MINERVA ANALYTICS

MINERVA BRIEFING

Virtual-Only AGMs

August 2026

Contents

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As Newsletter Editor, Jack oversees the selection and creation of Minerva Analytics' weekly blog posts. He also plays an important role in driving the organisation's briefing content, as well as supporting with other editorial tasks. He holds a MA in International Journalism and a BA in Journalism (with Study Abroad) both from City, University of London.

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Executive Summary

The rapid growth of virtual-only annual general meetings (AGMs) is reshaping shareholder engagement across global markets. First adopted widely as an emergency response during the COVID-19 pandemic, virtual-only formats are now becoming a more permanent feature of corporate governance. The key issue for investors is whether digitalisation improves access while preserving scrutiny, or whether it gives companies greater control over challenges from shareholders.

This briefing first sets out the governance debate around virtual-only AGMs, weighing investor concerns against company justifications. It then reviews global adoption trends, compares regulatory and market practice across key jurisdictions, examines the UK as a key developing case study, assesses the case for hybrid meetings and concludes with practical actions for investors.

81%

of US shareholder meetings covered by Minerva during H1 2026 were virtual-only, as the normality of such meetings is increasingly embedded in corporate culture.

The number of online-only AGMs is rising in many European countries, while the UK is making moves to ease their uptake by firms.

A wide array of global investor groups has warned that virtual-only AGMs severely threaten effective accountability.

Hybrid AGMs are widely seen as the preferred model to capitalise on the pros of online meetings while protecting both access and oversight for investors – but they too have their own drawbacks.

The Debate

The debate over virtual-only AGMs is not a simple choice between modernisation and tradition. Digital participation can widen access, eliminate travel requirements and make meetings easier to attend across large or international portfolios. The governance question is whether those benefits are delivered in a way that preserves the AGM as a live accountability forum, rather than turning it into a more controlled communications exercise.

For investors, the main concern is the degree of control virtual-only formats can give companies over their AGMs. Questions may be pre-screened, grouped, reworded or ignored, while follow-up questions and activist interventions can be harder to pursue. Physical meetings also provide information that is difficult to replicate online, including board dynamics, unscripted responses and the visible pressure created when shareholders challenge directors in the room.

Access must also be judged in practice, not just in principle. Authentication processes, connectivity problems, platform rules and limited routes for live questioning can all restrict meaningful participation, particularly for retail and minority shareholders. There is also a collective engagement risk, as virtual-only meetings can isolate participants and reduce informal interactions that help investors identify shared concerns.

Table 1: Investor concerns and company justifications relating to virtual-only AGMs

Risk / Drawback	Investor Concern	Company Justification
Limited accountability	Boards may face less direct challenges, especially where questions are filtered or follow-ups are restricted.	Companies argue that structured online Q&A can make meetings more orderly and allow a broader range of questions to be processed efficiently.
Greater management control	Companies can control how questions are submitted, selected, grouped and answered.	Companies say moderation helps avoid duplication, manage time fairly and keep the meeting focused on formal business.
Reduced transparency	Shareholders lose some insight into board dynamics, unscripted responses and the visible pressure of in-person scrutiny.	Companies argue that digital platforms can improve transparency by recording proceedings and publishing questions, answers and voting outcomes.
Barriers to participation	Authentication, connectivity and platform design can restrict meaningful participation, particularly for smaller or retail shareholders.	Companies point to the removal of travel barriers, easier attendance across geographies and greater access for shareholders unable to attend in person.
Weaker collective engagement	Online-only formats can isolate shareholders and reduce the informal interaction that supports collective stewardship.	Companies argue that higher attendance and digital tools can broaden engagement beyond those able to travel to a physical venue.
Long-term erosion of rights	Temporary digital practices can become embedded without equivalent safeguards for questioning, voting and challenge.	Companies present virtual formats as part of modernised governance, with potential cost savings and lower environmental impact from reduced travel.

These concerns sit within a wider shareholder rights debate. Virtual-only AGMs are part of the same governance risks conversation as dual-class share structures (which Minerva Analytics has explored in a separate briefing and webinar), closed-door meeting formats and other reforms that may concentrate control with boards, founders or dominant insiders. The common risk is that accountability becomes weaker at the point where shareholder oversight should be most visible.

