

Recent key developments in the area of Spanish financial regulation

Prepared by the Regulation and Research Department of the Spanish Confederation of Savings Banks (CECA)

CNMV Circular 2/2022 approving the templates for notifying significant shareholdings and issuer trades in own shares (published in the *Official State Journal* on June 8th, 2022)

The Circular stems from the improvements made to corporate governance and capital markets aspects by Spanish Law 5/2021. Specifically, the CNMV has updated its templates for notifying significant shareholdings and issuer trades in own shares and repealed Circular 8/2015. Updates will take effect 60 days after publication and the parties bound by it will have to use the new templates for any notices they are required to make from that date onwards.

In broad terms, Circular 2/2022 introduces the following changes:

- The instructions for filling out the treasury share template clarify that the calculation of the percentage of own shares held as treasury stock does not factor into loyalty share rights, if any.
- The wording of the instructions has also been fine-tuned.
- It includes the requirement to make disclosures about loyalty voting rights. In a new development, the positions' shareholders are required to report the additional voting rights associated with loyalty shares conferred (*i.e.*, shares that confer additional voting rights to their holders if they hold their shares for a given period of time).
- Disclosures regarding double voting rights are also required. Significant shareholders must indicate the number of additional voting rights conferred via loyalty shares and the number of shares for which that double voting entitlement has yet to be acknowledged. Those disclosures are already required in issuers' annual corporate governance reports.
- The templates concerning directors, officers and their close contacts and regarding remuneration schemes have been repealed.