



EUROPEAN PARLIAMENT

2009 - 2014

---

*Committee on Legal Affairs*

---

**2011/2181(INI)**

5.12.2011

# **AMENDMENTS**

## **1 - 68**

**Draft report**  
**Sebastian Valentin Bodu**  
(PE475.797v01-00)

A corporate governance framework for European companies  
(2011/2181(INI))

AM\885626EN.doc

PE478.375v01-00

**EN**

*United in diversity*

**EN**



**Amendment 1**  
**Mikael Gustafsson, Rodi Kratsa-Tsagaropoulou**

**Motion for a resolution**  
**Citation 1 a (new)**

*Motion for a resolution*

*Amendment*

**- having regard to its resolution of 6 July 2011 on women and business leadership<sup>1</sup>,**

---

<sup>1</sup>**P7\_TA-PROV(2011)0330.**

Or. en

**Amendment 2**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 1**

*Motion for a resolution*

*Amendment*

1. Welcomes the Commission's revision of the EU corporate governance framework initiated by the Green Paper;

1. Welcomes the Commission's revision of the EU corporate governance framework initiated by the Green Paper; ***stresses that it could go further than applying the "comply and explain" principle;***

Or. en

**Amendment 3**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 1 a (new)**

*Motion for a resolution*

*Amendment*

***1a. Asks the Commission to establish a system of clear rules and sanctions for good corporate governance based on***

*codes of best practices, to rebalance the current structure of corporate governance with a view to reinforce long term orientation and discourage financial and other incentives for short term excessive risk taking and irresponsible behaviour;*

Or. en

**Amendment 4**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 1 a (new)**

*Motion for a resolution*

*Amendment*

*1a. Regrets the Green Paper's focus on the unitary system and disregard for the dual system, which is equally widely represented in Europe; many questions raised in the Green Paper do not arise under the dual system, including for example the demarcation of the respective powers and responsibilities of the Chief Executive Officer and the Supervisory Board, as these are clearly demarcated by law in dual systems;*

Or. de

**Amendment 5**  
**Eva Lichtenberger**

**Motion for a resolution**  
**Paragraph 1 a (new)**

*Motion for a resolution*

*Amendment*

*1a. Recalls that the report of the Reflection Group on the Future of EU Company Law states that "the interest of the company (..) may have priority over the interest of individual shareholders if*

*these two are in conflict and if serving the short term interest of shareholders would have a direct negative impact on the long-term viability of the company".*

*Brussels, 5 April 2011, available on the Commission's website, pp 37-38*

Or. en

**Amendment 6**  
**Philippe De Backer**

**Motion for a resolution**  
**Paragraph 1 a (new)**

*Motion for a resolution*

*Amendment*

*1a. Considers that, in the wake of the financial crisis, lessons can be learned from the principal bankruptcies in the business world;*

Or. nl

**Amendment 7**  
**Eva Lichtenberger**

**Motion for a resolution**  
**Paragraph 1 b (new)**

*Motion for a resolution*

*Amendment*

*1b. Believes that binding rules need to be at the core of corporate governance regulation, to be complemented by soft regulation such as codes of best practices;*

Or. en

**Amendment 8**  
**Philippe De Backer**

**Motion for a resolution**  
**Paragraph 1 b (new)**

*Motion for a resolution*

*Amendment*

***1b. Advocates, nonetheless, a certain restraint in this context and calls for every legislative proposal to be assessed very critically in the light of the objectives to be attained and the cost-benefit ratio of such proposals;***

Or. nl

**Amendment 9**  
**Philippe De Backer**

**Motion for a resolution**  
**Paragraph 1 c (new)**

*Motion for a resolution*

*Amendment*

***1c. Stresses the need to achieve better functioning of, and compliance with, existing governance rules and recommendations rather than imposing binding European corporate governance rules;***

Or. nl

**Amendment 10**  
**Philippe De Backer**

**Motion for a resolution**  
**Paragraph 1 d (new)**

*Motion for a resolution*

*Amendment*

***1d. Is convinced that voluntary codes of conduct are the most efficient way of achieving good corporate governance;***

