

Responsibility to shareholders and investors



INTRODUCTION OF THE TEAM



RAQUEL HONÓRIO

ANASTASIA CHARTA

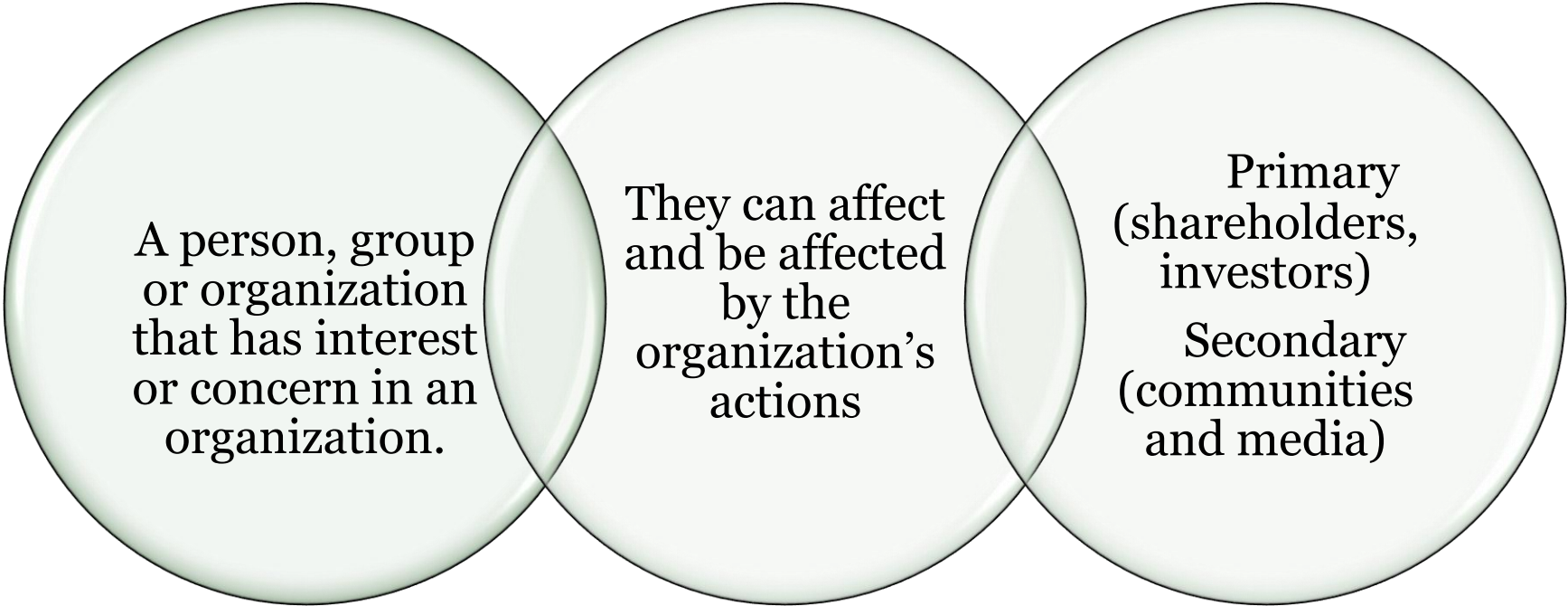
FERENIKI PAPADOPOULOU

KONSTANTINA CHRISTODOULOU

CONTENT OF THE PRESENTATION

- Difference between stakeholders, shareholders and investors
- Shareholders theory
- Shareholders' rights and responsibilities
- Investors' rights and responsibilities
- SRI-Sustainable Investing-Impact Investing
- Does CSR affect the shareholders?
- LEGO'S CSR
- Summary

STAKEHOLDERS



A person, group or organization that has interest or concern in an organization.

They can affect and be affected by the organization's actions

Primary
(shareholders, investors)
Secondary
(communities and media)

SHAREHOLDERS VS INVESTORS

Shareholders

- Own shares
- Expect growth of the company
- Have certain rights
- Private corporation
- Public corporation

