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European Union

Brussels, 13 November 2023  
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**Interinstitutional File:**  
**2022/0406(COD)**

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**COVER NOTE**

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| From:          | Secretariat General of the Council  |
| To:            | Delegations   |
| No. Cion doc.: | 16168/22  |
| Subject:       | Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND<br>OF THE COUNCIL on multiple-vote share structures in companies that<br>seek the admission to trading of their shares on an SME growth market<br>- Four-column table |

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Delegations will find attached the four-column table on the above-mentioned proposal, containing the initial positions of the institutions.

**Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on multiple-vote share structures in companies that seek the admission to trading of their shares on an SME growth market (Text with EEA relevance)**

**2022/0406(COD)**

**Non-versioned [LATEST TEXT]**

**06-11-2023 at 13h54**

|                | Commission Proposal  | EP Mandate   | ST 8192/23<br>Council Mandate  | Draft Agreement |
|----------------|--|--|--|-----------------|
| Formula        |  |  |  |                 |
| 1              | 2022/0406 (COD)  | 2022/0406 (COD)  | 2022/0406 (COD)  |                 |
| Proposal Title |  |  |  |                 |
| 2              | Proposal for a<br>DIRECTIVE OF THE EUROPEAN<br>PARLIAMENT AND OF THE<br>COUNCIL<br>on multiple-vote share structures in<br>companies that seek the admission to<br>trading of their shares on an SME<br>growth market<br>(Text with EEA relevance) | Proposal for a<br>DIRECTIVE OF THE EUROPEAN<br>PARLIAMENT AND OF THE<br>COUNCIL<br>on multiple-vote share structures in<br>companies that seek the admission to<br>trading of their shares on an SME<br>growth market<br>(Text with EEA relevance) | Proposal for a<br>DIRECTIVE OF THE EUROPEAN<br>PARLIAMENT AND OF THE<br>COUNCIL<br>on multiple-vote share structures in<br>companies that seek the admission to<br>trading of their shares on an SME<br>growth market<br>(Text with EEA relevance) |                 |
| Formula        |  |  |  |                 |
| 3              | THE EUROPEAN PARLIAMENT<br>AND THE COUNCIL OF THE<br>EUROPEAN UNION,   | THE EUROPEAN PARLIAMENT<br>AND THE COUNCIL OF THE<br>EUROPEAN UNION,   | THE EUROPEAN PARLIAMENT<br>AND THE COUNCIL OF THE<br>EUROPEAN UNION,   |                 |
| Citation 1     |  |  |  |                 |

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| 4          | Having regard to the Treaty on the Functioning of the European Union, and in particular Article 50(1) and Article 50(2), point (g) and Article 114 thereof, | Having regard to the Treaty on the Functioning of the European Union, and in particular Article 50(1) and Article 50(2), point (g) and Article 114 thereof,   | Having regard to the Treaty on the Functioning of the European Union, and in particular Article 50(1) and Article 50(2), point (g) and Article 114 thereof,   |                 |
| Citation 2 |   |   |   |                 |
| 5          | Having regard to the proposal from the European Commission,   | Having regard to the proposal from the European Commission,   | Having regard to the proposal from the European Commission,   |                 |
| Citation 3 |   |   |   |                 |
| 6          | After transmission of the draft legislative act to the national Parliaments,  | After transmission of the draft legislative act to the national Parliaments,  | After transmission of the draft legislative act to the national Parliaments,  |                 |
| Citation 4 |   |   |   |                 |
| 7          | Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> ,<br><br>1. OJ C [...], [...], p. [...]                             | having regard to the opinion of the European Economic and Social Committee <u>of 23 March 2023<sup>1</sup>, <del>+</del></u> ,<br><br>1. OJ C <del>[...], [...], p. [...]</del> <u>184, 25.5.2023, p. 103<del>+</del></u> | Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> ,<br><br>1. <u>[OJ: please add publication information once available]</u> <del>OJ C [...], [...], p. [...]</del> |                 |
| Citation 5 |   |   |   |                 |
| 8          | Acting in accordance with the ordinary legislative procedure,   | Acting in accordance with the ordinary legislative procedure,   | Acting in accordance with the ordinary legislative procedure,   |                 |

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| Formula   |  |  |   |                 |
| 9         | Whereas:   | Whereas:   | Whereas:  |                 |
| Recital 1 |  |  |   |                 |
| 10        | (1) To reinforce the attractiveness of SME growth markets and to reduce inequalities for companies seeking admission to trading in the single market, it is necessary to address obstacles to the access to such markets that stem from regulatory barriers. Companies should be able to choose governance structures that suit best their development stage, including by enabling controlling shareholders of those companies to retain control of the business after accessing SME growth markets, while enjoying the benefits associated to trading on those markets, as long as the rights of minority shareholders continue to be safeguarded. | (1) To reinforce the attractiveness of <del>SME growth</del> <u>the capital</u> markets <u>union</u> and to reduce inequalities for companies seeking admission to trading in the single market, it is necessary to address obstacles to the access to such markets that stem from regulatory barriers. Companies should be able, <u>subject to safeguards established under Union and national law</u> , to choose governance structures that suit best their development stage, including by enabling controlling shareholders of those companies to retain control of the business after accessing <u>regulated markets</u> , SME growth markets, <u>or any other multilateral trading facilities (MTF)</u> , while enjoying the benefits associated to trading on those markets, as long as the rights of minority shareholders <del>continue to be</del> <u>are continuously</u> safeguarded. | (1) To reinforce the attractiveness of SME growth markets and to reduce inequalities for companies seeking <del>admission to trading</del> <u>to raise funds on such markets</u> in the <del>single</del> <u>internal</u> market, it is necessary to address obstacles to the access to <del>such</del> <u>SME growth</u> markets that stem from regulatory barriers. Companies should be able to choose <u>capital and</u> governance structures that suit best their development stage, including by enabling controlling shareholders <del>of those companies</del> to retain control of the business after accessing SME growth markets, while enjoying the benefits associated to trading on those markets, as long as the rights of <del>minority</del> <u>the other</u> shareholders <del>continue to be</del> <u>are</u> safeguarded. |                 |
| Recital 2 |  |  |   |                 |
| 11        |  |  |   |                 |

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|           | <p>(2) Fear of losing control over a company constitutes one of the main deterrents for controlling shareholders to access SME growth markets. Admission to trading usually entails dilution of ownership for controlling shareholders, thus reducing their influence over important investment and operating decisions in the company. Maintaining control of the company may in particular be important for start-ups and companies with long-term projects that require significant upfront costs, because they may wish to pursue their vision without becoming too exposed to market fluctuations.</p> | <p>(2) Fear of losing control over a company constitutes <del>one of the main deterrents</del> <u>a deterrent</u> for controlling shareholders to <del>access SME growth</del> <u>trade on public</u> markets. Admission to trading usually entails dilution of ownership for controlling shareholders, thus reducing their influence over important investment, <u>strategic</u> and operating decisions in the company. Maintaining control of the company may in particular be important for start-ups and companies with long-term projects that require significant upfront costs, because they may wish to pursue their vision without becoming too exposed to market fluctuations. <u>Shareholders in SMEs and in family-owned companies might not seek listing due to the fear of losing control over the company.</u></p> | <p>(2) Fear of losing control over <del>a</del> <u>the</u> company constitutes one of the main deterrents for controlling shareholders to access <u>the public capital market, such as an</u> SME growth <del>markets</del> <u>market</u>. Admission to trading usually entails dilution of ownership for controlling shareholders, thus reducing their influence over important investment and operating decisions in the company. Maintaining control of the company may in particular be important for start-ups and companies with long-term projects that require significant upfront costs, because they may wish to pursue their vision without becoming too exposed to market fluctuations.</p> |                 |
| Recital 3 |   |  |   |                 |
| 12        | <p>(3) Multiple-vote share structures are an effective mechanism to enable controlling shareholders to retain decision-making power in a company, while raising funds from the public. Multiple-vote share structures are a form of a control enhancement mechanism involving at least two distinct classes of shares</p>   | <p>(3) Multiple-vote share structures are an effective mechanism to enable controlling shareholders to retain decision-making power in a company, while raising funds from the public. Multiple-vote share structures are a form of a control enhancement mechanism involving at least two distinct classes of shares</p>  | <p>(3) Multiple-vote share structures are <del>an effective</del> <u>a form of control enhancing</u> mechanism, <u>which can</u> <del>to</del> enable controlling shareholders to retain decision-making power in a company, while raising funds from the public. <del>Multiple-vote share structures are a form of a control enhancement mechanism</del></p>   |                 |

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|           | with a different number of voting rights. Under such structures, at least one of the classes of shares has a lower voting value than another class (or classes) of shares with voting rights. The share carrying the superior amount of votes is a multiple-vote share.   | with a different number of voting rights. Under such structures, at least one of the classes of shares has a lower <del>voting value</del> <u>number of votes attached per share</u> than another class (or classes) of shares with voting rights. The share carrying the superior amount of votes is a multiple-vote share.   | <del>involving</del> <u>They involve</u> at least two distinct classes of shares, <u>each</u> with a different number of <del>voting rights</del> <u>votes per share</u> . Under such <del>structures</del> <u>structure</u> , at least one of the classes of shares has a lower <del>voting value</del> <u>number of votes per share</u> than another class (or classes) of shares with voting rights. <del>The</del> <u>A</u> share carrying <del>the superior amount</del> <u>a higher number</u> of votes is a multiple-vote share. <u>A multiple-vote share structure in this Directive is not a structure where differences in voting rights are solely determined by different nominal values of shares.</u> |                 |
| Recital 4 |   |  |   |                 |
| 13        | (4) There are other control enhancing mechanisms that allow leveraging voting power, apart from multiple-vote share structures. Such mechanisms may include non-voting shares, non-voting preference shares and voting right ceilings. However, those alternative control enhancing mechanisms, being more rigid in their set-up, are liable to constrain the amount of capital that a company can raise at the point of admission to trading on SME growth markets due to the lower disassociation between | (4) There are other control enhancing mechanisms that allow leveraging voting power, apart from multiple-vote share structures. Such mechanisms may include non-voting shares, non-voting preference shares and voting right ceilings. However, those alternative control enhancing mechanisms, being more rigid in their set-up, are liable to constrain the amount of capital that a company can raise at the point of admission to trading <del>on SME growth markets due to the lower disassociation between</del> | (4) <del>There are other</del> <u>Any</u> control enhancing mechanisms <del>that allow leveraging voting power, apart from rights, other than</del> multiple-vote share structures. <del>Such mechanisms may include non-voting shares, such as non-voting preference shares and voting right ceilings. However, those alternative control enhancing mechanisms, being more rigid in their set-up, are liable to constrain the amount of capital that a company can raise at the point of admission to trading on SME growth</del>  |                 |