Or. nl

**Amendment 11**  
**Philippe De Backer**

**Motion for a resolution**  
**Paragraph 1 e (new)**

*Motion for a resolution*

*Amendment*

*1e. Expresses a preference, in this context, for the ‘comply or explain’ method; considers that, as part of this, businesses which have a justified reason not to comply with corporate governance regulations should explain in detail the decisions in question and describe the alternative solutions that they have adopted;*

Or. nl

**Amendment 12**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 2**

*Motion for a resolution*

*Amendment*

2. Regrets however that important corporate governance issues such as board decision-making, directors' responsibility, directors' independence, conflicts of interest *or* stakeholders' involvement have been left out of the Green Paper;

2. Regrets however that important corporate governance issues such as board decision-making, directors' responsibility, directors' independence, conflicts of interest, ***gender diversity, employee representation and*** stakeholders' involvement have been left out of the Green Paper;

Or. en

**Amendment 13**  
**Dimitar Stoyanov**

**Motion for a resolution**  
**Paragraph 3**

*Motion for a resolution*

3. In this sense, stresses that attention must be drawn to the important role that the different committees (audit, remuneration and nomination) play in the good governance of a company and calls on the Commission to strengthen their role;

*Amendment*

3. In this sense, stresses that attention must be drawn to the important role that the different committees (audit, remuneration and nomination) play in the good governance of a company and calls on the Commission **take steps** to strengthen their role;

Or. bg

**Amendment 14**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 3**

*Motion for a resolution*

3. In this sense, stresses that attention must be drawn to the important role that the different committees (audit, remuneration and nomination) play in the good governance of a company **and calls on the Commission to strengthen their role;**

*Amendment*

3. In this sense, stresses that attention must be drawn to the important role that the different committees (audit, remuneration and nomination) play in the good governance of a company;

Or. en

**Amendment 15**  
**Alexandra Thein**

**Motion for a resolution**  
**Paragraph 3 a (new)**

*Motion for a resolution*

*Amendment*

***3a. Stresses that the Commission's review of the EU corporate governance framework must take account of the rights and duties conferred on the various***



*company bodies under national law, and in particular the differences between unitary and dual systems; hereinafter essentially uses the term 'board of directors' to refer to the supervisory role of directors, which, in a dual structure, generally falls to the supervisory board, without prejudice to the functions conferred on the different company bodies under national law;*

Or. de

**Amendment 16**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 4**

*Motion for a resolution*

4. Believes that *a basic set of* EU corporate governance measures should apply to all listed companies, no matter what their size;

*Amendment*

4. Believes that EU corporate governance measures should apply to all listed companies, no matter what their size;

Or. en

**Amendment 17**  
**Sharon Bowles**

**Motion for a resolution**  
**Paragraph 4**

*Motion for a resolution*

4. Believes that a basic set of EU corporate governance measures should apply to all listed companies, *no matter what their size*;

*Amendment*

4. Believes that a basic set of EU corporate governance measures should apply to all listed companies; *however, in instances of systemic companies, enhanced 'comply or explain' procedures should be implemented which ensure that the appropriate regulator has reviewed and is satisfied with the explanation;*

**Amendment 18**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 4**

*Motion for a resolution*

4. Believes that a basic set of EU corporate governance **measures** should apply to all listed companies, no matter what their size;

*Amendment*

4. Believes that a basic set of EU corporate governance **principles** should apply to all listed companies, no matter what their size;

**Amendment 19**  
**Philippe De Backer**

**Motion for a resolution**  
**Paragraph 4**

*Motion for a resolution*

**4. Believes that a basic set of EU corporate governance measures should apply to all listed companies, no matter what their size;**

*Amendment*

**4. Does not consider a ‘one size fits all approach’ to be helpful in view of the considerable diversity of companies within Europe and in particular the difference between listed and unlisted companies;**

**Amendment 20**  
**Piotr Borys**

**Motion for a resolution**  
**Paragraph 4 a (new)**

*Motion for a resolution*

*Amendment*

**4a. Stresses that the Financial Fair Play initiative is an example of good corporate**

*governance practice in sport; calls on other sectors and public authorities to further explore these measures with a view to implement some of their basic principles;*

