

COVID-19: All General Shareholders' Meetings of Russian Joint Stock Companies in 2020 Can Be Conducted in the Form of Absentee Voting

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On March 18, 2020, a new law¹ came into force, pursuant to which in 2020 Russian joint stock companies can conduct any general shareholders' meetings in the form of absentee voting, including those which must generally be conducted in the form of a meeting.

Article 2 of the Law provides that in 2020, a general shareholders' meeting with the agenda items set out in Article 50(2) of the JSC Law² can be conducted in the form of absentee voting upon the resolution of the board of directors. Such items, which under the JSC Law can be included only in the agenda of a general shareholders' meeting conducted in the form of a meeting (joint presence of shareholders), include:

- election of the board of directors;
- election of members of the audit (revision) commission;
- approval of the company's auditor; and
- approval of the annual report and annual accounting (financial) statements of the company, unless the company's charter reserves the resolution of these matters to the competence of the board of directors,

and are usually included in the agenda of annual general shareholders' meetings.

Thus, if the board of directors so determines, in 2020 any general shareholders' meeting, including annual general shareholders' meeting, can be conducted in the form of absentee voting. The adopted amendments are of a temporary nature and we presume are driven by the outbreak of the coronavirus disease (COVID-19).

¹ Federal Law No. 50-FZ on the Acquisition by the Government of the Russian Federation of Ordinary Shares of Sberbank of Russia from the Central Bank of Russia and the Repeal of Certain Provisions of the Legislative Acts of the Russian Federation dated March 18, 2020 (the "Law").

² Federal Law No. 208-FZ on Joint Stock Companies dated December 26, 1995 (as amended, the "JSC Law").



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