



## Definition of the family businesses

A company of any size is a family business if:

- (1) The majority of decision-making rights is in the possession of the natural person(s) who established the company, or in the possession of the natural person(s) who has/have acquired the share capital of the company, or in the possession of their spouses, parents, child or children's direct heirs.
- (2) The majority of these decision-making rights are indirect or direct.
- (3) At least one representative of the family or kin is formally involved in the governance of the company.

Listed companies meet the definition of a family business if the person(s) who established or acquired the company (share capital) or their families or descendants hold at least 25 per cent of the decision-making rights mandated by their share capital.

This definition includes family companies which have not yet gone through the first generational transfer. It also covers sole proprietors and the self-employed (provided there is a legal entity which can be transferred).