Or. en

**Amendment 21**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 5**

*Motion for a resolution*

5. Notes that these *measures* should *be proportional to* the size, complexity and type of the company; suggests that *in order to define which measures apply*, a system of *thresholds based on the number of employees and/or the turnover* should be set up;

*Amendment*

5. Notes that these *rules* should *apply irrespective of* the size, complexity and type of the company; suggests that a system of *clear rules and sanctions* should be set up *in order to provide stakeholders and shareholders with comprehensive and transparent information about the measures taken to ensure sound corporate governance, and to protect their interests;*

Or. de

**Amendment 22**  
**Klaus-Heiner Lehne**

**Motion for a resolution**  
**Paragraph 5**

*Motion for a resolution*

5. Notes that these measures should *be proportional to* the size, complexity and type of the company; *suggests that in order to define which measures apply*, a system of *thresholds based on the number of employees and/or the turnover should be set up;*

*Amendment*

5. Notes that these measures should *apply irrespective of* the size, complexity and type of the company *as long as the company is listed;*

**Amendment 23**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 5**

*Motion for a resolution*

5. Notes that these measures should be proportional to the size, complexity and type of the company; suggests that in order to define which measures apply, a system of thresholds based on the number of employees and/or the turnover should be set up;

*Amendment*

5. Notes that these measures should be proportional to the size, complexity and type of the company; suggests that in order to define which measures apply, a system of thresholds based on the number of employees and/or the turnover should be set up; ***notes that this is handled by the comply or explain-principle, and that explanations should be promoted;***

Or. en

**Amendment 24**  
**Klaus-Heiner Lehne**

**Motion for a resolution**  
**Paragraph 6**

*Motion for a resolution*

***6. Considers that unlisted companies above a particular size should comply with certain corporate governance measures,***

*Amendment*

***deleted***

Or. en

**Amendment 25**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 7**

*Motion for a resolution*

7. Stresses that ***in general*** there should be a clear demarcation between the duties of the Chair of the Board of Directors and the Chief Executive Officer; notes however that this rule should be proportional to the size and the peculiarities of the company ***and that this decision should be taken by the assembly of shareholders;***

*Amendment*

7. Stresses that there should be a clear demarcation between the duties of the Chair of the Board of Directors and the Chief Executive Officer ***in the monoistic board system;*** notes however that this rule should ***not*** be proportional to the size and the peculiarities of the company;

Or. en

**Amendment 26**  
**Alexandra Thein**

**Motion for a resolution**  
**Paragraph 7**

*Motion for a resolution*

7. Stresses that in ***general*** there should be a clear demarcation between the duties of the Chair of the Board of Directors and the Chief Executive Officer; notes however that this rule should be proportional to the size and the peculiarities of the company and that this decision should be taken by the assembly of shareholders;

*Amendment*

7. Stresses that in ***unitary systems*** there should be a clear demarcation between the duties of the Chair of the Board of Directors and the Chief Executive Officer; notes however that this rule should be proportional to the size and the peculiarities of the company and that this decision should be taken by the assembly of shareholders;

Or. de

**Amendment 27**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 7 a (new)**

*Motion for a resolution*

***7a. emphasises the importance of employee representatives being on the***

*Amendment*

*boards of directors, in particular in view of their long-term interest in the company as well as their experience and knowledge of its internal structures;*

Or. en

**Amendment 28**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company and that it is the responsibility of the Chair to ensure the right balance of skills in the board;

*Amendment*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, ***including representatives of the workforce***, that this aspect of their composition should be adapted to the complexity of the activities of the company and that it is the responsibility of the Chair to ensure the right balance of skills in the board;

Or. en

**Amendment 29**  
**Klaus-Heiner Lehne**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company ***and that it is the responsibility of the Chair to ensure the right balance of skills in the board;***

*Amendment*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company;

**Amendment 30**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company and that it is the responsibility of the **Chair** to ensure the right balance of skills in the board;

*Amendment*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company and that it is the responsibility of the **shareholders** to ensure the right balance of skills in the board;

**Amendment 31**  
**Alexandra Thein**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company and that it is the responsibility of the Chair to ensure the right balance of skills in the board;

