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# Proxy Season Highlights

European competitiveness is a main theme for 2025 across many markets

## ESG Reporting Updates

- In October 2024, the European Commission initiated infringement procedures against 17 EU Member States for failures to transpose the 2023 Corporate Sustainability Reporting Directive (CSRD).
- The European Commission is expected to publish its Omnibus Simplification Package in late February 2025, which could reduce particularly ESG reporting requirements by an estimated 25 percent.
- Both these measures bring uncertainty into the 2025 AGM season.

## Virtual-Only General Meetings

- The topic is expected to remain on the agenda in Germany as many of company-specific authorizations to allow virtual-only meetings were adopted at the 2023 AGMs for a period of two years.
- Siemens and TUI held their annual general meetings mid-February and, in both those meetings, shareholders rejected the proposals to extent virtual-only meeting authorizations.
- In Italy, a Covid-linked decree under the Capital Markets Law was extended to the end of 2025, allowing companies to hold closed-door meetings with no shareholder attendance.

# Key Meetings to Watch

## Bank Consolidation Wave in Italy

- September 2024: UniCredit announces an acquisition of a 9-percent stake in the German Commerzbank
- November 7, 2024: Banco BPM bids for an Italian asset management company
- November 25, 2024: UniCredit makes a voluntary public exchange offer for Banco BPM
- January 2025: MPS launches a takeover bid for Mediobanca
- February 2025: BPER announces a bid for Banca Popolare di Sondrio
- Many of these banks hold their AGMs in April