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|           | economic and voting rights.   | <del>economic and voting rights.</del>  | <del>markets due to the lower disassociation between economic and voting rights</del> <u>shares with a veto right on certain decisions, should fall outside the scope of this Directive.</u>  |                 |
| Recital 5 |   |   |   |                 |
| 14        | (5) Loyalty shares, like multiple-vote shares, confer superior voting rights to a shareholder. A shareholder may obtain additional voting rights attached to loyalty shares, holding the share for the designated time and complying with certain conditions. Loyalty shares are control-enhancing mechanisms that are designed to foster a more stable, long-term oriented ownership among shareholders rather than to increase the attractiveness of raising funds from the public. It is therefore not appropriate to include loyalty shares in the scope of this Directive. | (5) Loyalty shares, like multiple-vote shares, confer superior voting rights to a shareholder. A shareholder may obtain additional voting rights attached to loyalty shares, holding the share for the designated time and complying with certain conditions. Loyalty shares are control-enhancing mechanisms that are designed to foster a more stable, long-term oriented ownership among shareholders rather than to increase the attractiveness of raising funds from the public. It is therefore not appropriate to include loyalty shares in the scope of this Directive. | (5) Loyalty shares, <del>like multiple-vote shares,</del> confer <del>superior voting rights to a shareholder.</del> <u>an additional number of votes on</u> a shareholder <del>may obtain additional voting rights attached to loyalty shares,</del> holding the share for <del>the</del> <u>a</u> designated time and complying with certain conditions. Loyalty shares are <del>control-enhancing mechanisms that are</del> <u>thereby a control-enhancing mechanism</u> designed to foster a <del>more stable,</del> long-term oriented ownership among shareholders rather than to increase the attractiveness of raising funds from the public. It is therefore not appropriate to include loyalty shares in the scope of this Directive. |                 |
| Recital 6 |   |   |   |                 |
| 15        | (6) There are substantial differences between national provisions on  | (6) There are substantial differences between national provisions on  | (6) There are substantial differences between national provisions on  |                 |

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|           | <p>multiple-vote shares across Member States. Some Member States allow multiple-vote share structures, while others ban them. In some Member States, the ban on multiple-vote shares is limited to public companies, while in others it applies to all companies. The differences in national regimes create barriers to the free movement of capital within the internal market. Moreover, the regulatory fragmentation creates an uneven playing field for companies in different Member States. Companies in a Member State that bans multiple-vote share structures have to move to another Member State or even outside the Union if they seek admission to trading with multiple-vote shares, and hence face higher costs. In some cases, because of those higher costs, companies may decide against raising funds from the public, which may limit their funding opportunities. Such considerations are particularly relevant for SMEs and start-ups that lack financial resources to cover those costs.</p> | <p>multiple-vote shares across Member States. Some Member States allow multiple-vote share structures, while others ban them. In some Member States, the ban on multiple-vote shares is limited to public companies, while in others it applies to all companies. The differences in national regimes create barriers to the free movement of capital within the internal market. Moreover, the regulatory fragmentation creates an uneven playing field for companies in different Member States. Companies in a Member State that bans multiple-vote share structures have to move to another Member State or even outside the Union if they seek admission to trading with multiple-vote shares, and hence face higher costs. In some cases, because of those higher costs, companies may decide against raising funds from the public, which may limit their funding opportunities. Such considerations are particularly relevant for SMEs and start-ups that lack financial resources to cover those costs.</p> | <p>multiple-vote shares across Member States. Some Member States allow multiple-vote share structures, while others ban them. <del>In some Member States, the ban on multiple-vote shares is limited to public companies, while in others it applies to all companies.</del> The differences in national regimes <u>can</u> create barriers to the free movement of capital within the internal market: <del>Moreover, the regulatory fragmentation creates</del> <u>and</u> an uneven playing field for companies in different Member States. Companies in a Member State that bans multiple-vote share structures have to move to another Member State or even outside the Union, <u>facing higher costs</u>, if they <del>seek</del> <u>want to adopt a multiple-vote share structure with a view to seeking</u> admission to trading <del>with multiple-vote of the</del> shares, <del>and hence face higher costs</del> <u>on the market</u>. In some cases, because of those higher costs, companies may decide against raising funds from the public, which may limit their funding opportunities. Such considerations are particularly relevant for SMEs and start-ups that lack financial resources to cover those costs.</p> |                 |
| Recital 7 |  |  |  |                 |



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| 16 | <p>(7) Member States should provide companies with the possibility to adopt multiple-vote share structures to allow them to seek admission to trading on a SME growth market without their controlling shareholders having to relinquish control. While admission to trading on regulated markets is more suitable for larger and more mature companies, SME growth markets are generally more appropriate for SMEs. SME growth markets were originally designed as SME dedicated trading venues with a regulatory treatment that takes the particularities of SMEs into account. Not all companies with securities listed on SME growth markets are, however, SMEs. Directive 2014/65/EU of the European Parliament and of the Council<sup>1</sup> requires that SMEs constitute at least 50 % of the issuers of financial instruments admitted to trading on SME growth markets. Companies other than SMEs generally have more liquid securities and hence their admission to SME growth markets enables those markets to generate higher trading fees to maintain profitability of their business model. Nevertheless, to ensure clarity for investors, all</p> | <p>(7) Member States should provide companies with the possibility to adopt multiple-vote share structures to allow them to seek admission to trading on a <u>regulated market, an SME growth market, or any other MTF</u>, without their controlling shareholders having to relinquish control. While admission to trading on regulated markets is, <u>overall</u>, more suitable for larger and more mature companies, SME growth markets are generally more appropriate for SMEs. SME growth markets were originally designed as SME dedicated trading venues with a regulatory treatment that takes the particularities of SMEs into account. Not all companies with securities listed on SME growth markets are, however, SMEs. Directive 2014/65/EU of the European Parliament and of the Council<sup>1</sup> requires that SMEs constitute at least 50 % of the issuers of financial instruments admitted to trading on SME growth markets. Companies other than SMEs generally have more liquid securities and hence their admission to SME growth markets enables those markets to generate higher trading fees to maintain profitability of their business model. Nevertheless, to</p> | <p>(7) <del>Member States should provide companies with the possibility to adopt multiple-vote share structures</del><u>In order</u> to allow <del>them</del><u>companies</u> to seek admission to trading on <del>an</del> SME growth market without their controlling shareholders having to relinquish control. <del>While admission to trading on regulated markets is more suitable for larger and more mature companies, SME growth markets are generally more appropriate for SMEs. SME growth markets were originally designed as SME dedicated trading venues with a regulatory treatment that takes the particularities of SMEs into account.</del> <u>Not all, Member States should provide</u> companies with <del>securities listed on SME growth markets are, however, SMEs. Directive 2014/65/EU of the European Parliament and of the Council<sup>1</sup> requires that SMEs constitute at least 50 % of the issuers of financial instruments admitted to trading on SME growth markets. Companies other than SMEs generally have more liquid securities and hence their admission to SME growth markets enables those markets to generate higher trading fees to maintain profitability of their</del></p> |                 |

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|            | <p>issuers on SME growth markets, irrespective of their size, are currently subject to the same rules. It is therefore appropriate that the introduction of the right to adopt multiple-vote share structures applies to all companies seeking admission of their shares on an SME growth market for the first time.</p> <p>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).</p> | <p>ensure clarity for investors, all issuers on SME growth markets, irrespective of their size, are currently subject to the same rules. <del>It is therefore appropriate that the introduction of the right to adopt multiple-vote share structures applies to all companies seeking admission of their shares on an SME growth market for the first time.</del></p> <p>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).</p> | <p><del>business model. Nevertheless, to ensure clarity for investors, all issuers on SME growth markets, irrespective of their size, are currently subject to the same rules. It is therefore appropriate that the introduction of the right to adopt</del><u>the possibility to adopt multiple-vote share structures. Such possibility should not be conditional upon the provision of enhanced economic rights for non</u> multiple-vote <del>share structures applies to all companies seeking admission of their shares on an SME growth market for the first time.</del></p> <p><del>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).</del></p> |                 |
| Recital 7a |  |   |   |                 |
| 16a        |  |   | <p><u>(7a) While admission to trading on regulated markets is more suitable for larger and more mature companies, SME growth markets are generally more appropriate for SMEs. SME growth markets were originally designed as SME dedicated trading venues with a regulatory treatment that takes the</u></p>  |                 |