*Amendment*

8. Stresses that boards must include independent individuals with a mix of skills, experiences and backgrounds, that this aspect of their composition should be adapted to the complexity of the activities of the company and that, ***in unitary systems***, it is the responsibility of the Chair to ensure the right balance of skills in the board; ***in dual systems it is, in any event, the responsibility of the shareholders to ensure the right balance of skills in the supervisory board;***

**Amendment 32**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 9**

*Motion for a resolution*

9. Is of the opinion that recruitment policies should be specific and that they should be subject to a comply-or-explain regime;

*Amendment*

9. Is of the opinion that recruitment policies, ***where they are used***, should be specific and that they should be subject to a comply-or-explain regime; ***underlines that the drafting and approval of policy documents of this kind is a strict shareholder competence***;

Or. en

**Amendment 33**  
**Mikael Gustafsson, Rodi Kratsa-Tsagaropoulou**

**Motion for a resolution**  
**Paragraph 9 a (new)**

*Motion for a resolution*

*Amendment*

***9a. Calls on companies to implement transparent and meritocratic methods in the field of human resources and to develop and promote efficiently men's and women's talents and skills; stresses that companies are required to ensure equal treatment of and equal opportunities for men and women at work and to contribute to the work-life balance applying to men and women***;

Or. en

**Amendment 34**  
**Mikael Gustafsson, Rodi Kratsa-Tsagaropoulou**



**Motion for a resolution**  
**Paragraph 10**

*Motion for a resolution*

10. ***Calls for an increase*** in the ***number*** of women on boards by ***means of a system of flexible quotas***;

*Amendment*

10. ***Welcomes the Commission's intention to propose European legislation in 2012 if companies do not manage to achieve through voluntary measures the targets of 30% women on company boards by 2015 and 40% by 2020***;

Or. en

**Amendment 35**  
**Arlene McCarthy**

**Motion for a resolution**  
**Paragraph 10**

*Motion for a resolution*

10. Calls for an increase in the number of women on boards by ***means of a system of flexible quotas***;

*Amendment*

10. Calls for an increase in the number of women on boards by ***widening participation in the nominations process and encouraging shareholders to become involved***;

Or. en

**Amendment 36**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 10**

*Motion for a resolution*

10. Calls for ***an increase in the number*** of women on boards by means of a system of ***flexible*** quotas;

*Amendment*

10. Calls for ***a balanced representation of at least 40 % of women on boards until 2015 to be achieved*** by means of a system of quotas;

Or. en

**Amendment 37**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 10**

*Motion for a resolution*

10. *Calls for an increase in the number of women on boards by means of a system of flexible quotas;*

*Amendment*

10. *Underlines the importance of having a broad and diverse set of skills and competences represented in the company board; reminds that reducing individuals to being only a representative of a specific group, such as by gender, age or ethnicity, does not promote the interest of those individuals;*

Or. en

**Amendment 38**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 11**

*Motion for a resolution*

11. Stresses that directors must devote sufficient time to the performance of their duties; considers, *however*, that *no* one-size-fits-all *rules are advisable* and the limits to the number of boards on which a *director* can serve should be *established on an individual basis by each company*;

*Amendment*

11. Stresses that directors must devote sufficient time to the performance of their duties; considers that *a* one-size-fits-all *rule should be laid down* and the limits to the number of boards *of directors or supervisory boards* on which a *member* can serve should be *restricted to four mandates; points out that this would help increase the frequency of board meetings and improve the quality of in-house supervisory bodies*;

Or. de

**Amendment 39**  
**Klaus-Heiner Lehne**

**Motion for a resolution**  
**Paragraph 11**

*Motion for a resolution*

11. Stresses that directors must devote sufficient time to the performance of their duties; considers, however, that no one-size-fits-all rules are advisable and ***the limits*** to the number of boards on which a director can serve ***should be established on an individual basis by each company***;

*Amendment*

11. Stresses that ***non-executive*** directors must devote sufficient time to the performance of their duties; considers, however, that no one-size-fits-all rules are advisable and ***that criteria need to be developed that allow for a limitation to*** the number of boards on which a ***non-executive*** director can serve;

