

## FRC issues good practice guide for company meetings - Guidance on holding effective AGMs and general meetings

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United Kingdom

Corporate

### FRC guidance for companies and shareholders

The Financial Reporting Council (**FRC**) has published guidance on good practice that publicly traded companies should consider following to enhance effective shareholder participation when planning and conducting AGMs and other general meetings (**GMs**).

It reflects the changing AGM landscape and the increasing tendency to hold 'hybrid' meetings, a trend that was brought into focus by the Covid-19 pandemic, including the use of technology to increase shareholder participation and engagement.

The guidance sets out seven key Principles, together with suggested practical actions that companies can take to achieve them. The guidance is relevant to UK publicly traded companies when planning and conducting their AGM and other GMs.

### Key takeaways

The key Principles set out in the guidance can be summarised as:

1. Providing shareholders with clear instructions on how to attend the meeting and participate.
2. Allowing shareholders to engage in the business of the meeting.
3. The board should provide an update at the AGM on matters raised by stakeholder groups that it considers to materially affect the company's strategy, performance and culture.
4. Companies should seek the broadest access to and participation in GMs by a diverse range of shareholders. Shareholders should have the ability to ask questions, whether they attend virtually or in person.
5. Depending on the format of the meeting, shareholders should be able to vote in real time, or to appoint a proxy in advance. Companies should make use of appropriate technology.
6. Companies should be as transparent as possible with shareholders in relation to matters discussed and raised by shareholders.
7. Shareholder engagement should not be limited to an annual event. Opportunities to update shareholders should be offered throughout the year, with an emphasis on ensuring all shareholders have access to similar information.

### What next

The guidance reflects the changing AGM landscape. The FRC and other stakeholders have identified opportunities for change as a result of the Covid-19 pandemic, including the use of technology to increase shareholder participation and engagement in meetings. The 2022 AGM season has, however, seen a return to physical meetings when compared to hybrid meetings (wholly virtual meetings are still very rare), even though many companies have Articles which do permit them to hold hybrid meetings.

### Useful links

[Good Practice for Company Meetings](#)

### Contacts

[https://www.frc.org.uk/getattachment/3501347c-2394-4ec4-94c8-9cd62b62d1fe/FRC-Good-Practice-Guidance-for-Company-Meetings\\_July\\_2022.pdf](https://www.frc.org.uk/getattachment/3501347c-2394-4ec4-94c8-9cd62b62d1fe/FRC-Good-Practice-Guidance-for-Company-Meetings_July_2022.pdf)



- [Stephen Nash](#)
- Partner
- [+44 207 919 4861](#)
- +44 207 919 4861
- [Connect with Stephen Nash on LinkedIn](#)



- [Sarah Turner](#)
- Legal Director
- [+44 113 200 4767](#)
- +44 113 200 4767



- [Mark Roe](#)
- Partner
- [+44 207 919 4805](#)
- +44 207 919 4805

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