The divide is clear. Companies point to efficiency, cost, flexibility and wider access, while investors ask whether those gains come at the expense of scrutiny, transparency and the ability to challenge directors in real time. Investor concern is now cross-market. Stewardship bodies differ in focus, but they consistently uphold that digital access should strengthen participation, not give companies greater control over shareholder scrutiny and corporate accountability.

Table 2: Investor and governance organisation concerns regarding virtual-only AGMs

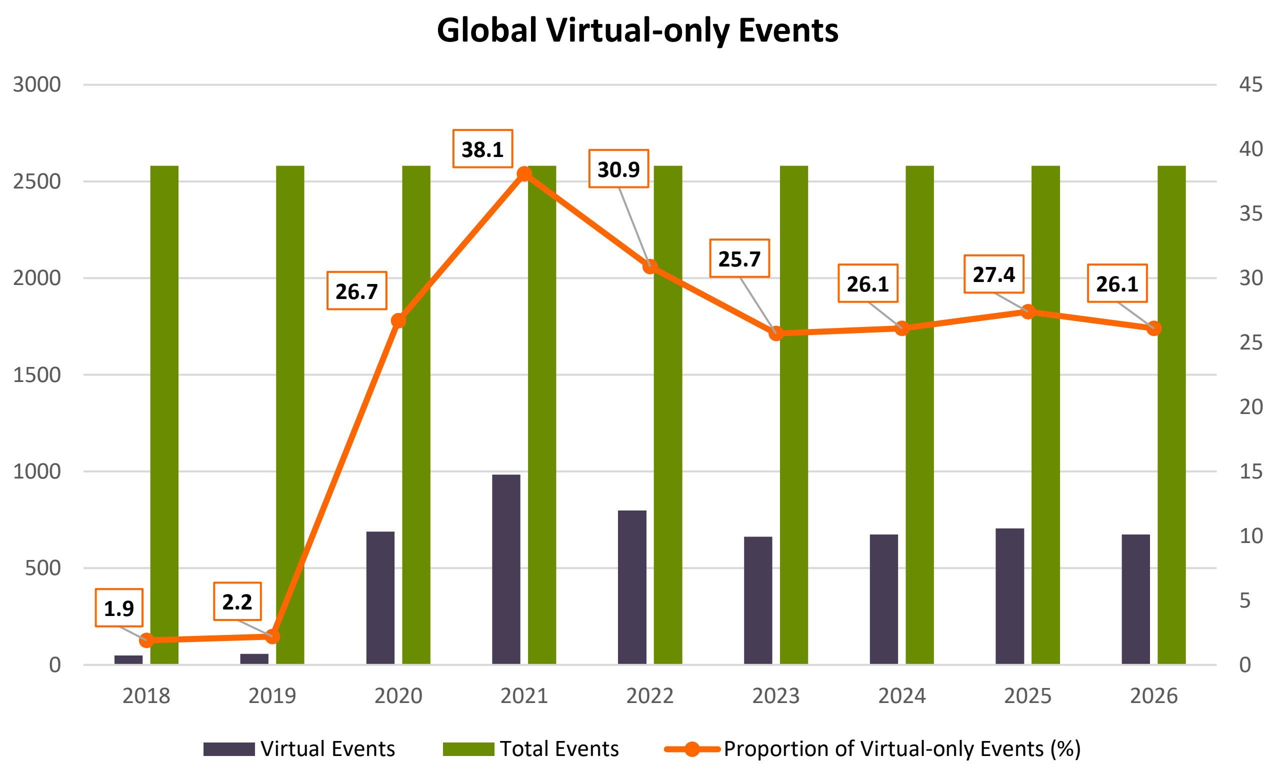
Organisation	Stated Perspective on Virtual-Only AGMs
Church of England Pensions Board (CoEPB)	Views virtual-only AGMs as creating barriers to oversight due to restricted access, cumbersome registration, reduced discussion and the ability of companies to avoid difficult questions. Considers these issues harmful to effective shareholder engagement.
Council of Institutional Investors (CII)	Has raised concerns about weakened shareholder rights tied to virtual-only AGMs. Positioned as part of the investor community warning that virtual-only formats undermine accountability and limit shareholders' ability to challenge management effectively.
Governance for Growth Investor Campaign (GGIC)	Argues virtual-only AGMs erode accountability, reduce scrutiny and risk marginalising smaller investors. Strongly supports keeping in-person attendance as essential for sound governance and meaningful oversight.
Institutional Investors Group on Climate Change (IIGCC)	Highlights significant drawbacks of virtual-only AGMs, including restricted access and reduced opportunities for questioning and discussion. Notes concerns that virtual formats can be used to avoid accountability and calls for hybrid meetings with minimum participation safeguards.
Interfaith Center on Corporate Responsibility (ICCR)	Identified in the document as an investor group aligned with concerns about virtual-only AGMs diminishing accountability and weakening shareholder rights as part of a broader governance risk landscape.
International Corporate Governance Network (ICGN)	Warns that fully virtual AGMs restrict shareholder interaction and reduce the ability of especially minority shareholders to exercise rights. States that permanent adoption of virtual-only formats undermines shareholder democracy and stewardship effectiveness
Investor Coalition for Equal Votes (ICEV)	Cited in the document as offering perspectives on the broader weakening of shareholder rights, including risks linked to virtual-only AGMs. Seen as part of the investor community stressing the need to protect accountability and participation
ShareAction	States that virtual-only AGMs weaken engagement because companies can ignore difficult questions. Warns that losing in-person AGMs harms shareholder influence and makes impactful engagement harder to achieve.
Shareholders for Change (SfC)	Strongly opposes virtual-only and closed-door AGMs. Argues that these weaken shareholder rights, restrict unmoderated questions and eliminate essential in-person accountability and visible dissent.
UK Sustainable Investment and Finance Association (UKSIF)	Identified within the GGIC coalition and aligned with positions resisting the erosion of shareholder rights. Warns that virtual-only AGMs weaken transparency, accountability and participation, and supports the preservation of in-person attendance as a governance safeguard.