Or. en

**Amendment 40**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 11**

*Motion for a resolution*

11. Stresses that directors must devote sufficient time to the performance of their duties; considers, however, that no one-size-fits-all rules are advisable and the limits to the number of boards on which a director can serve should be established on an individual basis by each company;

*Amendment*

11. Stresses that directors must devote sufficient time to the performance of their duties; considers, however, that no one-size-fits-all rules are advisable and the limits to the number of boards on which a director can serve should be established on an individual basis by each company's ***shareholders; highlights the importance of board members being fully transparent and open with their other engagements***;

Or. en

**Amendment 41**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 12**

*Motion for a resolution*

12. Agrees that external evaluations on a periodical basis are useful tools for assessing the effectiveness of corporate governance practices; ***however, is of the opinion that they should not be compulsory;***

*Amendment*

12. Agrees that external evaluations on a periodical basis are useful tools for assessing the effectiveness of corporate governance practices;

Or. en

**Amendment 42**  
**Arlene McCarthy**

**Motion for a resolution**  
**Paragraph 13**

*Motion for a resolution*

13. ***Encourages*** disclosure of the remuneration policy and the annual remuneration report, which should be subject to the approval of the assembly of shareholders; ***stresses however that the disclosure of individual remuneration of executive and non-executive directors would constitute a breach of privacy and should be avoided unless consent is given by the person concerned;***

*Amendment*

13. ***Urges companies to publish more information on top level pay in general, including the*** disclosure of the remuneration policy and the annual remuneration report, which should be subject to the approval of the assembly of shareholders; ***encourages greater employee representation on remuneration panels;***

Or. en

**Amendment 43**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 13**

*Motion for a resolution*

13. Encourages disclosure of the

*Amendment*

13. Encourages disclosure of the

remuneration policy and the annual remuneration report, which should be subject to the approval of the assembly of shareholders; stresses however that the disclosure of individual remuneration of executive and non-executive directors *would constitute a breach of privacy and should be avoided unless consent is given by the person concerned*;

remuneration policy and the annual remuneration report, which should be subject to the approval of the assembly of shareholders; stresses however that the disclosure of individual remuneration of executive and non-executive directors is *important to reach greater transparency*;

Or. en

**Amendment 44**  
**Sharon Bowles**

**Motion for a resolution**  
**Paragraph 13**

*Motion for a resolution*

13. Encourages disclosure of the remuneration policy and the annual remuneration report, which should be subject to the approval of the assembly of shareholders; *stresses however that the disclosure of individual remuneration of executive and non-executive directors would constitute a breach of privacy and should be avoided unless consent is given by the person concerned*;

*Amendment*

13. Encourages disclosure of the remuneration policy and the annual remuneration report, which should be subject to the approval of the assembly of shareholders; *notes the escalating differential in pay between company directors of major organisations and average workers; considers greater disclosure would help to address this growing inequality*;

Or. en

**Amendment 45**  
**Klaus-Heiner Lehne**

**Motion for a resolution**  
**Paragraph 13**

*Motion for a resolution*

13. Encourages disclosure of the remuneration policy and the annual remuneration report, which should be

*Amendment*

13. Encourages disclosure of the remuneration policy and the annual remuneration report, which should be

subject to the approval of the assembly of shareholders; ***stresses however that the disclosure of individual remuneration of executive and non-executive directors would constitute a breach of privacy and should be avoided unless consent is given by the person concerned;***

subject to the approval of the assembly of shareholders;

Or. en

**Amendment 46**  
**Eva Lichtenberger**

**Motion for a resolution**  
**Paragraph 13**

*Motion for a resolution*

13. Encourages disclosure of the remuneration policy and the annual remuneration report, ***which*** should be ***subject to the approval of the assembly of shareholders; stresses however that the disclosure of individual remuneration of executive and non-executive directors would constitute a breach of privacy and should be avoided unless consent is given by the person concerned;***

*Amendment*

13. Encourages disclosure of the remuneration policy and the annual remuneration report. ***Is of the opinion that the pay rise of directors should be consistent with the pay rise of the company; proposes that the percentage increase in remuneration of directors should not be higher than the average pay raise of the employees of the company;***