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|  |                     |            | <p><u>particularities of SMEs into account. Not all companies with securities listed on SME growth markets are, however, SMEs. Directive 2014/65/EU of the European Parliament and of the Council<sup>1</sup> requires that SMEs constitute at least 50 % of the issuers of financial instruments admitted to trading on SME growth markets. Companies other than SMEs generally have more liquid securities and hence their admission to SME growth markets enables those markets to generate higher trading fees to maintain profitability of their business model. Nevertheless, to ensure clarity for investors, all issuers on SME growth markets, irrespective of their size, are currently subject to the same rules. It is therefore appropriate that the introduction of the right to adopt multiple-vote share structures applies to all types of companies listed in Annex II to Directive (EU) 2017/1132 of the European Parliament and of the Council<sup>2</sup> to the extent that they can, under national law, issue shares and seek admission to trading of the shares on an SME growth market.</u></p> <p><u>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May</u></p> |                 |

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|           |   |   | <a href="#">2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).</a><br><a href="#">2. Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (codification) (OJ L 169, 30.6.2017, p. 46).</a>   |                 |
| Recital 8 |   |   |   |                 |
| 17        | <p>(8) Member States should be able to introduce, or maintain in force, national provisions that allow companies to adopt these structures for purposes other than the first time admission to trading of shares on a SME growth market. That includes allowing companies to adopt multiple-vote shares when already admitted to trading, when seeking admission on a Multilateral Trading Facility that is not registered as SME growth market or on a regulated market, or ensuring that private companies can adopt multiple-vote shares, regardless of whether they intend to request admission to trading of their shares. This may also include cases whereby companies transfer from an SME growth market to a regulated market, while retaining multiple-vote shares.</p> | <p>(8) Member States should be able to introduce, or maintain in force, national provisions that allow companies to adopt these structures for purposes other than the first time admission to trading of shares on a <del>SME growth</del><u>regulated</u> market. <del>That includes allowing companies to adopt multiple-vote shares when already admitted to trading, when seeking admission on a Multilateral Trading Facility that is not registered as, an SME growth market or on a regulated market, or ensuring that private companies can adopt multiple-vote shares, regardless of whether they intend to request admission to trading of their shares</del><u>any other MTF</u>. This may also include cases whereby companies transfer from an SME growth market to a regulated market, while retaining multiple-vote shares.</p> | <p>(8) Member States should be able to introduce, or maintain in force, national provisions that allow companies to adopt <del>these</del><u>multiple-vote share</u> structures for purposes other than <del>the first time</del> admission to trading of shares on <del>an</del> SME growth market. That includes <u>inter alia</u> allowing companies to adopt <u>a</u> multiple-vote <del>shares when already admitted</del><u>share structure when seeking admission</u> to trading, <del>when seeking admission</del> on a Multilateral Trading Facility that is not registered as <u>an</u> SME growth market or on a regulated market, or ensuring that private companies can adopt multiple-vote <del>shares, regardless of whether they intend</del><u>share structures without intending</u> to request admission to trading of their shares. This <del>may also include</del> <u>also includes</u> cases whereby companies transfer from an SME growth market to a</p> |                 |

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|           |   |  | regulated market, while retaining multiple-vote shares. <u>Member States should also be able to prohibit or restrict multiple-vote share structures for purposes other than admission to trading of shares on an SME growth market.</u>  |                 |
| Recital 9 |   |  |  |                 |
| 18        | <p>(9) Companies may adopt multiple-vote share structures through a new issuance of shares or through another type of corporate transaction, such as the conversion of already issued shares. Companies should have the flexibility to choose the most appropriate type of corporate transaction to adopt multiple vote share structures in compliance with national law. Furthermore, companies should also have the flexibility as to the timing of the adoption of multiple-vote share structures, provided they do so to seek a first time admission of shares to trading on a SME growth market. Member States should not prevent companies from adopting multiple-vote share structures at a point prior to the moment of the admission of shares to trading. Member States should, however, be allowed to lay down that the exercise</p> | <p>(9) <del>Companies may adopt multiple-vote share structures through a new issuance of shares or through another type of corporate transaction, such as the conversion of already issued shares. Companies should have the flexibility to choose the most appropriate type of corporate transaction to adopt multiple vote share structures in compliance with national law. Furthermore, companies should also have the flexibility as to the timing of the adoption of multiple-vote share structures, provided they do so to seek a first time admission of shares to trading on a SME growth market.</del></p> <p>Member States should not prevent companies from adopting multiple-vote share structures at a point prior to the moment of the admission of shares to trading. Member States should, however, be allowed to lay down that the exercise of the</p> | <p>(9) <del>Companies may adopt</del><u>Adopting a</u> multiple-vote share <del>structures through a new issuance of shares or through another type of corporate transaction, such as the conversion of already issued shares. Companies should have the flexibility to choose the most appropriate type of corporate transaction to adopt multiple vote share structures in compliance with national law. Furthermore, companies should also have the flexibility as to the timing</del><u>structure normally requires an amendment of the articles of association. To provide for fair treatment</u> of the <del>adoption of multiple-vote share structures, provided they do so to seek a first time admission of shares to trading on a SME growth market.</del><u>shareholders</u>, Member States should <del>not prevent companies from adopting multiple-vote share</del></p> |                 |

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|            | of the enhanced voting rights, which represent additional voting rights attached to multiple-vote shares compared to voting rights of shares of other classes, is conditional upon the admission to trading of shares on an SME growth market in one or more Member States. In that case and until the admission to trading, multiple-vote shares should have the same voting rights as other classes of shares in the company. That would ensure that multiple vote shares specifically promote a first-time admission to trading on SME growth markets. | enhanced voting rights, which represent additional voting rights attached to multiple-vote shares compared to voting rights of shares of other classes, is conditional upon the admission to trading of shares on <u>a regulated market</u> , an SME growth market, <u>or any other MTF</u> , in one or more Member States. In that case and until the admission to trading, multiple-vote shares should have the same voting rights as other classes of shares in the company. That would ensure that multiple vote shares specifically promote a first-time admission to trading on <u>a regulated market, an SME growth market or any other MTF</u> . | <del>structures at a point prior to the moment of the admission of shares to trading. Member States should, however, be allowed to lay down that the exercise of the enhanced</del> <u>require that a decision to adopt, as well as a decision later on to modify such a structure in a way that affects the</u> voting rights, <del>which represent additional voting rights attached to multiple-vote shares compared to voting rights of shares of other classes, is conditional upon the admission to trading</del> <u>should be subject to a decision by the general meeting by at least a qualified majority. Where there are several classes</u> of shares <del>on an SME growth market in one or more Member States. In that case and until the admission to trading, multiple-vote, such decisions should also be subject to a separate vote in each class of</del> shares <del>should have the same voting-the rights as other classes of shares in the company. That would ensure that multiple vote shares specifically promote a first-time admission to trading on SME growth markets</del> <u>of which are affected</u> . |                 |
| Recital 9a |   |  |  |                 |
| 18a        |   |  | <u>(9a) Companies should have</u>  |                 |

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|            |   |   | <u>flexibility as to the timing of the adoption of multiple-vote share structures, provided they do so to seek admission to trading on an SME growth market. Member States should not prevent companies from adopting multiple-vote share structures before the moment of the admission of the shares to trading. Member States should, however, be able to lay down that the exercise of the enhanced voting rights, which represent additional votes attached to multiple-vote shares compared to votes of shares of other classes, is conditional upon shares of the company being admitted to trading on an SME growth market. In that case and until the admission to trading, multiple-vote shares should have the same voting rights as other classes of shares in the company. That would ensure that multiple-vote shares specifically promote an admission to trading on an SME growth market.</u> |                 |
| Recital 10 |   |   |  |                 |
| 19         | (10) Due to a diminished voting power of non-controlling shareholders in the company relative to their investments, multiple-vote | (10) Due to a diminished voting power of non-controlling shareholders in the company relative to their investments, multiple-vote | <i>deleted</i>   |                 |



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|                   | share structures may provide controlling shareholders of that company with perpetual control and thereby lead to controlling shareholder entrenchment. That may increase the risk that controlling shareholders extract private benefits from control. To address those risks, the adoption of multiple-vote share structures should be subject to safeguards to protect minority shareholders.  | share structures may provide controlling shareholders of that company with perpetual control and thereby lead to controlling shareholder entrenchment. That may increase the risk that controlling shareholders extract private benefits from control. To address those risks, the adoption of multiple-vote share structures should be subject to safeguards to protect minority shareholders.  |   |                 |
| <i>Recital 11</i> |  |  |   |                 |
| 20                | (11) Member States that allow multiple-vote shares provide for safeguards to protect minority shareholders and the interests of the company. However, the existing safeguards vary between Member States due to national specificities and diverging company law systems. Having regard to the objectives of the internal market as set out in particular in Article 50(2), point (g) of the Treaty on the functioning of the European Union, Member States should ensure a coordinated approach in their national laws on multiple-vote share structures with respect to the protection of the interests of minority shareholders and of the company. This includes | (11) Member States that allow multiple-vote shares provide for safeguards to protect minority shareholders and the interests of the company. However, the existing safeguards vary between Member States due to national specificities and diverging company law systems. Having regard to the objectives of the internal market as set out in particular in Article 50(2), point (g) of the Treaty on the functioning of the European Union, Member States should ensure a coordinated approach in their national laws on multiple-vote share structures with respect to the protection of the interests of minority shareholders and of the company. This includes | (11) <u>A multiple-vote share structure might increase the risk that controlling shareholders extract private benefits from the company.</u> Member States that <u>already</u> allow multiple-vote shares provide for safeguards to protect <del>minority</del> <u>the</u> shareholders <del>and the interests of the company.</del> <u>However, the holding shares with lower voting rights.</u> Existing safeguards vary between Member States due to national specificities and diverging company law systems. <u>Notwithstanding this variation and</u> having regard to the objectives of the internal market as set out in particular in Article 50(2), point (g) of the Treaty on the functioning of |                 |