Global Trends

Virtual AGMs became widespread in 2020, when COVID-19 restrictions on public gatherings meant traditional in-person AGMs could not safely take place. A small number of companies had held virtual-only AGMs prior to the pandemic, but they remained relatively uncommon.

However, companies are increasingly making virtual-only meetings part of their long-term governance arrangements. Many investors fear that measures first justified by emergency conditions are becoming normal practice without sufficient safeguards, potentially severely weakening shareholder rights.

Minerva Analytics data shows that the proportion of AGMs being held as virtual-only across our global coverage has remained over a quarter despite the peak of the COVID-19 pandemic now being several years in the past and showing little signs of declining towards pre-pandemic levels.

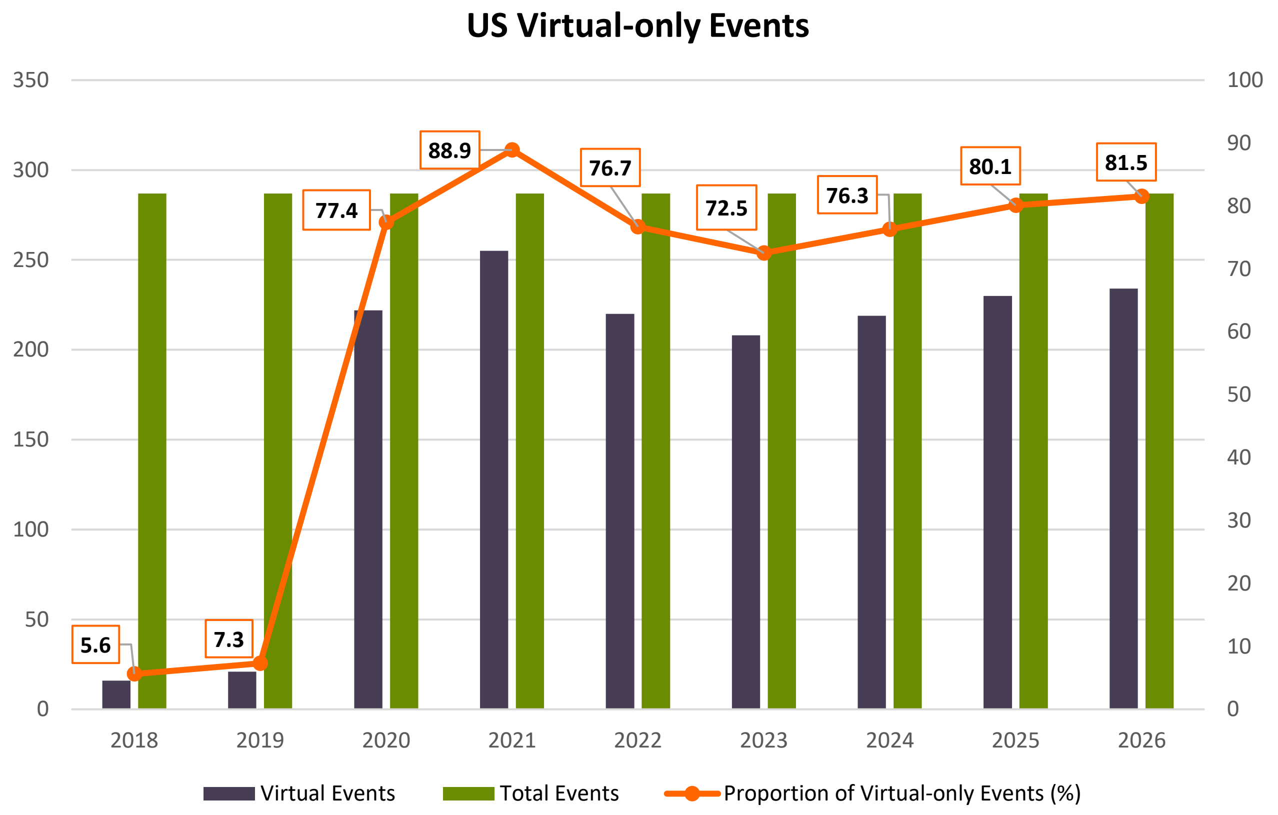


It is important to note that the data for the above and below tables only use companies that have been a constituent of the respective Minerva index at every single one of AGMs held during H1 of the nine-year period between 2018 and 2026, hence the total number of events being the same across the dataset. Additionally, the figures for 2020 includes meetings which were scheduled to be held during H1 but were postponed by the COVID-19 pandemic.

The trend has not moved in a straight line, but the overall message appears clear globally. Virtual-only meetings fell from 38.1% of shareholder meetings towards the end of the COVID pandemic in 2021 to 25.7% in 2023 but the decrease back towards the proportion of pre-pandemic virtual-only AGMs has failed to materialise. More than a quarter of meetings globally being virtual-only, alongside different jurisdictions exploring potentially easing their uptake, should provide to investors a warning that their rights could be under threat.