Or. en

**Amendment 47**  
**Ramon Tremosa i Balcells**

**Motion for a resolution**  
**Paragraph 13 a (new)**

*Motion for a resolution*

***13a. Understands that new sets of rules should be put in place at European level in order to tackle the issue of compensation, particularly in financial corporations that suffer of moral hazard***

*Amendment*

*as short-term benefits decrease worker's risk aversion; rules should be put in place to ensure that compensations are received taking into account a wider time horizon than a single year in order to promote a longer term vision in the financial sector;*

Or. en

**Amendment 48**  
**Eva Lichtenberger**

**Motion for a resolution**  
**Paragraph 13 a (new)**

*Motion for a resolution*

*Amendment*

*13a. Considers that the pay raise of Directors should be coherent with the long term viability of the company;*

Or. en

**Amendment 49**  
**Ramon Tremosa i Balcells**

**Motion for a resolution**  
**Paragraph 13 b (new)**

*Motion for a resolution*

*Amendment*

*13b. Believes that a strong surveillance and new rules must be set up in order to forbid any malpractices concerning the salaries, bonuses and compensations of executives that either belonging to the financial or non-financial corporate sector have been bailed-out by a Member State government; if needed legal actions shall be taken in order to protect the misuse of public bail-out funds;*

Or. en

**Amendment 50**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 14**

*Motion for a resolution*

14. Notes that the board is the body responsible for reviewing and approving the strategy of the company, which includes the company's approach to risk, and should report it meaningfully to shareholders; considers that environmental and social risks should be included ***insofar as they have a material impact on the company, as already required under EU legislation;***

*Amendment*

14. Notes that the board is the body responsible for reviewing and approving the strategy of the company, which includes the company's approach to risk, and should report it meaningfully to shareholders; considers that environmental and social risks should be included;

Or. en

**Amendment 51**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 14**

*Motion for a resolution*

14. Notes that the board is the body responsible for reviewing and approving the strategy of the company, which includes the company's approach to risk, and should report it meaningfully to shareholders; considers that environmental and social risks should be included insofar as they have a material impact on the company, as already required under EU legislation;

*Amendment*

14. Notes that the board is the body responsible for reviewing and approving the strategy of the company, which includes the company's approach to risk, and should report it meaningfully to shareholders ***as far as it is possible without disclosing information that may damage the company, for example in relation to competitors;*** considers that environmental and social risks should be included insofar as they have a material impact on the company, as already required under EU legislation;

Or. en



**Amendment 52**  
**Eva Lichtenberger**

**Motion for a resolution**  
**Paragraph 14**

*Motion for a resolution*

14. Notes that the board is the body responsible for reviewing and approving the strategy of the company, which includes the company's approach to risk, and should report it meaningfully to shareholders; considers that environmental and social risks *should be included insofar as they have a material impact on the company, as already required under EU legislation;*

*Amendment*

14. Notes that the board is the body responsible for reviewing and approving the strategy of the company, which includes the company's approach to risk, and should report it meaningfully to shareholders; considers that environmental and social risks *must be part of any risk assessment;*

Or. en

**Amendment 53**  
**Sebastian Valentin Bodu**

**Motion for a resolution**  
**Paragraph 14 a (new)**

*Motion for a resolution*

*14a. Believes that the provisions applicable to members of boards of directors in the single-tier system should also hold true for supervisory boards in the two-tier system, so that both systems of corporate governance are covered in this report;*

*Amendment*

Or. ro

**Amendment 54**  
**Sharon Bowles**

**Motion for a resolution**  
**Paragraph 15**

*Motion for a resolution*

15. Believes that shareholders' engagement with the company should be encouraged by enhancing their role, but this involvement should be a discretionary choice and never an obligation;

*Amendment*

15. Believes that shareholders' engagement with the company should be encouraged by enhancing their role, but this involvement should be a discretionary choice and never an obligation; ***nevertheless, measures to incentivise long term investment should be considered and also a requirement for full transparency of voting for any borrowed shares;***