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|  | <p>protection against decisions creating risks for or resulting in adverse human rights, climate change, and environmental consequences. Under that coordinated approach, all Member States should ensure that any decision to adopt a multiple-vote share structure, or to modify that structure where there is an impact on voting rights, is taken by a qualified majority at the general shareholders' meeting. Furthermore, Member States should limit the voting weight of multiple-vote shares by introducing restrictions either on the design of the multiple-vote share structure or on the exercise of voting rights attached to multiple-vote shares for the adoption of certain decisions. The restriction on the exercise of voting rights may be implemented by requiring that an approval by qualified majority necessitates both a qualified majority of the votes cast at the general meeting of shareholders and of the share capital represented at the general meeting of shareholders.</p> | <p>protection against decisions creating risks for or resulting in adverse human rights, climate change, and environmental consequences. Under that coordinated approach, all Member States should ensure that any decision to adopt a multiple-vote share structure, or to modify that structure where there is an impact on voting rights, is taken by a qualified majority at the general shareholders' meeting. <u>In companies where there are several classes of shares, that qualified majority should be calculated on the basis of the total number of votes cast and on the basis of the number of votes within each class of shares affected by the decision.</u> Furthermore, Member States should limit the voting weight of multiple-vote shares by introducing restrictions <del>either</del> on the design of the multiple-vote share structure <del>or</del> <u>and</u> on the exercise of voting rights attached to multiple-vote shares for the adoption of certain decisions. The restriction on the exercise of voting rights may be implemented by requiring that an approval by qualified majority necessitates both a qualified majority of the votes cast at the general meeting of shareholders and of the share capital represented at the general meeting of shareholders.</p> | <p>the European Union, <del>Member States should ensure a coordinated approach in their</del> <u>the approaches in</u> national laws on multiple-vote share structures with respect to the protection of the interests of <del>minority-shareholders and of the company. This includes protection against decisions creating risks for or resulting in adverse human rights, climate change, and environmental consequences. Under that</del> <u>coordinated approach, all Member States should ensure that any decision</u> <del>holding shares with a lower voting right should be coordinated for companies relying on the right created by this Directive</del> to adopt a multiple-vote share structure, <del>or to modify that structure where there is an impact on voting rights, is taken by a qualified majority at the general shareholders' meeting. Furthermore, Member States should limit the voting weight of multiple-vote shares by introducing restrictions either on the design of the multiple-vote share structure or on the exercise of voting rights attached to multiple-vote shares for the adoption of certain decisions. The restriction on the exercise of voting rights may be implemented by requiring that an approval by qualified majority necessitates both</del></p> |                 |

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|             |                     |  | <del>a qualified majority of the votes cast at the general meeting of shareholders and of the share capital represented at the general meeting of shareholders</del> <u>for seeking admission to trading on an SME growth market.</u>   |                 |
| Recital 11a |                     |  |   |                 |
| 20a         |                     | <u>(11a) Multiple-vote shares may protect a company from focussing too much on short-term interests, by giving a stronger voice to founders and long-term shareholders. With a view to stimulating long-term sustainable growth, companies issuing multiple-vote shares could publish a report detailing how their share structure will help to promote the interests of all stakeholders.</u> |   |                 |
| Recital 11a |                     |  |   |                 |
| 20b         |                     |  | <u>(11a) Under that coordinated approach, Member States should provide for fair treatment of the shareholders by introducing a restriction on the design of the multiple-vote share structure which sets a maximum ratio of the number of votes attached to multiple-vote shares to votes</u> |                 |

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|            |   |   | <u>attached to shares with the least voting rights, or, without prejudice to Directive (EU) 2017/1132 of the European Parliament and of the Council, a restriction for qualified majority decisions by the general meeting, excluding appointment and dismissal of directors as well as operational decisions to be taken by directors and that are submitted to the general meeting for approval, by requiring that the majority is calculated on the basis of the total number of votes cast and on either the share capital represented at the general meeting or the number of shares represented at the general meeting, or on the basis of the total number of votes cast and on votes cast in each class of shares affected by the decision. For the purposes of this Directive, a class of shares should be considered to be affected by the decision if the decision has a negative impact on the rights of that specific class of shares.</u> |                 |
| Recital 12 |   |   |   |                 |
| 21         | (12) Member States should be given discretion to introduce additional safeguards, where needed, to ensure adequate protection of minority shareholders' interests and the | (12) Member States should be given discretion to introduce additional safeguards, where needed, to ensure adequate protection of minority shareholders' interests and the | (12) Member States should <del>be given</del> <u>have</u> discretion to introduce additional safeguards, <del>where needed,</del> to ensure adequate protection of <del>minority</del> <u>the interest of</u> shareholders'   |                 |

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|            | <p>interest of the company. Member States should assess the appropriateness of additional safeguards in light of their effectiveness in protecting the interests of minority shareholders and of the company, while ensuring that such safeguards do not defeat the purpose of multiple-vote share structures, i.e. the possibility for a company's controlling shareholders to influence important decisions, including the appointment of directors.</p> | <p>interest of the company. Member States should assess the appropriateness of additional safeguards in light of their effectiveness in protecting the interests of minority shareholders and of the company, while ensuring that such safeguards do not defeat the purpose of multiple-vote share structures, i.e. the possibility for a company's controlling shareholders to influence important decisions, including the appointment of directors.</p> | <p><del>interests and the interest of the company</del> <u>who do not hold multiple-vote shares, such as a time-based sunset clause ending the enhanced voting rights after a designated period of time, a transfer-based sunset clause making the enhanced voting rights conditional on the same shareholder holding the multiple-vote shares or an event-based sunset clause ending the enhanced voting rights upon the occurrence of a specified event.</u></p> <p>Member States should assess the appropriateness of <del>additional</del><u>such</u> safeguards in light of their effectiveness in protecting the interests of <del>minority</del><u>those</u> shareholders <del>and of the company</del>, while ensuring that <del>such</del><u>the</u> safeguards do not defeat the purpose of multiple-vote share structures, <del>i.e. inter alia</del> the possibility for <del>a company's controlling shareholders</del><u>holders of multiple-vote shares</u> to influence <del>important decisions, including the appointment</del><u>the appointment and dismissal</u> of directors <del>and thereby the operational decisions in the company.</del></p> |                 |
| Recital 13 |  |  |   |                 |
| 22         |  |  |   |                 |

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|  | <p>(13) The disclosure of accurate, comprehensive and timely information about issuers strengthens investor confidence and allows for informed investment decision-making. Such informed investment decision-making enhances both investor protection and market efficiency. Member States should therefore require companies with multiple-vote share structures to publish detailed information on their share structure and corporate governance system at the moment of the admission to trading, as well as periodically in the annual financial report. Such information should mention whether there are any limitations on the holding of securities, including whether any transfer of securities requires the approval either of the company, or of other holders of securities. It should also mention whether there are any restrictions on voting rights, including limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby the financial rights attached to securities are separated from the holding of securities. Furthermore, those companies should disclose the identity of holders of multiple-vote</p> | <p>(13) The disclosure of accurate, comprehensive and timely information about issuers strengthens investor confidence and allows for informed investment decision-making. Such informed investment decision-making enhances both investor protection and market efficiency. Member States should therefore require companies with multiple-vote share structures to <u>have a stock name that ends with the marker 'WVR' (weighted voting rights) in order to clearly indicate to the public that their shareholder structure and liquidity profile is different from that of traditional companies.</u> <u>Member States should also require companies with multiple-vote share structures to</u> publish detailed information on their share structure and corporate governance system at the moment of the admission to trading, as well as periodically in the annual financial report. Such information should mention whether there are any limitations on the holding of securities, including whether any transfer of securities requires the approval either of the company, or of other holders of securities. It should also mention whether there are any restrictions on voting rights, including limitations</p> | <p>(13) The disclosure of accurate, <del>comprehensive and timely</del> <u>and comprehensive</u> information about <del>issuers strengthens</del> <u>companies is the basis for</u> investor confidence and <del>allows</del> <u>is necessary</u> for informed investment decision-making. Such informed investment decision-making <del>enhances</del> <u>is needed for</u> both investor protection and market efficiency. Member States should therefore require companies <del>with</del> <u>relying on the right created by this Directive to adopt a</u> multiple-vote share <del>structures</del> <u>structure</u> to publish <del>detailed</del> information <del>on</del> <u>concerning</u> their share structure <del>and corporate governance system</del> at the moment of the admission to trading, <del>as well as periodically in the annual financial report.</del> Such information should mention whether there are any limitations on the <del>holding of securities, including whether any transfer of securities requires the approval either of the company, or of other holders of securities</del> <u>transferability of shares</u>. It should also mention whether there are any restrictions on voting rights, including limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby the</p> |                 |

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|             | <p>shares as well as of the natural persons entitled to exercise voting rights on their behalf and of persons exercising special control rights to provide investors, as members of general public, with transparency on ultimate ownership and de facto influence on the company. This would allow investors to make informed decisions and thereby strengthen their confidence in well-functioning capital markets.</p> | <p>of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby the financial rights attached to securities are separated from the holding of securities. <u>Such information should be updated periodically and whenever a significant change occurs in the ownership or control of shares with special voting rights.</u> Furthermore, those companies should <u>in accordance with existing transparency law</u>, disclose the identity of holders of multiple-vote shares as well as of the natural persons entitled to exercise voting rights on their behalf and of persons exercising special control rights to provide investors, as members of general public, with transparency on ultimate ownership and de facto influence on the company. This would allow investors to make informed decisions and thereby strengthen their confidence in well-functioning capital markets.</p> | <p>financial rights attached to <del>securities</del><u>shares</u> are separated from the holding of <del>securities</del><u>shares</u>. Furthermore, those companies should disclose the identity, <u>which should be limited to the name for natural persons, of larger -of</u> holders of multiple-vote shares as well as of <del>the natural persons</del><u>persons or legal entities</u> entitled to exercise voting rights on their behalf, <u>to the extent known to the company. This would allow-and</u> <del>of persons exercising special control rights to provide</del> investors, as members of <u>the</u> general public, <del>with transparency on ultimate ownership and de facto influence on the company. This would allow investors to make informed decisions and thereby strengthen their confidence in well-functioning capital markets</del><u>to make informed decisions and thereby strengthen their confidence in well-functioning capital markets.</u> <u>When the companies' owners want to retain decision-making powers in the company while raising funds on public market, information about inter alia the larger holders of the multiple-vote shares is necessary for sound investment decisions by potential investors.</u></p> |                 |
| Recital 13a |   |   |  |                 |