## How UniCredit swept up a stake in Commerzbank in bid to grow in Germany

By Emma-Victoria Farr, Lucy Raitano and John O'Donnell

September 12, 2024 6:00 AM GMT+2 · Updated 5 months ago



## UniCredit says Banco BPM offer at risk if Anima bid cost rises

By Valentina Za and Andrea Mandala

February 17, 2025 3:11 PM GMT+1 · Updated 7 days ago



## Unipol-backed BPER joins Italy's M&A frenzy with \$4.5 bln Pop Sondrio bid

By Andrea Mandala and Gursimrankaur Mehar

February 7, 2025 7:55 AM GMT+1 · Updated 17 days ago

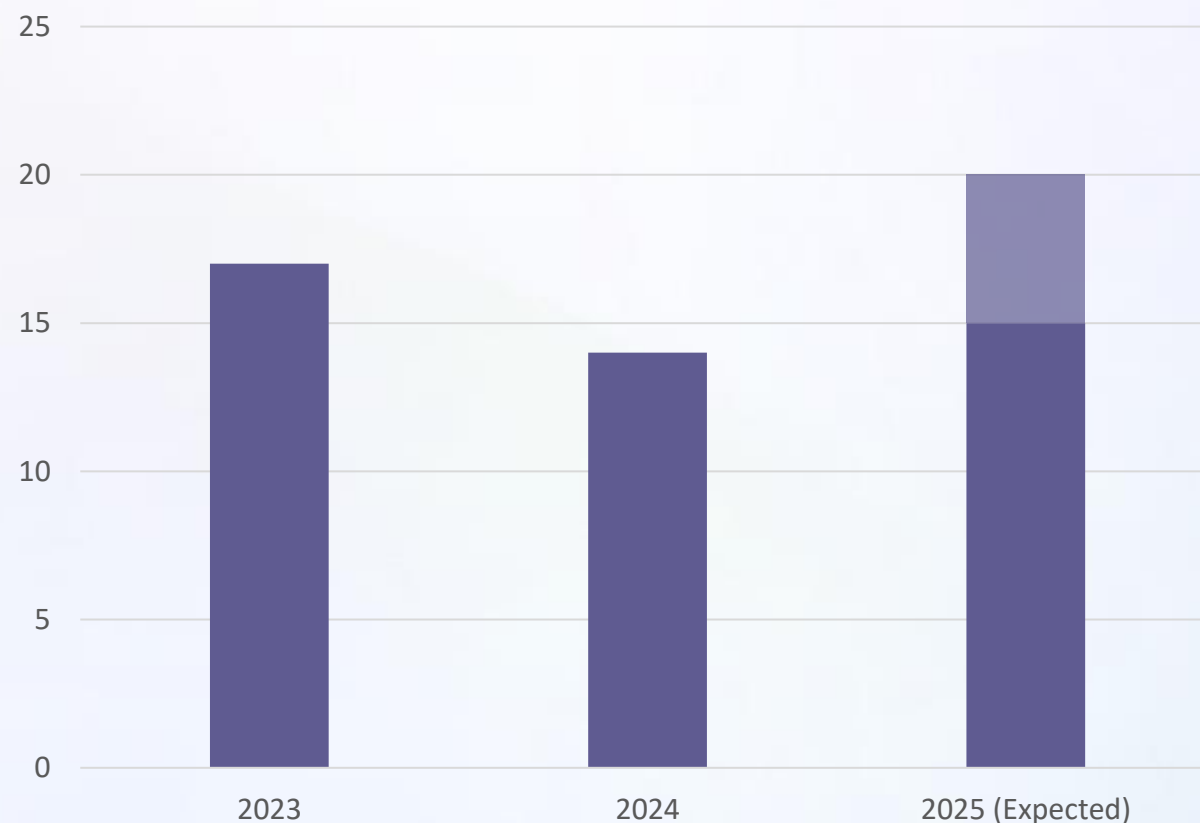


## Say-on-Climate

The number of companies giving their first say-on-climate vote has been decreasing since 2022. Instead, say-on-climate proposals largely come from annual submitters with few non-annual submitters like Norwegian Equinor.

Similar to previous years, E&S-related shareholder resolutions are likely to remain mainly a Nordic phenomenon, where particularly some oil & gas companies and banks are targeted. The number of E&S shareholder resolutions is not currently expected to exceed 20.

