



Virtually enabled shareholder meetings

The Investment Association

The Investment Association (IA) champions UK investment management, a world-leading industry which helps millions of households save for the future while supporting businesses and economic growth in the UK and abroad. Our 250 members range from smaller, specialist UK firms to European and global investment managers with a UK base. Collectively, they manage £11.1 trillion for savers and institutions, such as pension schemes and insurance companies, in the UK and beyond. 53% of this is for overseas clients. The UK asset management industry is the largest in Europe and the second largest globally.

Current shareholder meeting practices

The IA and its members recognise that practices around shareholder meetings – whether Annual General Meetings (AGMs) or General Meetings (GMs) - continue to evolve, and that in the UK a number of companies are already seeking to take advantage of technological advances which present an opportunity to modernise the delivery of shareholder meetings¹.

IA members have a range of experiences through different formats and delivery mechanisms for shareholder meetings from in person, to hybrid and virtual only meetings in a range of jurisdictions. Through these meetings, they have a good understanding of current practice and the issues which need to be managed for shareholders when it comes to the conduct and delivery of shareholder meetings.

The importance of AGMs as an accountability mechanism

IA members view AGMs as critically important to shareholders as they are the ultimate way to fulfil their ownership right to hold the board accountable for how the company is being run. AGMs provide a forum for transparency, accountability, and direct engagement with the board as a whole, individual directors, and other shareholders; this facility enables shareholders to exercise their rights, ask questions, and publicly raise concerns to the board and other shareholders in a way that cannot be fully replicated through other channels. The AGM is not like other meetings.

Ultimately, shareholders, as the owners of listed companies, have a legal right to speak and be heard at AGMs. AGMs are a fundamental component of the UK corporate governance framework, allowing investors to observe how directors respond to scrutiny, assess the board's behaviour and decision making, and ensure that shareholder voices—both institutional and retail—are heard. While institutional investors have not historically attended AGMs routinely, they continue to regard them as an important escalation

¹ AGM is used for the remainder of this paper to refer primarily to Annual General Meetings; as applicable, general principles would be extended to other types of shareholder meetings including General Meetings.

The Investment Association

10 Norton Folgate, London, E1 6DB
www.theia.org

Stewardship@theia.org

© The Investment Association 2025. All rights reserved.
No reproduction without permission of The Investment Association

mechanism. AGMs provide an opportunity to engage with other shareholders, raise concerns directly with the board in a public forum and reinforce stewardship expectations.

IA members support hybrid AGMs

If companies choose to include a virtual element in their AGM, IA members prefer a hybrid format that combines a physical meeting with the option to participate virtually. When managed effectively, hybrid AGMs are generally best placed to support accountability, inclusivity and interactivity between companies and their owners. They also help maximise participation by retail and institutional investors, both in the UK and overseas.

Hybrid formats ensure that:

- Institutional and retail shareholders can physically attend, be seen and heard at the AGM - while some companies are holding retail investor events before the AGM, a physical shareholder meeting is particularly important for retail shareholders who typically have less frequent opportunity to engage directly with the board or other shareholders. Some retail shareholders may find using the technology associated with a virtual-only component of an AGM challenging, preferring to share views with other shareholders and engage with the board directly; and
- Investors retain the full range of shareholder rights, including the ability to ask questions in real time, observe board interactions and assess their reactions - a level of scrutiny and nuance that virtual formats alone may not fully provide.

We recognise that hybrid meetings do have cost implications; offering both the physical and virtual element of the meeting might not be appropriate for all companies given the average attendance of shareholders.

IA members' experiences of virtually enabled AGMs

Although virtual meetings can offer benefits, IA members have experienced challenges in jurisdictions where virtual-only AGMs have been introduced, including concerns that shareholder rights may be weakened. Poor practices in some instances have led to the following issues:

- Shareholders being unable to be heard and seen by other shareholders at the meeting.
- Shareholders being unable to participate in virtual meetings due to technology issues.
- Shareholders being unable to see the board directors during the course of the meeting.
- A lack of attendance or participation from all members of the board throughout the meeting.
- Shareholders only being allowed to submit questions in advance of the AGM and not being able to ask live questions.
- A closed chat function which prevents transparency around questions that have been submitted by other shareholders during the meeting.
- Bundling and filtering of questions that have been submitted by shareholders; and
- Lack of clarity on what happens to questions that have not been answered during the meeting.