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| 22a        |   |   | <p><u>(13a) This Directive is without prejudice to the protection of personal data, in particular Regulation (EU) 2016/679 of the European Parliament and of the Council<sup>1</sup>.</u></p> <p><u>1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).</u></p>  |                 |
| Recital 14 |   |   |  |                 |
| 23         | <p>(14) Since the objectives of this Directive, namely to increase funding options for businesses and make SME growth markets more attractive, cannot be sufficiently and timely achieved by Member States but can rather, by reason of the scale and effects of the measures, be more effectively and expeditiously achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as set out in that Article, this</p> | <p>(14) Since the objectives of this Directive, namely to increase funding options for businesses <del>and as</del> <u>well as to</u> make SME growth markets more attractive, cannot be sufficiently and timely achieved by Member States but can rather, by reason of the scale and effects of the measures, be more effectively and expeditiously achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as</p> | <p>(14) Since the objectives of this Directive, namely to increase funding options for businesses and make SME growth markets more attractive, cannot be sufficiently and timely achieved by Member States but can rather, by reason of the scale and effects of the measures, be <del>more effectively and expeditiously</del> <u>better</u> achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as set out in that Article, this</p> |                 |



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|            | Directive does not go beyond what is necessary in order to achieve those objectives.   | set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.   | Directive does not go beyond what is necessary in order to achieve those objectives.   |                 |
| Recital 15 |  |  |  |                 |
| 24         | (15) To take account of market developments and developments in other areas of Union law or Member States' experiences with the implementation of this Directive, the Commission should review this Directive 5 years following the date of transposition.   | (15) <u>To assess the implementation and impact of this Directive, in particular any negative impact on stakeholders, and</u> to take account of market developments and developments in other areas of Union law or Member States' experiences with the implementation of this Directive, the Commission should review this Directive <del>5</del> <u>three</u> years following the date of transposition <u>and every three years thereafter</u> . | (15) To take account of market developments and developments in other areas of Union law or Member States' experiences with the implementation of this Directive, the Commission should review this Directive <del>5</del> <u>7</u> years following the date of <del>transposition</del> <u>entry into force</u> .                           |                 |
| Recital 16 |  |  |  |                 |
| 25         | (16) In accordance with the Joint Political Declaration of 28 September 2011 of Member States and the Commission on explanatory documents <sup>1</sup> , Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the | (16) In accordance with the Joint Political Declaration of 28 September 2011 of Member States and the Commission on explanatory documents <sup>1</sup> , Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the   | (16) In accordance with the Joint Political Declaration of 28 September 2011 of Member States and the Commission on explanatory documents <sup>1</sup> , Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the |                 |



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|            | <p>components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified.</p> <p>1. OJ C 369, 17.12.2011, p. 14.</p>   | <p>components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified.</p> <p>1. OJ C 369, 17.12.2011, p. 14.</p>  | <p>components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified.</p> <p>1. OJ C 369, 17.12.2011, p. 14.</p>   |                 |
| Recital 17 |  |   |  |                 |
| 26         | <p>(17) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU) 2018/1725 of the European Parliament and of the Council<sup>1</sup> and delivered an opinion on [XX XX 2022/2023]<sup>2</sup></p> <p>1. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (Text with EEA relevance.), (OJ L 295, 21.11.2018, p. 39–98).</p> <p>2. [OP: Footnote once available].</p> | <p>(17) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU) 2018/1725 of the European Parliament and of the Council<sup>1</sup> and delivered an opinion on [XX XX 2022/2023]<sup>2</sup>.</p> <p>1. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (Text with EEA relevance.), (OJ L 295, 21.11.2018, p. 39–98).</p> <p>2. [OP: Footnote once available].</p> | <p>(17) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU) 2018/1725 of the European Parliament and of the Council<sup>1</sup> and delivered an opinion on <del>[XX XX 2022/2023]</del><sup>2</sup> <u>6 February 2023<sup>2</sup></u>.</p> <p>1. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (<del>Text with EEA relevance.</del>), (OJ L 295, 21.11.2018, p. 39–98).</p> <p>2. <del>[OP: Footnote once available]</del> <u>Summary of the Opinion of the European Data Protection Supervisor on the proposal for a Directive of the European Parliament and of the Council on multiple-vote share structures in companies that seek the</u></p> |                 |

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|                            |  |  | <a href="#"><u>admission to trading of their shares on an SME growth market 2023/C 65/02 (OJ C 65, 22.2.2023, p. 2).</u></a>  |                 |
| Formula                    |  |  |   |                 |
| 27                         | HAVE ADOPTED THIS DIRECTIVE:   | HAVE ADOPTED THIS DIRECTIVE:   | HAVE ADOPTED THIS DIRECTIVE:  |                 |
| Article 1                  |  |  |   |                 |
| 28                         | Article 1<br>Subject Matter  | Article 1<br>Subject Matter  | Article 1<br>Subject Matter <a href="#"><u>and scope</u></a>  |                 |
| Article 1, first paragraph |  |  |   |                 |
| 29                         | This Directive lays down common rules on multiple-vote share structures in companies that seek the admission to trading of their shares on an SME growth market in one or more Member States and that do not have shares already admitted to trading on any trading venue. | This Directive lays down common rules on multiple-vote share structures in companies that seek the admission to trading of their shares on <a href="#"><u>a regulated market</u></a> , an SME growth market, <del>or any other</del> <a href="#"><u>multilateral trading facility</u></a> , in one or more Member States and that do not have shares already admitted to trading on any trading venue. | This Directive lays down common rules on multiple-vote share structures in companies that seek the admission to trading of their shares on an SME growth market <del>in one or more Member States</del> and that do not have shares already admitted to trading on <del>any trading venue</del> <a href="#"><u>an MTF or a regulated market</u></a> . |                 |
| Article 2                  |  |  |   |                 |
| 30                         | Article 2<br>Definitions   | Article 2<br>Definitions   | Article 2<br>Definitions  |                 |

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| Article 2, first paragraph             |   |  |  |                 |
| 31                                     | For the purposes of this Directive, the following definitions shall apply:  | For the purposes of this Directive, the following definitions shall apply:   | For the purposes of this Directive, the following definitions shall apply:   |                 |
| Article 2, first paragraph, point (a)  |   |  |  |                 |
| 32                                     | (a) ‘company’ means a legal entity incorporated as one of the types of companies listed in Annex I to Directive (EU) 2017/1132;   | (a) ‘company’ means a legal entity incorporated as one of the types of companies listed in Annex <del>II</del> to Directive (EU) 2017/1132;  | (a) ‘company’ means a legal entity incorporated as one of the types of companies listed in Annex <del>II</del> to Directive (EU) 2017/1132 <u>which may under national law issue shares and seek admission to trading of the shares on an SME growth market;</u>                                     |                 |
| Article 2, first paragraph, point (aa) |   |  |  |                 |
| 32a                                    |   |  | <u>(aa) ‘director’ means any member of the administrative, management or supervisory bodies of a company;</u>  |                 |
| Article 2, first paragraph, point (b)  |   |  |  |                 |
| 33                                     | (b) ‘multiple-vote shares’ means shares belonging to a distinct and separate class and that carry higher voting rights than another class of shares with voting rights on matters to be decided at the general meeting of shareholders; | (b) ‘multiple-vote shares’ means shares belonging to a distinct and separate class and that carry <u>a</u> higher <del>voting rights</del> <u>number of votes per share</u> than another class of shares with voting rights on matters to be decided at the general meeting of shareholders; | (b) ‘multiple-vote shares’ means shares belonging to a distinct and separate class <del>and</del> that carry <del>higher voting rights</del> <u>more votes per share</u> than another class of shares with voting rights on matters to be decided at the general meeting <del>of shareholders;</del> |                 |

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| Article 2, first paragraph, point (c)  |  |   |   |                 |
| 34                                     | (c) ‘multiple-vote share structure’ means the share structure of a company that contains at least one class of multiple-vote shares; | (c) ‘multiple-vote share structure’ means the share structure of a company that contains at least one class of multiple-vote shares;                        | (c) ‘multiple-vote share structure’ means the share structure of a company that contains at least one class of multiple-vote shares;  |                 |
| Article 2, first paragraph, point (d)  |  |   |   |                 |
| 35                                     | (d) ‘trading venue’ means a trading venue as defined in Article 4(1), point 24, of Directive 2014/65/EU;                             | (d) ‘trading venue’ means a trading venue as defined in Article 4(1), point 24, of Directive 2014/65/EU;  | (d) ‘ <del>trading venue</del> regulated market’ means a <del>trading venue</del> regulated market as defined in Article 4(1), point <del>24</del> (21), of Directive 2014/65/EU; |                 |
| Article 2, first paragraph, point (da) |  |   |   |                 |
| 35a                                    |  | <u>(fa) ‘multilateral trading facility’ or ‘MTF’ means a multilateral trading facility as defined in Article 4(1), point (22), of Directive 2014/65/EU.</u> | <u>(da) ‘Multilateral Trading Facility’ or ‘MTF’ means an MTF as defined in Article 4(1), point (22) of Directive 2014/65/EU;</u>   |                 |
| Article 2, first paragraph, point (e)  |  |   |   |                 |
| 36                                     | (e) ‘SME growth market’ means an SME growth market as defined in Article 4(1), point (12) of Directive 2014/65/EU;                   | (e) ‘SME growth market’ means an SME growth market as defined in Article 4(1), point (12) of Directive 2014/65/EU;  | (e) ‘SME growth market’ means an SME growth market as defined in Article 4(1), point (12) of Directive 2014/65/EU <del>;</del>  |                 |
| Article 2, first paragraph, point (f)  |  |   |   |                 |

