



The birth of CORPORANCE, the first Spanish Proxy Advisor.

CORPORANCE, the Spanish proxy advisor, member of the international partnership ECGS (Expert Corporate Governance Service) for Spain and Portugal, was presented today by its founder and managing director, Juan Prieto, along with other partners of this alliance.

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“CORPORANCE, Asesores de Voto was born this year as a partner for Spain and Portugal of the ECGS alliance which is already formed by independent local leaders in **France, Germany, Switzerland, the United Kingdom, the Netherlands and Italy**” explained **Prieto** at the presentation.

This entity offers fund managers and insurance companies different services such as analysis and voting recommendations, design and execution of engagement and voting policies, good governance and responsible investments advice, as well as information on regulations and market practices.

ECGS was formed in 2001 in the United Kingdom by leading independent European voting advisors and currently **covers 90% of European stock market capitalization**. Members of this international alliance are **Proxinvest (France), DSW (Germany), Ethos Fondation (Switzerland), Manifest (UK), Frontis Governance (Italy) and VIRV Solutions (the Netherlands)**.

During the presentation, the panelists analyzed and advanced some of the amendments to **2007/36/EC Directive of the European Parliament and of the Council** on the General Shareholders' Meeting.

"In 2014, the change focused on the voting right to vote and representation at meetings of shareholders, but this new modification focuses on other aspects that were not included in the initial document," explained **Ramón Hernández**, partner and legal director of CORPORANCE.

Encouraging the long-term engagement of investors to improve sustainability, giving an important role to intermediaries or improvements in communication between shareholders and governance are some of the innovations included in this directive, as several experts in the field have advanced.

In Hernández's opinion, proxy advisors will offer "**advantages to advisers, as well as reduce costs for investors and prevent them from having a large internal team.**"

In addition, one of the new obligations will be the identification of shareholders, "which gives an important role to intermediaries. This may also cause problems with data protection laws," said Goldman Sachs Senior Compliance Officer for Spain, Portugal and Ireland, Pilar López-Aranguren.

Although in Spain, the issuer's identification of their shareholder was already regulated, "now for the first time, it will be harmonized in the rest of the Member States" according to the director of InmoSur, Gregorio Arranz.

Participants have agreed that many of the companies do not have their fiscal domicile in the country where they operate, specifically **in Spain where 40% of market shares are held by non-residents.**