending regulatory approval					
Croatia	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote (small- and mid- cap companies are exempted; the vote should be	2.5% of total assets	Supervisory board	2.5% of total assets

					replaced by a discussion at the AGM) (From 2021)			
Cyprus	✓	✓	Pending regulatory approval					
Czech Republic	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote (From 2021)	10% of total assets	General meeting	10% of total assets
Denmark	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote (From 2021)	No threshold set	Board of directors	10% of total assets or 25% of EBIT
Estonia	✓	✓	0.5%	Advisory vote (unless Articles of Association provide for binding vote) every 4 years	Annual advisory vote (bundled with approval of Annual Report); During the meeting shareholders may request a separate vote on the remuneration report (From 2021)	10% of consolidated equity	Supervisory board	10% of consolidated equity
Finland	✓	✓	1 share	Advisory vote every 4 years	Annual advisory vote (From 2021)	Not defined	Board of directors	No threshold; All transactions "essential for shareholders" must be disclosed as per regulations in force
France	✓	✓	0.25% (already required)	Annual advisory vote	Annual binding vote	No change	General meeting (already required)	All transactions are disclosed in the meeting filings
Germany	✓	✓	Not defined	Advisory vote every 4 years (from 2021)	Annual advisory vote (from 2022)	1.5% of total assets	Supervisory board	1.5% of total assets
Greece	✓	✓	Not defined	Binding every 4 years	Annual advisory vote	10% of total assets	Board of directors	10% of total assets
Hungary	✓	✓	1 share	Advisory vote (Frequency is not specified)	Annual advisory vote (From 2021)	1% of revenue	Supervisory board	1% of revenues
Ireland	✓	✓	Pending regulatory approval					

Italy	✓	✓	0.5%	Binding vote every 3 years	Annual advisory vote	A transaction is considered material when at least one the following ratios is above 5%: (i) value significance ratio: the ratio of the value of the transaction to equity reported in the Company's latest financial statements; (ii) asset significance ratio: the ratio of the total assets of the entity involved in the transaction and the total assets reported in the Company's most recently published consolidated statement of financial position, (iii) liability significance ratio: the ratio of the total liabilities of the acquired entity and the total assets reported in the Company's consolidated statement of financial position	Board of directors or general meeting when there is the disapproval of the majority of independent directors	Same as approval requirements
Latvia	✓	✓	0.5%	Binding vote every 4 years	Annual advisory vote (may be bundled with approval of Annual Report)(From 2021)	10% of the share capital or 10% of the assets, whichever is lower, but not less than € 35,000	Audit committee	All material transactions must be disclosed promptly after their conclusion
Lithuania	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote (From 2021)	Companies shall establish criteria for significant transactions in their articles	Supervisory board or board of directors	All material transactions must be disclosed at the time of their conclusion
Luxembourg	✓	✓	Threshold can be provided in the articles of association	Advisory vote every 4 years (small- and mid- cap companies are exempted; the	Annual advisory vote	Any transactions entered into by the company and a related party whose publication and disclosure may have a material impact on	Management board	All material transactions

				vote should be replaced by a discussion at the AGM)		shareholders' economic decisions, and which could create a risk for the company and its non-related party shareholders, including minority shareholders		
Malta	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote	5%, or more, individually or in aggregate, of any one of total assets, profits or considerations tests	Audit committee or the board of directors	All material transactions must be disclosed <i>ex post facto</i> in the annual report
Netherlands	✓	✓	0.5%	Binding vote every 4 years	Annual advisory vote	A transaction is material if (i) information about the transaction is inside information (as set out in article 7(1) of the Market Abuse Regulation); and (ii) it is a transaction between the company and a related party	Supervisory board or management board	All material transactions must be publicly announced at the latest at the time of their conclusion
Poland	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote (small- and mid- cap companies are exempted; the vote should be replaced by a discussion at the AGM) (From 2021)	5% of assets	Supervisory board unless Articles of Association provide for general meeting approval	5% of the assets
Portugal	✓	✓	Pending regulatory approval					
Romania	✓	✓	Pending regulatory approval					
Slovakia	✓	✓	0.5%	Binding vote every 4 years	Annual advisory vote (bundled with approval of the Annual Report) (From 2020-2021)	10% of share capital	General meeting	10% of share capital
Slovenia	✓	✓	Pending regulatory approval					

Spain	✓	✓	Pending regulatory approval					
Sweden	✓	✓	1 share	Binding vote every 4 years	Annual advisory vote	SEK 1 million and corresponding to at least 1% of the company's market capitalization	General meeting	SEK 1 million and corresponding to at least 1% of the company's market capitalization
United Kingdom	✓	✓	1 share	Binding vote every 3 years	Annual advisory vote	5%, tested against profits, assets, market capitalisation or gross capital	Board of directors for standard listings and general meeting for premium listings	5%, tested against profits, assets, market capitalisation or gross capital
Norway	✓	✓	1 share	Binding vote every four years	Annual advisory vote	2.5% of total balance-sheet total	General meeting	All transactions are disclosed in the meeting filings
Iceland	✓	✓	No legislative proposal yet					
Liechtenstein	✓	✓	No legislative proposal yet					