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| 37                         | (f) ‘weighted voting ratio’ means the ratio of votes attached to multiple-vote shares to votes attached to shares with the least voting rights.                                | (f) ‘ <del>weighted voting ratio</del> <u>regulated market</u> ’ means <del>the ratio of votes attached to multiple vote shares to votes attached to shares with the least voting rights.</del> <u>a regulated market as defined in Article 4(1), point (21), of Directive 2014/65/EU;</u> | deleted   |                 |
| Article 3                  |  |  |   |                 |
| 38                         | Article 3<br>Introduction or maintenance of national provisions on multiple-vote shares  | <del>Article 3 Introduction or maintenance of national provisions on multiple vote shares</del>  | <del>Article 3</del><br>deleted   |                 |
| Article 3, first paragraph |  |  |   |                 |
| 39                         | Member States may introduce or maintain in force national provisions that allow companies to adopt multiple-vote share structures in situations not covered by this Directive. | <del>Member States may introduce or maintain in force national provisions that allow companies to adopt multiple vote share structures in situations not covered by this Directive.</del>  | deleted   |                 |
| Article 4                  |  |  |   |                 |
| 40                         | Article 4<br>Adoption of multiple-vote share structures  | Article 4<br>Adoption of multiple-vote share structures  | Article 4<br>Adoption of multiple-vote share <del>structures</del> <u>structure</u> |                 |
| Article 4(1)               |  |  |   |                 |

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| 41 | <p>1. Member States shall ensure that companies that do not have shares that are admitted to trading on a trading venue have the right to adopt multiple-vote share structures for the admission to trading of shares on an SME growth market in one or more Member States. Member States shall not prevent the admission to trading of shares of a company on an SME growth market on the ground that the company has adopted a multiple-vote share structure.</p> | <p>1. Member States shall ensure that companies that do not have shares that are admitted to trading on a trading venue have the right to adopt multiple-vote share structures for the admission to trading of shares on <u>a regulated market</u>, an SME growth market, <u>or any other MTF</u>, in one or more Member States. Member States shall not prevent the admission to trading of shares of a company on <u>a regulated market</u>, an SME growth market, <u>or any other MTF</u>, on the ground that the company has adopted a multiple-vote share structure.</p> | <p>1. Member States shall ensure that <del>companies that do</del> <u>a company that does</u> not have shares that are admitted to trading on a <del>trading venue have</del> <u>regulated market or an MTF has</u> the right to adopt <u>a</u> multiple-vote share <del>structures</del> <u>structure</u> for the admission to trading of <u>its</u> shares on an SME growth market. <u>Member States shall ensure that the company's decision to adopt a multiple-vote share structure is taken by the general meeting by at least a qualified majority as specified in national law</u> <del>in one or more Member States</del>. Member States shall not <del>prevent the admission to trading of shares of a company on an SME growth market on the ground that the company has adopted</del> <u>make the adoption of such a structure conditional upon the provision of enhanced economic rights for shares without enhanced voting rights.</u></p> <p><u>For the purposes of the first subparagraph, where there are several classes of shares, the decision to adopt a multiple-vote share structure shall also be subject to a separate vote in each class of shares the rights of which are</u></p> |                 |

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|               |   |  | <u>affected.</u>  |                 |
| Article 4(2)  |   |  |   |                 |
| 42            | 2. The right referred to in paragraph 1 encompasses the right to adopt multiple-vote share structures in time prior to seeking the admission to trading of shares on an SME growth market.                          | 2. The right referred to in paragraph 1 encompasses the right to adopt multiple-vote share structures in time prior to seeking the admission to trading of shares on <u>a regulated market</u> , an SME growth market <u>or any other MTF</u> .                            | 2. The right referred to in paragraph 1 <del>encompasses</del> <u>shall encompass</u> the right to adopt <u>a</u> multiple-vote share <del>structures in time</del> <u>structure</u> prior to seeking the admission to trading of <u>the</u> shares on an SME growth market.                      |                 |
| Article 4(3)  |   |  |   |                 |
| 43            | 3. Member States may make the exercise of the enhanced voting rights attached to the multiple-vote shares conditional upon the admission to trading of shares on an SME growth market in one or more Member States. | 3. Member States may make the exercise of the enhanced voting rights attached to the multiple-vote shares conditional upon the admission to trading of shares on <u>a regulated market</u> , an SME growth market, <u>or any other MTF</u> , in one or more Member States. | 3. Member States may make the exercise of the enhanced voting rights attached to the multiple-vote shares conditional upon <u>shares of the company being admitted to trading</u> <del>the admission to trading of shares</del> on an SME growth market <del>in one or more Member States</del> . |                 |
| Article 4(3a) |   |  |   |                 |
| 43a           |   | <u>3a. Member States shall ensure that a company's decision to adopt or modify a multiple-vote share structure is taken by the general meeting of shareholders by at least a qualified majority of the votes cast, as specified in national law.</u>                       | <u>4. Member States shall ensure that the operator of an MTF that is registered as an SME growth market does not prevent the admission to trading of shares of a company on the grounds that the company has adopted a multiple-</u>  |                 |

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|              |   | <p><u>Member States shall not make the adoption of such a structure conditional upon the provision of enhanced economic rights for shares without enhanced voting rights.</u></p> <p><u>Where there are several classes of shares, the decision to adopt a multiple-vote share structure shall in addition be subject to a separate vote within each class of shares the rights of which are affected.</u></p> | <u>vote share structure.</u>   |                 |
| Article 5    |   |  |  |                 |
| 44           | Article 5<br>Safeguards for fair and non-discriminatory treatment of shareholders of a company  | Article 5<br>Safeguards <del>for fair and non-discriminatory treatment of shareholders of a company</del> <u>in companies that have adopted a multiple-vote share structure</u>  | Article 5<br>Safeguards <del>for fair and non-discriminatory treatment of shareholders of a company</del> <u>in companies that have adopted a multiple-vote share structure</u>  |                 |
| Article 5(1) |   |  |  |                 |
| 45           | 1. Member States shall ensure fair and non-discriminatory treatment of shareholders, as well as adequate protection of the interests of the shareholders who do not hold multiple-vote shares and of the company through appropriate safeguards. To that effect, Member | 1. Member States shall ensure <del>fair and non-discriminatory treatment of shareholders, as well as</del> <u>that in companies that have adopted a multiple-vote share structure in accordance with this Directive have appropriate safeguards in place to provide for the</u> adequate protection  | 1. Member States shall ensure <del>fair and non-discriminatory treatment of shareholders, as well as</del> <u>that in companies that have adopted a multiple-vote share structure in accordance with this Directive, appropriate safeguards are in place to provide for</u> adequate protection of |                 |



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|  | States shall do all of the following:  | of the interests of <del>the</del> shareholders who do not hold multiple-vote shares <del>and of the company through appropriate safeguards</del> . To that effect, Member States shall <del>do all of the following</del> :   | the interests of <del>the</del> shareholders who do not hold multiple-vote shares <del>and of the company through appropriate safeguards</del> . To that effect, Member States shall <del>do all of</del> the following:  |                 |
| Article 5(1), point (a), first subparagraph  |  |  |   |                 |
| 46   | (a) ensure that a company's decision to adopt a multiple-vote share structure and any subsequent decision to modify a multiple-vote share structure that affects voting rights are taken by the general shareholders' meeting of that company and are approved by a qualified majority as specified in national law. | (a) <del>ensure that a company's decision to adopt a multiple-vote share structure and any subsequent decision to modify a multiple-vote share structure that affects voting rights are taken by the general shareholders' meeting of that company and are approved by a qualified majority as specified in national law.</del> <u>introduce a maximum voting ratio ranging from one-to-two to one-to-twelve and a limit on the maximum percentage of the outstanding share capital that the total amount of multiple-vote shares can represent;</u> | (a) ensure that a company's decision to <del>adopt</del> <u>modify</u> a multiple-vote share structure <del>and any subsequent decision to modify a multiple-vote share structure</del> <u>in a way</u> that affects <del>the</del> voting rights <del>are of shares, is</del> taken by the general <del>shareholders'</del> meeting <del>of that company and are approved by</del> <u>by at least</u> a qualified majority as specified in national law. |                 |
| Article 5(1), point (a), second subparagraph |  |  |   |                 |
| 47   | For the purposes of this point, where there are several classes of shares, such decisions shall also be subject to a separate vote for each class of shareholders whose rights   | <del>For the purposes of this point, where there are several classes of shares, such decisions shall also be subject to a separate vote for each class of shareholders whose rights</del>  | <del>For the purposes of this point, where there are several classes of shares, such decisions</del> <u>such a decision</u> shall also be subject to a separate vote <del>for</del> <u>in</u> each class of   |                 |