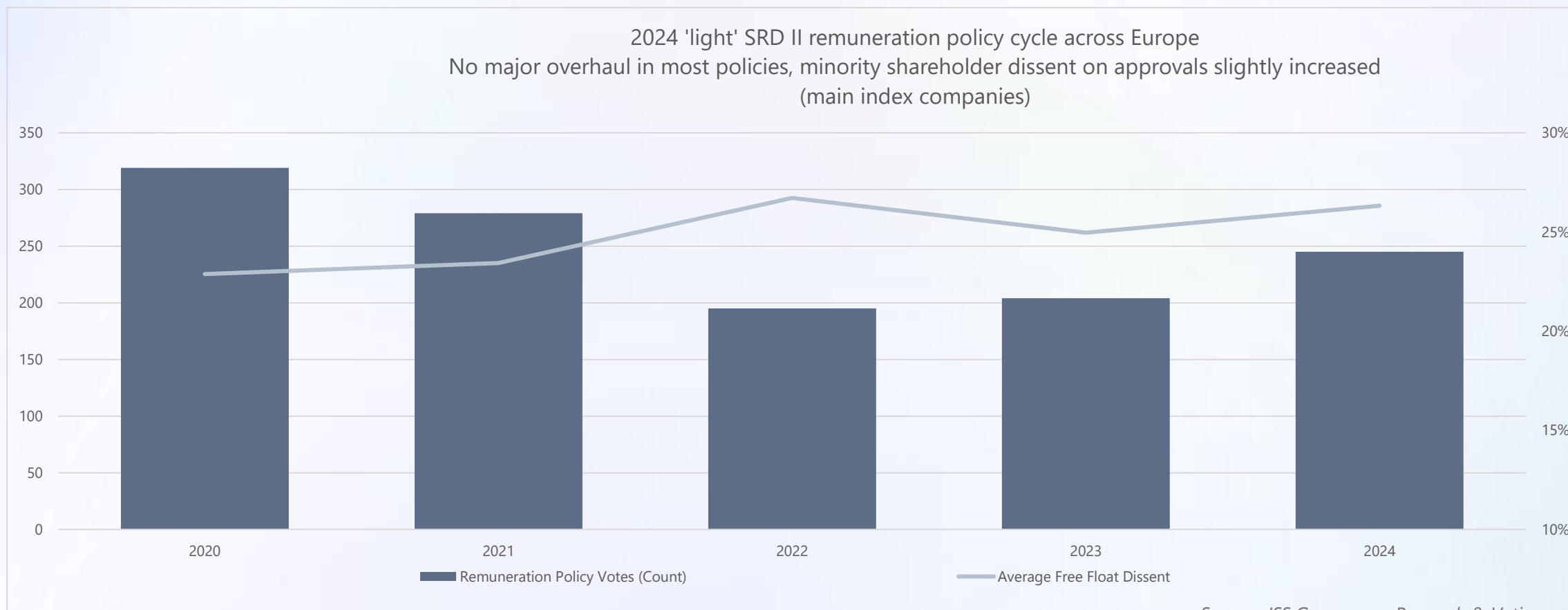
### Say-on-Climate Proposals



Source: ISS Governance Research & Voting

# Executive Remuneration

2024 was a SRD II Remuneration Policy Cycle Year

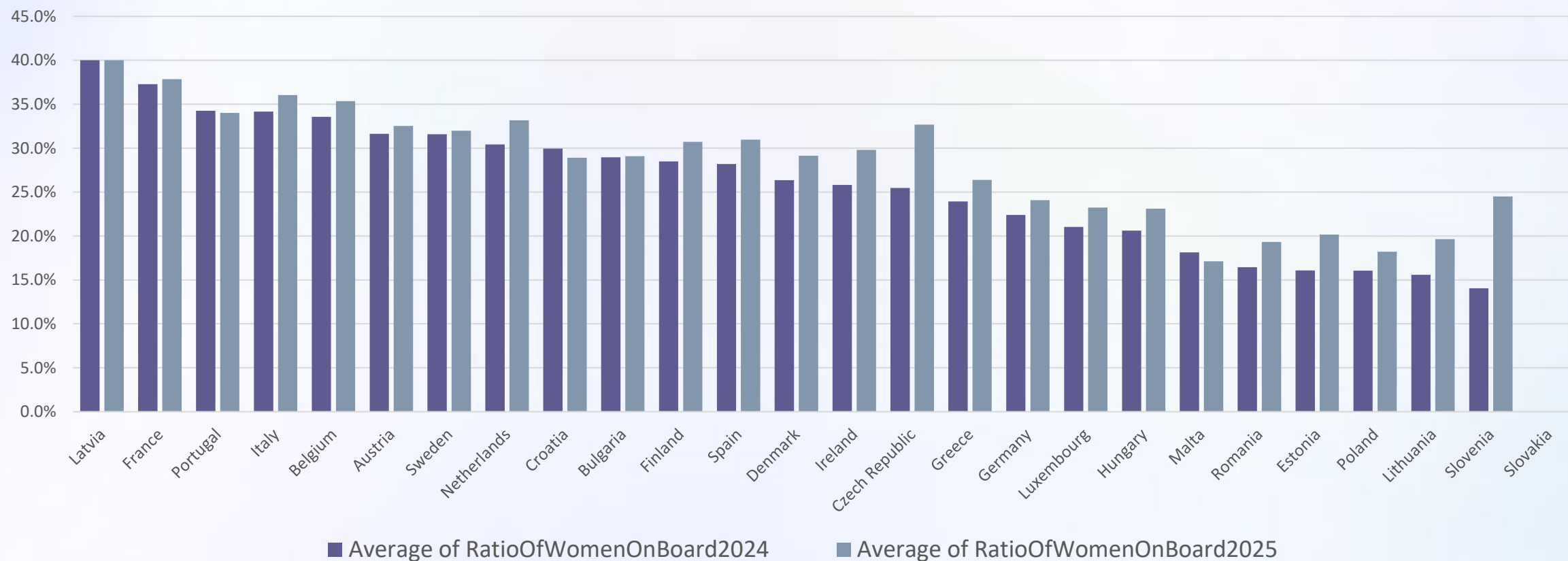


Source: ISS Governance Research & Voting

## CONTINENTAL EUROPE

# Board Gender Diversity

Average % of Women on Boards across EU Member States  
*most improvements observed in Eastern Europe*



Source: ISS Governance Research & Voting

United Kingdom & Ireland



'Static' UK economy faces cost-of-living pressures: BoE  
Bailey

UK economy unexpectedly grew 0.1% in fourth  
quarter

UK economy disappoints despite return to growth

## UK Competitiveness Debate

- **Future of LSE:** Questions persist over UK's global competitiveness and attractiveness for new listings.
- **Changing approach:**
  - New Labour Government has continued pro-growth agenda following 2024 election.
  - Relaxed governance norms in 2024, most recently the IA's Principles of Remuneration. New section on hybrid incentive plans. Less stringent expectations surrounding bonus deferral and share dilution.
  - Competitiveness debate is expected to continue into 2025, as changes in key UK guidance documents may lead companies to seek governance arrangements that deviate from traditional UK market norms.
- **Hybrid incentive plans:** 2024 saw some initial adoptions – may be a precursor for broader adoption of unusual remuneration structures in 2025.



## Other expected trends and changes for 2025

- **Stewardship Code and FCA Updates:** Other regulatory changes on the horizon.
- **QCA Code Updates:** Revised standards likely to increase AIM-listed company resolutions on pay and governance.
- **Removal of the Bankers' Bonus Cap:** Removal of the 2:1 variable pay to fixed pay limit for MRT at the board level.
- **Saba Capital Management:** Targeted multiple UK Investment Trusts – could signal uptick in activism within the UK market.
- **Divergence of Irish CG from some UK norms:** New Irish Corporate Governance Code may influence companies to adopt different governance arrangements.

# Thank You

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