Or. en

**Amendment 55**  
**Sebastian Valentin Bodu**

**Motion for a resolution**  
**Paragraph 17 a (new)**

*Motion for a resolution*

*Amendment*

***17a. Believes that greater encouragement should be given to take out long-term shareholdings, and to that end considers that institutional investor behaviour aimed at creating liquidity and keeping good ratings should be reconsidered, as this solely encourages short-term shareholding by such investors;***

Or. ro

**Amendment 56**  
**Sharon Bowles**

**Motion for a resolution**  
**Paragraph 18**

*Motion for a resolution*

18. In this context, is of the opinion that institutional investors should be free to design the relevant incentive structures in their professional relationship with asset managers;

*Amendment*

18. In this context, is of the opinion that institutional investors should be free to design the relevant incentive structures in their professional relationship with asset managers; ***however, all layers of fees must be disclosed to investors;***

Or. en

**Amendment 57**  
**Dimitar Stoyanov**

**Motion for a resolution**  
**Paragraph 20**

*Motion for a resolution*

20. Calls on the Commission to ***amend*** the shareholders' rights Directive in such a way as to provide for the mandatory introduction of electronic voting in order to encourage shareholders' participation, especially with regard to cross-border shareholders;

*Amendment*

20. Calls on the Commission to ***bring forward a proposal amending*** the shareholders' rights Directive in such a way as to provide for the mandatory introduction of electronic voting in order to encourage shareholders' participation, especially with regard to cross-border shareholders;

Or. bg

**Amendment 58**  
**Klaus-Heiner Lehne**

**Motion for a resolution**  
**Paragraph 20**

*Motion for a resolution*

20. Calls on the Commission to ***amend*** the shareholders' rights Directive in such a way as to provide for the mandatory introduction of electronic voting ***in order to encourage shareholders' participation,***

*Amendment*

20. Calls on the Commission to ***evaluate by what means shareholders' participation can be further enhanced and believes that amending*** the shareholders' rights Directive in such a way as to provide

*especially* with regard to cross-border shareholders;

for the mandatory introduction of electronic voting with regard to cross-border shareholders *merits further reflection*;

Or. en

**Amendment 59**  
**Alexandra Thein**

**Motion for a resolution**  
**Paragraph 20**

*Motion for a resolution*

20. Calls on the Commission to amend the shareholders' rights Directive in such a way as to provide for the **mandatory introduction of** electronic voting in order to encourage shareholders' participation, especially with regard to cross-border shareholders;

*Amendment*

20. Calls on the Commission to amend the shareholders' rights Directive in such a way as to provide for **the statutes of listed companies to allow optional** electronic voting **at general meetings** in order to encourage shareholders' participation, especially with regard to cross-border shareholders;

Or. de

**Amendment 60**  
**Dimitar Stoyanov**

**Motion for a resolution**  
**Paragraph 22**

*Motion for a resolution*

22. Believes that proxy advisors play a very important role, but their activity is often subject to conflicts of interest; calls on the Commission for further regulation of proxy advisors with special attention to transparency and conflict-of-interest issues; is of the opinion that proxy advisors should **not be allowed to provide** consulting services for the investee company;

*Amendment*

22. Believes that proxy advisors play a very important role, but their activity is often subject to conflicts of interest; calls on the Commission for further regulation of proxy advisors with special attention to transparency and conflict-of-interest issues; is of the opinion that proxy advisors should be **prohibited from providing** consulting services for the investee company;

**Amendment 61**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 22**

*Motion for a resolution*

22. Believes that proxy advisors ***play a very important role, but their activity is often subject to conflicts of interest***; calls on the Commission for further regulation of proxy advisors with special attention to transparency and conflict-of-interest issues; is of the opinion that proxy advisors should not be allowed to provide consulting services for the investee company;

*Amendment*

22. Believes that ***security lending with the purpose of voting on borrowed shares is a bad practice; encourages the Commission to harmonise rules for registering and identifying shareholders, to propose rules to prevent abuse of securities lending for the purpose of exercising voting rights linked to borrowed shares in shareholder meetings and to oblige intermediates to enable the original shareholders to actively participate in voting and to make sure that their voting instructions are respected by proxy advisors, as well as to ensure that voting policies of identified shareholders are disclosed***; calls on the Commission for further regulation of proxy advisors with special attention to transparency and conflict-of-interest issues; is of the opinion that proxy advisors should not be allowed to provide consulting services for the investee company;