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|                            | are affected;   | <del>are affected;</del>   | <del>shareholders whose</del> <u>shares the</u> rights <u>of which</u> are affected;   |                 |
| Article 5(1), point (b)    |   |  |  |                 |
| 48                         | (b) limit the voting weight of multiple-vote shares on the exercise of other shareholders' rights, in particular during general meetings, by introducing either of the following: | (b) limit the <del>voting weight</del> <u>impact</u> of multiple-vote shares on the <del>exercise of other shareholders' rights, in particular during</del> <u>decision-making process at general meetings of shareholders by introducing a requirement that decisions by general meetings of shareholders that are subject to qualified majority voting, excluding the appointment and dismissal of directors as well as operational decisions to be taken by directors and submitted to the general meeting of shareholders for approval, are to be adopted either by, by introducing either of the following:</u> | (b) limit the <del>voting weight of</del> <u>impact of the</u> multiple-vote shares on the <del>exercise of other shareholders' rights, in particular during</del> <u>decision-making process at the</u> general <del>meetings, meeting</del> by introducing <del>either</del> <u>at least one</u> of the following: |                 |
| Article 5(1), point (b)(i) |   |  |  |                 |
| 49                         | (i) a maximum weighted voting ratio and a requirement on the maximum percentage of the outstanding share capital that the total amount of multiple-vote shares can represent;     | (i) a <del>maximum weighted voting ratio and a requirement on the maximum percentage of the outstanding</del> <u>qualified majority, as specified in national law, of the votes cast and a qualified majority of either the</u> share capital <del>that the</del>  | (i) a maximum <del>weighted voting</del> ratio <del>and a requirement on the maximum percentage of the outstanding share capital that the total amount of multiple-vote shares can represent</del> <u>of the number of votes attached to multiple-vote shares to the votes</u>                                       |                 |

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|                                |   | <del>total amount of multiple-vote</del> <u>represented at the meeting or of the number of shares <del>can</del> represent represented at the meeting; or</u>  | <u>attached to shares with the least voting rights;</u>   |                 |
| Article 5(1), point (b)(ii)    |   |  |   |                 |
| 50                             | (ii) a restriction on the exercise of the enhanced voting rights attached to multiple-vote shares for voting on matters to be decided at the general meeting of shareholders and that require the approval by a qualified majority. | (ii) a <del>restriction on the exercise of the enhanced voting rights attached to multiple-vote shares for voting on matters to be decided at the general meeting of shareholders and that require the approval by a qualified majority</del> <u>qualified majority, as specified in national law, of the votes cast, and by separate vote within each class of shares the rights of which are affected;</u> | (ii) a <del>restriction on the exercise of the enhanced voting rights attached to multiple-vote shares for voting on matters</del> <u>requirement that decisions by the general meeting subject to qualified majority, excluding appointment and dismissal of directors as well as operational decisions</u> to be <del>decided at the general meeting of shareholders and that require the</del> <u>taken by directors and that are submitted to the general meeting for approval, are to be adopted by</u> <del>by a qualified majority</del> |                 |
| Article 5(1), point (b)(ii)(1) |   |  |   |                 |
| 50a                            |   | <u>(ba) exclude the use of enhanced voting rights attached to multiple-vote shares at general meetings of shareholders during the votes on resolutions tabled by shareholders in accordance with Article 6(1) of Directive 2007/36/EC of the</u>   | <u>(1) a qualified majority, as specified in national law, both of the votes cast and either of the share capital represented at the meeting or of the number of shares represented at the meeting; or</u>  |                 |

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|                                |   | <p><u>European Parliament and of the Council<sup>1</sup>, in particular on matters related to the impact of the company's operations on human rights and the environment.</u></p> <p><u>1. Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies (OJ L 184 14.7.2007, p. 17).</u></p> |   |                 |
| Article 5(1), point (b)(ii)(2) |   |  |   |                 |
| 50b                            |   |  | <p><u>(2) a qualified majority, as specified in national law, of the votes cast, and are subject to a separate vote in each class of shares the rights of which are affected.</u></p>   |                 |
| Article 5(2)                   |   |  |   |                 |
| 51                             | <p>2. Member States may provide for further safeguards to ensure adequate protection of shareholders and of the interests of the company. Those safeguards may include in particular:</p> | <p>2. Member States may provide for further safeguards to ensure adequate protection of <u>the interests of</u> shareholders <u>who do not hold multiple-vote shares</u> and of the interests of the company. <u>Those safeguards shall be communicated to the Commission and ESMA.</u> Those safeguards may include in particular:</p>  | <p>2. Member states may provide for further safeguards to ensure adequate protection of <del>shareholders and of the interests of the company.</del> <del>Those safeguards may include in particular:</del> <u>the interest of shareholders who do not hold multiple-vote shares.</u></p> |                 |
| Article 5(2), point (a)        |   |  |   |                 |

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| 52                             | (a) a provision to avoid that the enhanced voting rights attached to multiple-vote shares are transferred to third parties or continue to exist upon the death, incapacitation or retirement of the original holder of multiple-vote shares (transfer-based sunset clause); | (a) a provision to avoid that the enhanced voting rights attached to multiple-vote shares are transferred to third parties or continue to exist upon the death, incapacitation or retirement of the original holder of multiple-vote shares (transfer-based sunset clause); | <i>deleted</i>                |                 |
| <i>Article 5(2), point (b)</i> |   |   |                               |                 |
| 53                             | (b) a provision to avoid that the enhanced voting rights attached to multiple-vote shares continue to exist after a designated period of time (time-based sunset clause);   | (b) a provision to avoid that the enhanced voting rights attached to multiple-vote shares continue to exist after a designated period of time (time-based sunset clause);   | <i>deleted</i>                |                 |
| <i>Article 5(2), point (c)</i> |   |   |                               |                 |
| 54                             | (c) a provision to avoid that the enhanced voting rights attached to multiple-vote shares continue to exist upon the occurrence of a specified event (event-based sunset clause);   | (c) a provision to avoid that the enhanced voting rights attached to multiple-vote shares continue to exist upon the occurrence of a specified event (event-based sunset clause);   | <i>deleted</i>                |                 |
| <i>Article 5(2), point (d)</i> |   |   |                               |                 |
| 55                             | (d) a requirement to ensure that the enhanced voting rights cannot be used to block the adoption of   | (d) a requirement <del>to ensure that the</del> <u>that</u> enhanced voting rights <del>cannot be used to block the adoption of</del>   | <i>deleted</i>                |                 |

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|              | decisions by the general shareholders' meeting aiming at preventing, reducing or eliminating adverse impacts on human rights and the environment related to the company's operations.  | <del>decisions by the general shareholders' meeting aiming at preventing, reducing or eliminating adverse impacts on human rights and the environment</del><br><u>attached to multiple-vote shares do not apply in matters relating to executive remuneration and dividend policy or to the approval of related to the company's operations party transactions.</u>  |  |                 |
| Article 6    |  |  |  |                 |
| 56           | Article 6<br>Transparency  | Article 6<br>Transparency  | Article 6<br>Transparency  |                 |
| Article 6(1) |  |  |  |                 |
| 57           | 1. Member States shall ensure that companies with multiple-vote share structures whose shares are traded or are to be traded on an SME growth market make publicly available, in the [EU Growth issuance document referred to in Article 15a] of Regulation (EU) 2017/1129 of the European Parliament and of the Council <sup>1</sup> or in the admission document referred to in Article 33(3), point (c), of Directive (EU) 2014/65/EU and in the company's annual financial report referred to in | 1. Member States shall ensure that companies with multiple-vote share structures whose shares are traded or are to be traded on <u>a regulated market</u> , an SME growth market, <u>or any other MTF</u> make publicly available, in the <del>FEU Growth issuance document</del> <u>prospectus</u> referred to in Article <del>15a</del> <u>6</u> of Regulation (EU) 2017/1129 of the European Parliament and of the Council <sup>1</sup> or in the <u>[EU Growth Prospectus referred to in Article 15a] of that Regulation or in the</u> | <del>1. Member States shall ensure that companies with multiple-vote share structures</del> <u>structure</u> whose shares are <del>traded or are</del> to be traded on an SME growth market <u>after relying on the right referred to in Article 4</u> make publicly available; in the [EU Growth issuance document referred to in Article 15a] of Regulation (EU) 2017/1129 of the European Parliament and of the Council <sup>1</sup> or in the admission document referred to in Article 33(3), point (c), of Directive (EU) 2014/65/EU <del>and in</del> |                 |

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|                         | <p>Article 78(2), point (g), of Commission Delegated Regulation (EU) 2017/565<sup>2</sup>, detailed information on all of the following:</p> <p>1. Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L 168, 30.6.2017, p. 12)</p> <p>2. Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (OJ L 87, 31.3.2017, p. 1).</p> | <p>admission document referred to in Article 33(3), point (c), of Directive (EU) 2014/65/EU and in the company's annual financial report referred to in Article 78(2), point (g), of Commission Delegated Regulation (EU) 2017/565<sup>2</sup>, detailed information on all of the following:</p> <p>1. Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L <del>168, 30.6.2017</del> <u>168 30.6.2017</u>, p. 12).</p> <p>2. Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (OJ L 87, 31.3.2017, p. 1).</p> | <p><del>the company's annual financial report referred to in Article 78(2), point (g), of Commission Delegated Regulation (EU) 2017/565<sup>2</sup>, detailed information on all of the following:</del></p> <p>1. Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L 168, 30.6.2017, p. 12).</p> <p><del>2. Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (OJ L 87, 31.3.2017, p. 1).</del></p> |                 |
| Article 6(1), point (a) |  |  |  |                 |
| 58                      | <p>(a) the structure of their capital, including securities which are not admitted to trading on an SME growth market in a Member State, with an indication of the different classes of shares and, for each class of shares, the rights and obligations attached to that class and the percentage of total share capital and total voting rights that such class</p>  | <p>(a) the structure of their capital, including securities which are not admitted to trading on <del>an SME</del> <u>the relevant</u> growth market in a Member State, with an indication of the different classes of shares and, for each class of shares, the rights and obligations attached to that class and the percentage of total share capital and total voting rights that</p>  | <p>(a) the <u>share</u> structure of <del>their</del> <u>capital, including securities which are not admitted to trading on an SME growth market in a Member State, with an indication of the different classes of shares</u> <u>the company, with an indication of the different classes of shares, including shares which are not admitted to trading,</u> and, for each</p>   |                 |