That continued prominence suggests investors should look beyond headline adoption rates and examine whether companies are treating online-only meetings as a temporary convenience or a permanent governance model. Existing hybrid arrangements also warrant scrutiny, as some companies may retain the online component while gradually removing the physical forum.

The trend of US virtual-only AGMs presents a different picture for shareholders to consider. Before the COVID-19 pandemic, the US already held noticeably more online-only meetings than the global average. That number spiked during the pandemic, more than trebling the global average in 2020, increasing and remaining comfortably more than double in 2021.



While the proportion of virtual-only AGMs did decline following the pandemic in line with the global trend, that proportion has now increased for three consecutive years. In H1 2026, just short of 82% of the 287 companies within the Solactive US Large Cap dataset used by Minerva held virtual-only AGMs, falling below only 2021 as the highest proportion of virtual-only AGMs on record and having a high chance of further increasing in 2027.

Taken together, these trends indicate that virtual-only AGMs are becoming embedded rather than receding, making robust safeguards for shareholder participation and accountability increasingly important across global markets.

Market Breakdown

Virtual and hybrid AGMs are gaining ground, but the safeguards vary sharply by market. The US remains the most permissive, with virtual-only meetings now commonplace. Germany, Australia and Ireland have clearer statutory frameworks, but all require credible protections for voting, questioning and participation.

Italy sits at the other end of the spectrum. Its designated-representative model has drawn governance criticism because it can remove direct board engagement. The UK remains in transition, with hybrid meetings established but virtual-only AGMs still awaiting firmer legal footing.

Table 3: Legal frameworks and governance concerns relating to virtual-only AGMs across selected markets