**Amendment 62**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 23**

*Motion for a resolution*

23. Considers that companies should be entitled to know the identity of their

*Amendment*

23. Considers that companies should be entitled to know the identity of their

owners and that *minimum* harmonisation requirements should be set at the EU level for the disclosure of material shareholdings;

owners and that harmonisation requirements should be set at the EU level for the disclosure of material shareholdings;

Or. en

**Amendment 63**  
**Alexandra Thein**

**Motion for a resolution**  
**Paragraph 23**

*Motion for a resolution*

23. Considers that *companies* should be *entitled to know the identity of their owners and that minimum harmonisation requirements should be set at the EU level for the disclosure of material shareholdings*;

*Amendment*

23. Considers that *all limited partnerships* should be *free to stipulate in their statutes whether their partners may remain anonymous or must be named and that, in the latter case, a law must be enacted to guarantee that their identities are in fact made public*;

Or. de

**Amendment 64**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 24**

*Motion for a resolution*

24. Notes that the protection of minority shareholders is a question which is addressed by national company law provisions, while Union action might be useful to promote *proxy* voting;

*Amendment*

24. Notes that the protection of minority shareholders is a question which is addressed by national company law provisions, while Union action might be useful to promote *electronic* voting;

Or. en

**Amendment 65**  
**Dimitar Stoyanov**

**Motion for a resolution**  
**Paragraph 25**

*Motion for a resolution*

25. Endorses the guidelines contained in the statement of the European Corporate Governance Forum on Related Party Transactions for Listed Entities of 10 March 2011; encourages the Commission to take *some* action at EU level by means of a soft law measure such as a recommendation;

*Amendment*

25. Endorses the guidelines contained in the statement of the European Corporate Governance Forum on Related Party Transactions for Listed Entities of 10 March 2011; encourages the Commission to take action at EU level by means of a soft law measure such as a recommendation;

Or. bg

**Amendment 66**  
**Evelyn Regner**

**Motion for a resolution**  
**Heading 4**

*Motion for a resolution*

*The ‘comply or explain’ framework*

*Amendment*

*A system of binding European Rules*

Or. en

**Amendment 67**  
**Evelyn Regner**

**Motion for a resolution**  
**Paragraph 27**

*Motion for a resolution*

27. Believes that the ‘comply-or-explain’ system is *a useful* tool in corporate governance; *is in favour* of *compulsory adherence to a Code of Conduct chosen by the company*; considers that any

*Amendment*

27. Believes that the ‘comply-or-explain’ system is *not the correct* tool in corporate governance *for companies, as it failed in the past*; *Stresses that a set of compulsory European rules complemented by soft law*

deviation from the *Code of Conduct* should be *explained* in a meaningful way *and* in addition *to this explanation*, the alternative corporate governance measure taken should be described and explained;

in *form* of *codes* of *best practices* are *necessary*; considers that any deviation from the *set* of *European rules* should be *sanctioned by the Member States* in a meaningful way; in addition *companies* should *explain which soft law rules they have not complied with* *and* the alternative corporate governance measure taken *instead* should be described and explained;

Or. en

**Amendment 68**  
**Gunnar Hökmark**

**Motion for a resolution**  
**Paragraph 27**

*Motion for a resolution*

27. Believes that the ‘comply-or-explain’ system is a useful tool in corporate governance; is in favour of compulsory adherence to a Code of Conduct chosen by the company; considers that any deviation from the Code of Conduct should be explained in a meaningful way and in addition to this explanation, the alternative corporate governance measure taken should be described and explained;

*Amendment*

27. Believes that the ‘comply-or-explain’ system is a useful tool in corporate governance; is in favour of compulsory adherence to a *national corporate governance code or a* Code of Conduct chosen by the company; considers that any deviation from the Code of Conduct should be explained in a meaningful way and in addition to this explanation, the alternative corporate governance measure taken should be described and explained;

Or. en