EU Corporate Governance in XXI century: Shareholder Rights Directive II and Beyond

HOW COULD MODERN CORPORATE GOVERNANCE HELP COMPANIES MEET THE CHALLENGES OF THE XXI CENTURY

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Three Perspectives: Investor, Stakeholder, Open Market

(a) Perspectives in Conflict?

(b) Perspective Aligned?

Can Institutional Investors Encompass Stakeholder Perspectives?

Individual Observation: ●

Workshop Average: ——

Proposition X	Strongly prefer proposition X to proposition Y	Tend to prefer proposition X to proposition Y	Tend to prefer proposition Y to proposition X	Strongly prefer proposition Y to proposition X	Proposition Y
Companies are there to make money. That's why we invest in them. Asking them to do more is a costly burden which is usually against shareholder interests			● ● ● ● ●	● ●	Institutional investors are fiduciaries. On behalf of their clients they should ask companies to reflect broader social norms and obligations. In any case this rarely hurts profitability

Do Institutional Investors Encompass Stakeholder Perspectives?

For each of the following competing propositions, X and Y, which reflects best what
(a) is the group's own view?
(b) Where the group thinks most investors would position themselves?
(c) what most investors actually do?

Proposition X	Strongly prefer proposition X to proposition Y	Tend to prefer proposition X to proposition Y	Tend to prefer proposition Y to proposition X	Strongly prefer proposition Y to proposition X	Proposition Y
Companies are there to make money. That's why we invest in them. Asking them to do more is a costly burden which is usually against shareholder interests					Institutional investors are fiduciaries. On behalf of their clients they should ask companies to reflect broader social norms and obligations. In any case this rarely hurts profitability