# Major UK firms move to online-only AGMs, raising concerns over shareholder engagement



Several major British companies have adopted online-only formats for their annual general meetings (AGMs), restricting shareholders from attending in person, according to an investigation by The Mail on Sunday. Among the firms implementing this digital-only approach are AstraZeneca, the pharmaceutical giant; Haleon, the toothpaste manufacturer; and Nationwide Building Society. These moves have drawn criticism from campaigners who argue that such restrictions undermine shareholder democracy and reduce opportunities for investors to hold company boards accountable.

The shift to digital meetings initially accelerated during the Covid-19 pandemic when restrictions on gatherings forced companies to seek alternative methods for conducting AGMs. While many firms transitioned to a hybrid model—allowing shareholders both to join online and to be present physically—some have since opted for meetings entirely online. Stakeholders have expressed concerns that this trend may be motivated by a desire to curtail critical debate during meetings and to reduce operational costs.

AstraZeneca, currently the most valuable listed company in Britain, held its most recent AGM at The Oval cricket ground in London. However, the event was hosted in a broadcast suite, with all company directors joining remotely from multiple locations and no provision for shareholders to meet with them face to face. Chairman Michel Demare's invitation explicitly stated that directors would not be attending in person. When questioned about the lack of a physical alternative during the virtual session, AstraZeneca responded by saying that the "vast majority" of shareholders supported the online format but did not provide evidence supporting this claim.

Sheryl Cuisia, from the Engagement Appeal pressure group, criticised the practice, describing it as "a brilliant way to avoid shareholder engagement." She highlighted that AGMs have historically been occasions of significant shareholder activism and discourse. For example, Barclays experienced repeated disruptions in the 1970s and 1980s by anti-apartheid protesters urging the bank to sever financial ties with South Africa—a demand that was ultimately met. Other notable moments include the 1995 annual meeting of British Gas, where protestors paraded a 20-stone pig named Cedric outside the venue to denounce the pay of then-boss Cedric Brown. Additionally, in 2005, tycoon Philip Green withdrew his bid for Marks & Spencer after thousands of small shareholders voiced support for the existing board during the AGM.

Nationwide Building Society, owned by around 16 million members, was heavily criticised last year for not permitting members to engage in person with directors about its £2.9 billion takeover of Virgin Money. James Sherwin-Smith, an individual seeking to join Nationwide's board, commented that "Virtual-only is its new modus operandi." Nationwide confirmed that its AGM scheduled for July would also be held online, asserting that the digital format had led to higher attendance and engagement levels over recent years, reversing a decline in shareholder participation observed since 2011.

Haleon, meanwhile, announced its intention to conduct its upcoming AGM virtually, describing the event as "broadcast under studio conditions" from its London headquarters. The company noted that most of its shareholders are located outside the UK, which contributed to its decision to maintain a digital format.

In contrast, some firms have reverted to hybrid meeting formats following pressure from shareholders. Marks & Spencer was compelled to reverse its decision in 2023 to exclude in-person attendance after shareholders branded the move "arrogant" and cautioned against setting "an appalling precedent." Other companies have adapted their meeting logistics in different ways, such as relocating AGMs from city centres to more remote business parks or scheduling them during holiday periods like summer or Christmas, potentially affecting accessibility.

Companies defending the online meeting approach claim that digital formats enable higher shareholder participation rates and provide equitable access for globally dispersed investors. AstraZeneca emphasised that a larger proportion of shares were represented in its online meetings compared to previous in-person events, enabling international shareholders to take part on equal terms.

As digital technology continues to reshape corporate governance practices, the balance between innovation in shareholder engagement and preserving traditional mechanisms of accountability remains a topic of ongoing debate within the UK’s corporate landscape.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://esgwise.org/virtual-only-uk-agms-would-be-madness/> - This article supports the claim that the move to virtual-only AGMs in the UK is controversial and has drawn criticism from campaigners who argue it undermines shareholder democracy and engagement.
* <https://www.whitecase.com/insight-alert/ftse-350-snapshot-agm-key-trends-2024-update> - This source provides data and analysis on current AGM trends in the UK, including the adoption of hybrid and virtual-only formats by major companies, corroborating the article’s point about ongoing changes in AGM arrangements among FTSE 350 companies.
* <https://www.lumiglobal.com/resources/the-rise-of-digital-agms> - This report details the rise of digital and hybrid AGMs globally post-COVID and notes that the UK has been slower to embrace virtual-only AGMs compared to other regions, confirming the article’s mention of the pandemic accelerating digital adoption but some firms opting exclusively digital.
* <https://www.uk.coop/coronavirus/covid-19-governance-advice/holding-online-annual-general-meeting-agm> - This page offers guidance on holding online AGMs, including benefits such as increased participation and practical considerations, supporting the article’s points about companies defending virtual formats for broader shareholder access and logistical reasons.
* <https://www.ft.com/content/1a29d3dc-7b2f-4a0a-8a9a-9e4b32a5f3e6> - This Financial Times article reports on AstraZeneca’s recent AGM being held virtually with directors not attending in person, corroborating details about AstraZeneca’s approach and shareholder concerns regarding limited physical engagement.