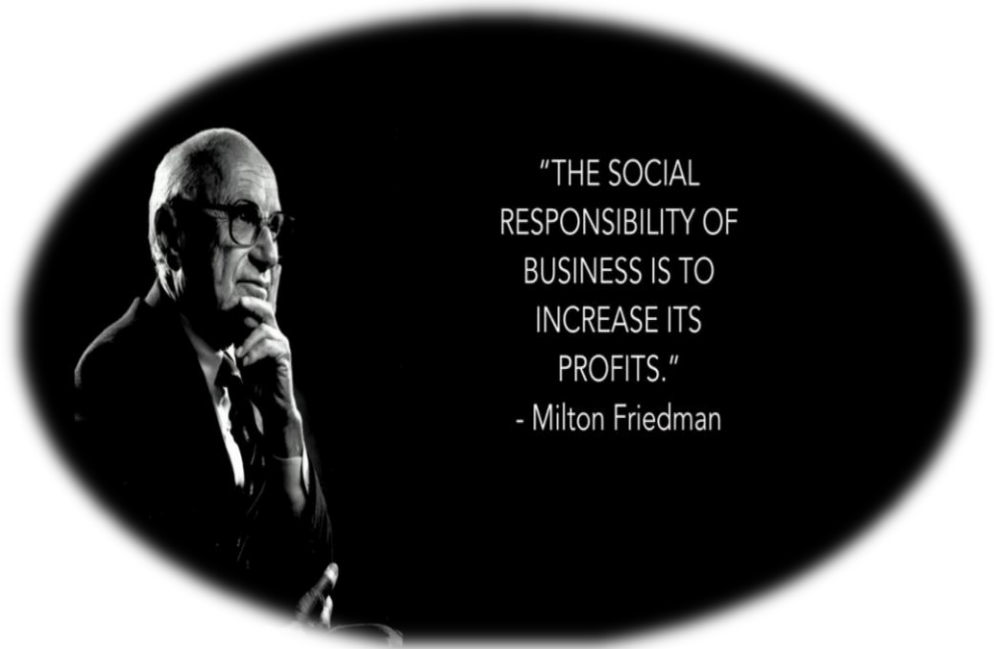
Investors

- Put money into a business
- Invest in many companies
- Expect financial return
- Venture capitalists
- Angel investors

SHAREHOLDER'S THEORY

”There is only one(...)social responsibility of business: to use its resources(...) in activities designed to increase its profits(...)without deception or fraud.”

Managers primarily have a duty to maximize shareholders’ interests in the way that is still permitted by law or social values.



”THE SOCIAL RESPONSIBILITY OF BUSINESS IS TO INCREASE ITS PROFITS.”

- Milton Friedman



SHAREHOLDERS' RIGHTS

- ❖ Vote on key issues
- ❖ Transfer ownership
- ❖ Receive company reports
- ❖ Dividends
- ❖ Participation in corporate actions

SHAREHOLDERS' RESPONSIBILITIES

- ❖ Ensure the wealth of the company
- ❖ Vote in general meetings
- ❖ Decision about the company's future

INVESTORS' RIGHTS

- ❖ Awareness of opportunities to invest
- ❖ Information about the market
- ❖ Be informed about all the costs
- ❖ To complain when something is wrong

INVESTORS' RESPONSIBILITIES

- ❖ Consider all investments
- ❖ Communicate with the representatives
- ❖ Use the right resources



SOCIALLY RESPONSIBLE INVESTING (SRI)-SUSTAINABLE INVESTING

- ❖ Importance of environmental, social and governance (ESG) factors
- ❖ Long-term sustainable returns
- ❖ ESG factors to apply negative or positive screens on the investment universe.
- ❖ The goal of social responsible investment:
- ❖ To generate returns without violating social conscience.

IMPACT INVESTING

- ❖ Seeks to make a positive impact by investing
- ❖ Help a business or organization accomplish specific goals that are beneficial to society or the environment.

DOES CSR AFFECT SHAREHOLDERS?

Marketing Capability



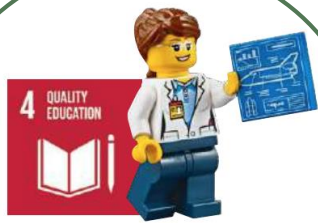
LEGO: BUILDING A MORE SUSTAINABLE FUTURE—BRICK BY BRICK

”Lego” is derived from the Danish words “leg godt” that mean “play well”

- *Number 1 on Global CSR companies*
- *Sustainable investment*



LEGO: BUILDING A MORE SUSTAINABLE FUTURE—BRICK BY BRICK



Quality education



Responsible consumption and production



Climate action



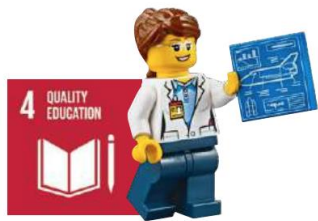
Partnerships



Promote learning and creativity through play

Let kids build the future they want to see

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Partnerships

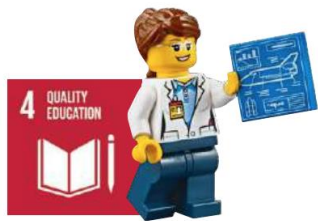
93 recycling percentage by reusing the materials and the fault parts

Invest in sustainable and raw materials to manufacture lego elements

Changing the packaging



LEGO: BUILDING A MORE SUSTAINABLE FUTURE—BRICK BY BRICK



Quality education



Responsible consumption and production



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Partnerships

Be 100% balanced by renewable energy



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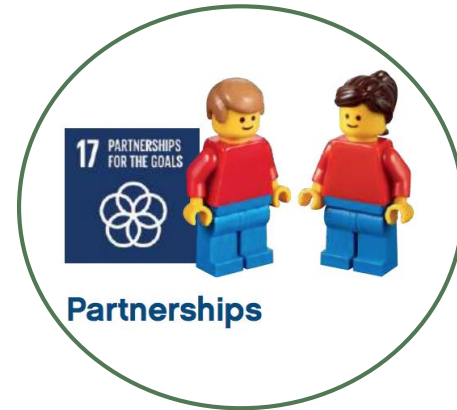
Quality education



Responsible consumption and production



Climate action



Partnerships

Causes that make social and environmental improvements



SUMMARY

- What does CSR provide to the firm?
 - Decrease threats to a company's profitability
 - Improve the company's impact on the environment
 - Mature approach to business
 - Long-Term Planning



REFERENCES

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Thank You
== For Your Attention ==