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|                         | represents;   | such class represents;  | class of shares, the rights and obligations attached to <del>that class</del> <u>the shares</u> and the percentage of total share capital <u>or total number of shares</u> and total <del>voting rights that such class represents</del> <u>number of votes that the shares represent</u> ; |                 |
| Article 6(1), point (b) |   |   |   |                 |
| 59                      | (b) any restrictions on the transfer of securities, including any agreements between shareholders which are known to the company that could result in restrictions on the transfer of securities; | (b) any restrictions on the transfer of securities, including any agreements between shareholders which are known to the company that could result in restrictions on the transfer of securities; | (b) any restrictions on the transfer of <del>securities</del> <u>shares</u> , including <del>any</del> agreements between shareholders which are known to the company that could result in <del>restrictions on the transfer of securities</del> <u>such restrictions</u> ;                 |                 |
| Article 6(1), point (c) |   |   |   |                 |
| 60                      | (c) the identity of holders of any securities with special control rights and a description of those rights;  | (c) the identity of holders of any securities with special control rights and a description of those rights;  | <i>deleted</i>  |                 |
| Article 6(1), point (d) |   |   |   |                 |
| 61                      | (d) any restrictions on voting rights, including any agreements between shareholders which are known to the company that could result in restrictions on voting rights;                           | (d) any restrictions on voting rights, including any agreements between shareholders which are known to the company that could result in restrictions on voting rights;                           | (d) any restrictions on voting rights <u>of shares</u> , including <del>any</del> agreements between shareholders which are known to the company that could result in <del>restrictions on voting rights</del> <u>such restrictions</u> ;   |                 |



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|                                    |  |   |  |                 |
| Article 6(1), point (e)            |  |   |  |                 |
| 62                                 | (e) the identity of the shareholders holding multiple-vote shares and of the natural person or legal entity entitled to exercise voting rights on behalf of such shareholders, where applicable.   | (e) the identity of the shareholders holding multiple-vote shares and of the natural <del>person</del> <u>persons</u> or legal <del>entity</del> <u>entities</u> entitled to exercise voting rights on behalf of such shareholders, where applicable. | (e) the identity, <u>if known to the company, of <del>of the</del> shareholders holding multiple-vote shares <del>and of the</del> representing more than 5 % of the voting rights of all shares in the company, and of</u> natural <del>person</del> <u>persons</u> or legal <del>entity</del> <u>entities</u> entitled to exercise voting rights on behalf of such shareholders, where applicable. |                 |
| Article 6(-1), second subparagraph |  |   |  |                 |
| 62a                                |  |   | <u>Where the shareholders or the persons entitled to exercise voting rights on their behalf are natural persons, the disclosure of their identity shall require only the disclosure of their names.</u>  |                 |
| Article 6(2)                       |  |   |  |                 |
| 63                                 | 2. Where the holders of multiple-vote shares or the persons entitled to exercise voting rights on their behalf or the holders of securities with special control rights are natural persons, the disclosure of their identity shall require only the | 2. Where the holders of multiple-vote shares or the persons entitled to exercise voting rights on their behalf or the holders of securities with special control rights are natural persons, the disclosure of their identity shall require only the  | <i>deleted</i>   |                 |

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|               | disclosure of their names. | disclosure of their names.  |                               |                 |
| Article 6(2a) |                            |   |                               |                 |
| 63a           |                            | <u>2a. Companies with multiple-vote share structures, the shares of which are traded or are to be traded on a regulated market, an SME growth market, or any other MTF, shall have a stock name that ends with the marker 'WVR' (weighted voting rights) in order to clearly indicate to the public that their shareholder structure is different from that of traditional companies.</u> |                               |                 |
| Article 6(2b) |                            |   |                               |                 |
| 63b           |                            | <u>2b. National competent authorities, regulated markets, SME growth markets and MTFs, shall promote investor understanding and awareness concerning the WVR marker and the impact on voting rights associated with investing in companies with multiple-vote share structures.</u>   |                               |                 |
| Article 7     |                            |   |                               |                 |
| 64            | Article 7<br>Review        | Article 7<br>Review   | Article 7<br>Review           |                 |

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| Article 7, first paragraph            |   |  |  |                 |
| 65                                    | By [five years after the entry into force], the Commission shall submit a report to the European Parliament and the Council on the implementation and effects of this Directive. To that effect by [four years after the entry into force], Member States shall provide the Commission with information in particular on the following: | By [ <del>five</del> <u>three</u> ] years after the entry into force <u>of this Directive</u> <u>and every three years thereafter</u> , the Commission shall submit a report to the European Parliament and the Council on the implementation and effects of this Directive. To that effect by [ <del>four</del> <u>two</u> ] years after the entry into force <u>of this Directive</u> <u>and every year thereafter</u> , Member States shall provide the Commission with <u>all relevant</u> information in particular on the following: | By... [ <del>7</del> <u>five</u> ] years after the <u>date of entry into force of this Directive</u> , the Commission shall submit a report to the European Parliament and the Council on the implementation and effects of this Directive. To that effect by... [ <del>6</del> <u>four</u> ] years after the <u>date of entry into force of this Directive</u> , <u>each</u> Member <del>States</del> <u>State</u> shall provide the Commission with information <del>in particular</del> on the following: |                 |
| Article 7, first paragraph, point (a) |   |  |  |                 |
| 66                                    | (a) the number of companies admitted to trading with multiple-vote shares;  | (a) the number of companies admitted to trading with multiple-vote shares;   | (a) the number of companies <u>with multiple-vote shares</u> admitted to trading <del>with multiple-vote shares</del> <u>on SME growth markets in the Member State for the period starting on ... /2 years after the date of entry into force of this Directive</u> ;  |                 |
| Article 7, first paragraph, point (b) |   |  |  |                 |
| 67                                    | (b) the sector in which the companies referred to in point (a) are  | (b) the sector in which the companies referred to in point (a) are   | (b) the sector in which the companies referred to in point (a)   |                 |

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|                                       | active and the respective capitalisation at the moment of issuance;   | active and the respective capitalisation at the moment of issuance;  | <del>are</del> <u>were</u> active and the respective capitalisation <sub>1</sub> at the moment of <del>issuance</del> <u>the admission to trading</u> ;   |                 |
| Article 7, first paragraph, point (c) |   |  |   |                 |
| 68                                    | (c) the investor protection safeguard applied by the companies referred to in point (a) with respect to multiple-vote share structures;   | (c) the investor protection safeguard applied by the companies referred to in point (a) with respect to multiple-vote share structures <sub>2</sub> ;  | (c) <u>if available to the Member State</u> , <del>the</del> investor protection <del>safeguard</del> <u>safeguards</u> applied by the companies referred to in point (a) with respect to multiple-vote share structures <sub>2</sub> ;   |                 |
| Article 8                             |   |  |   |                 |
| 69                                    | Article 8<br>Transposition  | Article 8<br>Transposition   | Article 8<br>Transposition  |                 |
| Article 8(1)                          |   |  |   |                 |
| 70                                    | 1. Member States shall bring into force the law, regulations and administrative provisions necessary to comply with this Directive by 2 years after the date of entry into force of this Directive. They shall immediately inform the Commission thereof. When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official | 1. Member States shall bring into force the law, regulations and administrative provisions necessary to comply with this Directive by <sub>3</sub> <u>[12 months-2 years]</u> after the date of entry into force of this Directive <sub>4</sub> . They shall immediately inform the Commission thereof. When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their | 1. Member States shall bring into force the law, regulations and administrative provisions necessary to comply with this Directive by <sub>3</sub> <u>[2 years]</u> after the date of entry into force of this Directive <sub>4</sub> . They shall immediately inform the Commission thereof. When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official |                 |

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|                            | publication. The methods of making such reference shall be laid down by Member States.  | official publication. The methods of making such reference shall be laid down by Member States.   | publication. <del>The methods of making</del> <u>Member States shall determine how</u> such reference <del>shall be laid down by Member States</del> <u>is to be made</u> .              |                 |
| Article 8(2)               |   |   |  |                 |
| 71                         | 2. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive. | 2. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive. | 2. Member States shall communicate to the Commission the text of the main <del>provisions</del> <u>measures</u> of national law which they adopt in the field covered by this Directive. |                 |
| Article 9                  |   |   |  |                 |
| 72                         | Article 9<br>Entry into force   | Article 9<br>Entry into force   | Article 9<br>Entry into force  |                 |
| Article 9, first paragraph |   |   |  |                 |
| 73                         | This Directive shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.                   | This Directive shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.                   | This Directive shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.  |                 |
| Article 10                 |   |   |  |                 |
| 74                         | Article 10<br>Addressees  | Article 10<br>Addressees  | Article 10<br>Addressees   |                 |

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| Article 10, first paragraph |   |   |   |                 |
| 75                          | This Directive is addressed to the Member States. | This Directive is addressed to the Member States. | This Directive is addressed to the Member States. |                 |
| Formula                     |   |   |   |                 |
| 76                          | Done at Brussels,                                 | Done at Brussels,                                 | Done at Brussels,                                 |                 |
| Formula                     |   |   |   |                 |
| 77                          | For the European Parliament                       | For the European Parliament                       | For the European Parliament                       |                 |
| Formula                     |   |   |   |                 |
| 78                          | The President                                     | The President                                     | The President                                     |                 |
| Formula                     |   |   |   |                 |
| 79                          | For the Council                                   | For the Council                                   | For the Council                                   |                 |
| Formula                     |   |   |   |                 |
| 80                          | The President                                     | The President                                     | The President                                     |                 |