## Calling all directors and company secretaries of UK listed companies – the key takeaways from the Digitisation Taskforce final report

The Digitisation Taskforce was established with two aims:

- Eliminate the use of paper share certificates; and
- Improve the UK's intermediated system of share ownership.

Earlier this month the taskforce published its final report, here are the key takeaways:

### 1) Timelines

The taskforce proposed that Step 1, replacing physical share registers and share certificates with digitised share registers should take place by the end of 2027. After this point physical share certificates will no longer be prima facie evidence of a shareholder's title to the shares, instead the digitised share register will be the sole prima facie evidence. The UK government has stated it will work towards this deadline.

Step 2, preparing for a fully intermediated system, requires legislative and regulatory changes therefore a timeframe has not been recommended, however it has been suggested that the UK government aims to implement these changes within this parliament which is due to run to 2029, at which point Step 3, all shares transition into the intermediated system, can commence.

### 2) Which companies are captured?

Currently these changes will only impact UK incorporated listed companies, however one of the taskforce's recommendations is that as part of Step 2, actions should be taken to facilitate UK digitisation for Guernsey, Isle of Man and Jersey incorporated companies admitted to trading in London.

### 3) Digitally communicating with shareholders to be made easier

It is proposed that company communications with shareholders be deemed valid if they are sent to the shareholder in electronic form or placed on an appropriate website. Shareholders should have the option to "opt in" to receive hard copies from the company.

### 4) Payments to shareholders should be made electronically

It is proposed legislation is put forward requiring electronic payments be the default payment method to shareholders unless otherwise agreed between a company and a shareholder.

### 5) Changes to the information required for the register of members

To facilitate items 3 and 4 above it is proposed that the Companies Act be amended such that the required information for a digitised share register include the provision of an email address and bank account details.

### 6) "Bill of Shareholder Rights"

The taskforce has produced a "Bill of Shareholder Rights" which sets out the general rights that should be provided to all shareholders, including UBOs, as part of the baseline service offered by intermediaries. This should result in obligations on intermediaries to:

- Transmit information about the identity of the UBOs to the companies without delay.
- Pass on to UBOs all information from the company that allows UBOs to properly direct the exercise of shareholder rights.
- Facilitate the exercise of shareholder rights by UBOs, including the right to participate and vote in general meetings.
- Disclose fees for the provision of these baseline services.

July 2025