



IMPLEMENTING SRD II

COUNTRY BRIEF: GREECE

KEY TAKEAWAYS

- The law that partially implements the Shareholder Rights Directive, was published on June 13, 2018. The Directive's Articles 3g and 3j have yet to be transposed.
- New say-on-pay votes are introduced, a binding vote on the remuneration policy and an advisory one on the remuneration report.

EU DIRECTIVE 2007/828/EC REGARDING THE ENCOURAGEMENT OF LONG-TERM SHAREHOLDER ENGAGEMENT (SRD II)

In response to the global financial crisis, the European Commission proposed a revision of the original 2007 Shareholder Rights Directive.

The [revised Shareholder Rights Directive II \("SRD II"\)](#), which took effect June 2017, seeks to reinforce effective and long-term shareholder engagement and monitoring of company performance.

KEY NEW REQUIREMENTS OF SRD II

The Directive is subdivided into three main chapters



VOTING CHAIN

- Companies should have access to the identity of shareholders without delay.
- Transmission of information that enables the exercise of shareholder rights should be made in electronic and machine-readable formats.
- Intermediaries are required to facilitate the exercise of shareholder rights, including confirmation that shareholder votes were recorded and counted accurately.



TRANSPARENCY

- Engagement policies of institutional investors and asset managers
- How shareholder engagement is integrated into investment strategy, including how voting rights were exercised
- Institutional investors' investment strategies and arrangements with asset managers
- Proxy advisors should disclose a reference to the code of conduct they apply and report on the application of that code.



REMUNERATION & RPTs

- Shareholders will have the right to express their views on executive pay.
- Separate votes on the remuneration report and the remuneration policy.
- The European Commission will provide non-binding guidance about presentation of the remuneration report.
- Rules on transparency and approval process of related-party transactions.

SHAREHOLDER RIGHTS DIRECTIVE II

In response to the 2008 global financial crisis, the European Commission proposed in April 2014 a revision of the original 2007 Shareholder Rights Directive in 2014. The revised Shareholder Rights Directive ("SRD II"), which took effect in June 2017, seeks to reinforce effective and long-term shareholder engagement and monitoring of company performance. Both elements were lacking during the crisis when many companies took on excessive risks in the pursuit of short-term returns. EU member states were called upon to amend their laws to comply with SRD II by June 10, 2019. As of Feb. 26, 2020, 20 EU member states had implemented SRD II into their local legislations.

IMPLEMENTING SRD II INTO GREEK LEGISLATION

The SRD II requirements incorporated as part of the general reform of the law regarding the Société Anonyme. The Law 4548/2018 introduces binding general meeting votes on the remuneration policy and advisory votes on the remuneration report. The law took effect on Jan. 1, 2019.

Identification of Shareholders

According to the Law 4548/2018, the company should keep records of the shareholders. Such records list the shareholders, their names, address, profession, and nationality. They also include the number and the class of the shares that each shareholder holds.

Transmission of Information

Directive provisions concerning the transmission of information do not constitute part of the Law 4548/2018.

Facilitation of Shareholder Rights

Directive provisions concerning facilitation of shareholder rights, do not constitute part of the Law 4548/2018.

Transparency of Institutional Investors

The Law 4548/2018 does not make any reference to the engagement policies of institutional investors and asset managers.

Transparency of Proxy Advisors

The Law 4548/2018 does not make any reference to the code of conduct the proxy advisors apply.

Right to Vote on the Remuneration Policy and Report

The remuneration policy should be submitted at the general meeting for shareholder approval upon each substantial change thereof or at least every four years.

The annual remuneration report for the last fiscal year should be submitted for shareholder approval at the annual general meeting.

Transparency on Related-Party Transactions

The board decides whether to approve the transaction. However, shareholders representing the 5 percent of the capital (which can be decreased to 1 percent by the company's bylaws) can ask to convene a GM that allows for the realization of the transaction.

Effective Date
Jan. 1, 2019
GM Notice Period
20 days
Availability Remuneration Report
From the day of publication of the GM notice and until the day of GM convention.
Policy Vote
Binding
Report Vote
Advisory
RPT Vote
The board decides about RTPs, but shareholders representing the 1/20 of the capital can ask to vote on the transaction at the GM.



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