Country	Current Position	Key Regulatory Basis	Notable Flashpoints / Controversies
Australia	Hybrid meetings broadly permitted; virtual-only meetings allowed if constitution permits	Corporations Act 2001 (ss. 249R–249S)	The 2022 permanent reforms followed extensive debate over whether virtual AGMs adequately protected shareholder participation. Regulatory focus shifted toward ensuring shareholders can ask oral questions and vote in real time.
Canada	Virtual-only and hybrid AGMs legally permitted but closely scrutinized	Canada Business Corporations Act s.132; CSA guidance	The Canadian Coalition for Good Governance has repeatedly criticized virtual-only AGMs, arguing they can allow companies to avoid direct accountability. Regulators responded by emphasizing enhanced disclosure and participation safeguards.
Germany	Virtual-only AGMs permitted under a dedicated statutory framework	AktG s.118a (introduced 2022)	Shareholder groups including DSW, Ethos and BETTER FINANCE publicly campaigned against virtual-only AGMs. Siemens failed to secure the required 75% approval for a virtual AGM authorization in 2025, becoming a landmark example of investor resistance.
Ireland	Permanent legal framework for electronic AGMs	Companies Act 2014, s.176A (as amended)	Relatively little controversy compared with other jurisdictions. Debate has focused on ensuring that permanent virtual-meeting powers do not diminish minority shareholder participation rights.
Italy	Designated-representative-only AGMs permitted through company articles	Law No. 21/2024; TUF Art. 135-undecies.1	The 2024 Capital Markets Law made permanent the COVID-era designated representative model, prompting criticism that shareholders could no longer engage directly with boards. Proxy advisers warned that the model risks reducing accountability.
Japan	Virtual-only AGMs permitted through a special statutory route	Industrial Competitiveness Enhancement Act framework, Ch. 2 s. 4 Art 66.	Adoption accelerated after legal reforms, but investor groups questioned whether online-only meetings undermine Japan's efforts to strengthen shareholder engagement and stewardship.

Country	Current Position	Key Regulatory Basis	Notable Flashpoints / Controversies
United Kingdom	Hybrid AGMs accepted; virtual-only reforms under consideration	Companies Act 2006; GC100 Virtual Meetings Guidance (2025)	Several FTSE companies faced opposition when proposing virtual-meeting authorities. Investor groups ShareAction and ShareSoc have consistently argued that virtual-only AGMs weaken scrutiny of directors and limit spontaneous shareholder challenge.
United States	Virtual-only AGMs widely used and legally permitted	Delaware General Corporation Law s211 and equivalent state laws	Repeated investor criticism of companies for filtering questions and limiting interaction at virtual-only AGMs. Concerns intensified during the post-pandemic shift to virtual-only meetings, prompting CII and other investors to issue best-practice guidance.

Case Study: United Kingdom

While jurisdictions like the US, Japan and some EU countries have allowed companies to hold virtual-only AGMs, the UK is approaching a pivotal governance moment in pressing ahead with plans to allow virtual AGMs and streamlining corporate reporting.

It was reported in May that the UK could clarify as early as this summer whether companies are allowed to hold virtual-only AGMs following outreach from the UK's Department of Business and Trade to glean the perspectives of businesses and investors on the subject. A "broad consultation" on the programme due this year is also yet to materialise.

Despite denials, there are concerns that British-based banks like HSBC could move AGMs to an online-only forum in response to demonstrations and protests held at in-person shareholder meetings. In-person protests have also been a prominent feature at the UK AGMs of major oil and gas companies, which could well opt to make meetings virtual-only if the opportunity arose.

At its April AGM, oil and gas giant BP failed to pass a management proposal amending its Articles of Association to allow for virtual-only AGMs. If approved, the change would have replaced references to 'hybrid meetings' with 'electronic meetings' enabling the company to hold fully electronic general meetings. BP argued that the changes "would facilitate broader engagement and participation in general meetings, in a cost-effective and streamlined way, recognising the international spread of our shareholder base". At least 75% of votes cast had to be in favour of the proposal to be approved, but just 42% of votes were cast for the resolution while 47% were against and 11% abstained.

Stewardship groups and pension funds have warned that fully online AGMs in the UK could weaken the transparency and accountability mechanisms that depend on face-to-face engagement, as well as visible shareholder participation and the ability to raise questions directly which many have cited as a strength of the UK's governance model.

Hybrid AGMs: The Solution?

Hybrid AGMs are widely viewed as the most effective compromise between modernisation and accountability. Rather than replacing physical meetings entirely, they combine in-person attendance with digital participation, allowing shareholders to choose how they engage.

For institutional investors overseeing large and geographically diverse portfolios, hybrid meetings increase accessibility and reduce the practical challenges associated with attending multiple AGMs. Investors can participate remotely without sacrificing their ability to vote, ask questions or engage with boards.

At the same time, hybrid meetings preserve the unique benefits of physical attendance. Shareholders can observe board behaviour, engage directly with directors, assess responses to difficult questions and participate in the more spontaneous interactions that often shape effective stewardship.

