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).