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PRESS RELEASE

DIALOGUE BETWEEN INSTITUTIONAL INVESTORS AND BOARDS INCREASINGLY IN THE GROOVE OF SUSTAINABILITY

The Corporate Governance Conference comes to an end with the two Academic Days, under the scientific direction of Luca Enriques (Oxford University) and Giovanni Strampelli (Bocconi University), which will result in a book edited by Cambridge University Press. Panelists include Oliver Hart, Nobel Prize winner for Economic Sciences in 2016

More than 350 attendees and 1,500 streaming views on FR|Vision, including more than 800 on Wednesday, October 12 alone. These are the numbers of **Assogestioni's Corporate Governance Conference** in Rome, which comes to an end focussing on the dialogue between shareholders and listed companies. Dialogue aimed increasingly at improving the practice of good governance to generate sustainable value in the long term.

This was emphasized in his speech by **Oliver Hart, Nobel Prize for Economic Sciences**: *"It has long been taken for granted that the appropriate goal for a company is profit or shareholder value maximization. In my talk I challenge this. I argue that shareholders are sometimes willing to sacrifice profit to further an environmental or other goal and that company and mutual fund managers should cater to the social preferences of their investors"*.

With these words Hart opened the final session of the two **Academic Days** that, under the scientific direction of Professors **Luca Enriques (Oxford University)** e **Giovanni Strampelli (Bocconi University)**, explored in depth the quality, forms and constraints, including legal ones, of the dialogue between institutional investors and corporations, with contributions from outstanding panelists and academics from the world's most prestigious universities.

"The shareholder base of big listed companies is dominated by the presence of institutional investors, who are increasingly expressing their views on how companies should be managed and to what extent they should take into account the interests of other stakeholders," noted **Professor Enriques**, explaining how the Assogestioni conference aimed to address some crucial issues, summarized by the expert as follows: *"what role do institutional investors have, can and should they*



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have in the governance of listed companies? In what forms and with what limits can they speak out in the dialogue with the top management of investee companies?"

On the point, **Professor Strampelli** emphasized that *"expectations towards institutional investors have grown as they can play a decisive role in fostering the transition to a more sustainable economic model, helping to overcome global challenges and, first and foremost, the one against climate change. Institutional investors can incentivize the pursuit of ESG goals in several ways. In particular, engagement, i.e., dialogue with the directors and management of investee companies, is an essential tool for this purpose as is clear from best practice and is shown by a growing number of analyses and empirical studies."*

This and the other considerations shared in Rome's Ara Pacis setting will feed into the engagement volume **"Board-Shareholder Dialogue: Best Practices, Legal Constraints and Policy Options"**, to be published by **Cambridge University Press**, which will further follow up on the academic debate on corporate governance.

"This is an evolving topic, mostly thanks to the increasing integration of ESG factors", noted **Fabio Galli, Director General at Assogestioni**. *"We are honored to have contributed to fueling such a sustainability-oriented debate in corporate governance practices, and we are extremely pleased with the great participation in this event, both from professionals and academics, and from the audience who followed the proceedings, even from a distance, with so much interest. Italy confirms itself as a place where the debate on these issues is of absolute excellence, and we hope to organize again in the future many events like this one, to take stock of the direction taken"*, he concluded.

The event is broadcasted live and will be available on demand on [FRIVision](#). Please visit the [media kit](#) for photos and speakers' statements.

[ENDS]



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Assogestioni

Elisa Strada

Head of Press Office

Mob. 340.4755126

elisa.strada@assogestioni.it

Jean-Luc Gatti

Communications Director

Mob. 328.2919381

jeanluc.gatti@assogestioni.it

BEST PRACTICE PRINCIPLES GROUP - BPPG

The purpose of the BPPG is to promote greater understanding of the proxy research industry by developing and regularly updating a set of Best Practice Principles for Providers of Shareholder Voting Research & Analysis that signatories to the Principles should adopt on a comply-or-explain basis. BPPG launched the first edition of the Principles in 2014, with the current version issued in 2019. The current BPPG Members are Federated Hermes (EOS), Glass Lewis, ISS, Minerva Analytics and PIRC.

INDEPENDENT OVERSIGHT COMMITTEE - IOC

In 2019 the BBPG appointed the IOC to provide an annual review of the Best Practice Principles and the public compliance statements of each BPP Signatory. The IOC's purpose is to independently assure international markets that firms in the proxy voting research and advisory industry are meeting agreed best practices and serving the interests of their investor customers while treating issuers and other stakeholders fairly, with accuracy, integrity, and responsiveness. The IOC is comprised of its Independent Chair, Dr. Stephen Davis, and six institutional investor representatives, three public company representatives, and two independent academic representatives.

ASSOGESTIONI – ITALIAN INVESTMENT MANAGEMENT ASSOCIATION

Assogestioni is the Italian investment management association. Established in 1984, the Association pursues the promotion, expansion and protection of the various forms of investment management in Italy, including retirement provision, and the growth of the related culture with a view to supporting economic and financial market growth and to protecting the interests of investors. Focusing on both representation, promotion and protection of the collective interests of its members and their investor customers, both in Italy and abroad. Today, it represents over €2,300 billion in assets under management (as of July 31, 2022).