Most importantly, hybrid structures help ensure that technology enhances engagement rather than replacing it. By retaining a physical forum, companies are less able to control or curate interactions while still benefiting from the flexibility that digital tools provide. As AGM practices continue to evolve, hybrid meetings offer a practical long-term model that balances accessibility, transparency and accountability.

Alternatively, shareholder proposals have been filed in Canada requesting that virtual meetings be held as a supplement to in-person meetings rather than replace them. At Canadian dollar store retail chain Dollarama's 2025 AGM there was a successful proposal on this topic, with more than 56% of votes cast being in favour of the resolution. Following this proposal, in June 2026 Dollarama held its first in-person AGM since 2019, with its meetings having been virtual-only in the intervening years. However, it remains to be seen whether the company continues to offer some form of in-person component for its future AGMs.

The Verdict

The rapid expansion of virtual-only AGMs represents a significant development in modern corporate governance. While such meetings can improve accessibility and reduce administrative costs, they also create major risks relating to transparency, accountability and shareholder engagement. Investor groups across multiple jurisdictions continue to warn that fully virtual formats may weaken oversight and reduce opportunities to effective challenge companies.

The evidence suggests that the central issue is not whether technology should play a role in AGMs, but how it should be used and to what extent it risks weakening shareholder rights. A growing consensus among stewardship organisations is that hybrid AGMs provide the most balanced solution, combining the inclusivity of digital participation with the accountability and transparency associated with physical attendance. As AGM practices continue to evolve, ensuring that innovation strengthens rather than diminishes shareholder rights will remain a critical governance priority.

Actions Investors Can Take

Investors play the most important role in ensuring virtual-only AGMs do not become the default AGM format. You can vote against resolutions which would change the articles or bylaws to allow virtual-only AGMs or even file proposals requesting companies to keep an in-person or hybrid AGM format, or add such a format if meetings are currently conducted under online-only conditions. These efforts are vital to help ensure that their shareholder rights are not compromised or detrimentally impacted.

Key considerations for investors include:

- Whether investee company will ensure that virtual only AGMs provide the same level of meaningful shareholder engagement as in person meetings and that transparent safeguards are put in place, particularly when it comes to live, unfiltered questioning.
- If the company guarantee that minority and retail shareholders, who often rely on in person interaction, retain equal opportunities to participate and be heard.
- What measures the board will implement to ensure that technology barriers such as authentication issues, connectivity concerns or platform limitations do not impede shareholder voting or participation.
- From a governance perspective, whether the board will adopt long term protections to ensure that virtual only AGMs do not weaken shareholder oversight, diminish accountability, or concentrate decision making power.

About Solactive

Solactive is a Germany-based index provider operating globally and growing at a fast pace. Since 2007, Solactive have been developing tailor-made and multi-asset class index solutions for global investors. Currently, Solactive is present in Frankfurt, Dresden, Berlin, Toronto and Hong Kong to provide 24/7 coverage.

Solactive principles

"We take our cue from our clients when deciding what's important to us. So, it will come as no surprise that security, technical infrastructure and regulatory compliance are high on the list. However, it's just as important to us to ensure that we truly deliver the products and services that our clients are looking for."

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- **Security:** Highest standards for data protection and continuity. Solactive employs a number of industry-standard layers of technology to protect and secure data.
- **Regulation:** Compliance with the applicable regulations and regulatory developments.
- **Proactivity:** True partnership – developing products with clients that matter to them.

For more information about Solactive's tailor-made and multi-asset class index solutions, please visit https://www.solactive.com/indices/.

About Minerva

Minerva Analytics, a Solactive company, is a proxy voting agency that helps investors make informed stewardship and voting decisions through independent governance research, data and policy development. In the context of virtual-only AGMs, Minerva helps investors assess whether meeting arrangements protect shareholder rights, enable meaningful participation, and support transparency and accountability in line with good governance expectations.

Minerva's Core Services

- **Global vote agency:** core competence covering bespoke policy, data, research, execution, vote analytics and reporting.
- **ESG research:** covering >90% of the World's listed companies by value.
- **Sustainability consulting:** TCFD reporting, RI policy creation, IS reporting, sustainability reporting, carbon footprinting, 'Governance Watch' and asset owner/manager ESG audits.
- **SDG mapping:** assessing potential alignment/impact of client investments on the delivery of the UN Sustainable Development Goals.
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