Shareholder safeguards for the virtual component of an AGM

There are a range of views on virtual only meetings across the IA's membership. Some IA members will only support virtual only AGMs in exceptional circumstances (such as when there are restrictions on in person meetings), others will consider the circumstances of a company and their proposed arrangements on a case-by case basis and support companies seeking approval for virtual-only AGMs in limited circumstances. In both instances, this requires companies to provide appropriate rationale and give sufficient shareholder safeguards for the conduct of the virtual component of the AGM, including that shareholders have the same rights as if attending a physical meeting.

IA members generally expect companies to ensure the following safeguards² are in place for the virtual element of any meeting:

- The format of the AGM or GM should be a board decision and explained to investors.
- The chosen AGM format should allow shareholders to be seen and heard by the board directors and other shareholders; it should not limit their live participation, for example, when speaking or asking questions.
- Shareholders expect that all members of the board should participate and be clearly visible on-screen throughout the virtual meeting, so that shareholders can assess their body language, particularly when they are responding to a question.
- Shareholders expect that any technology used to facilitate the virtual meeting will allow for all shareholders to participate, and that the company has clear arrangements in place in the event that technology fails.
- All shareholders should have the right to ask questions of the board during the meeting, and the company should provide transparency around whether questions have been bundled together or filtered.
- To facilitate this, companies could, where appropriate, employ an independent third party to manage how questions are moderated. They should confirm if all the submitted questions raised by shareholders have been addressed and responded to, and to ensure that no question is intentionally being avoided.
- Shareholders should be able to ask additional questions where they feel that a grouped question has not sufficiently addressed their question.
- A full record of submitted questions asked (including those that were not answered) should be published on the company's website following the meeting.

To provide additional transparency to investors, companies should set out in the explanatory notes to the notice of the meeting that they will ensure that these safeguards are in place before the virtual element of the meeting takes place.

Reapproval of the use of virtual only elements of the shareholder meeting

At present, where shareholders have given a board authority to change a company's articles of association to allow for virtual-only AGMs, such authority has been granted without constraint i.e. the authority is not time-bound. Where the conduct of the virtual meeting falls short of shareholder expectations, they do not have any specific voting mechanism to raise concerns with the conduct of the virtual meeting or to hold the board to account other than to vote against the re-election of the Chair at the next meeting.

IA members believe that, where a company seeks to propose a special resolution to amend existing Articles or to adopt new Articles to permit a virtual-only element of an AGM, the company should state whether they are seeking flexibility or if the virtual-only element would be introduced at the next AGM or at some time thereafter.

In general, IA members also expect companies to seek regular re-approval from their shareholders on whether the continued use of a virtual element of the AGM is appropriate. This reapproval should be sought via an advisory vote by ordinary resolution which should be tabled every three years, commencing on the third anniversary on the use of a virtual meeting.

Where a significant period of time has elapsed since the change in the articles of association to permit a virtual element of an AGM, shareholders would expect that the company reconfirms that they would follow

² For further suggestions on how to enhance effective shareholder participation through company meetings, refer to the [FRC's Good Practice Guidance for Company Meetings](#).

the advisory vote process for reapproval of the continued use of virtual elements of the AGM and current shareholder expectations on the conduct of the meeting in their Notice of Meeting.

The advisory vote will allow shareholders to withdraw their support where they feel that the conduct of the virtual meeting falls short of shareholder expectations. Shareholders would expect companies to incorporate this ongoing voting mechanism into any proposal to make amendments to their articles of association to permit a virtual element of an AGM.

IVIS approach

The IA's Institutional Voting Information Service (IVIS) will not raise any concerns with proposals to amend articles of association to permit virtual-only meetings where the company confirms in the Notice of Meeting that the virtual element of the meeting will meet shareholder expectations set out in this guidance including that the company will seek reapproval of the virtual-element of a shareholder meeting every 3 years from first use.

IVIS will "red top" any company that is seeking approval to amend articles of association that do not provide the assurances set out in this guidance. IVIS will also "red top" companies that do not seek a reapproval of the virtual element of their shareholder meeting every three years following first use or date of this guidance.

This guidance will apply for AGMs of companies with year ends on or after 30 September 2026.

October 2026