

AZƏRBAYCAN RESPUBLİKASI TƏHSİL NAZİRLİYİ

AZƏRBAYCAN DÖVLƏT İQTİSAD UNİVERSİTETİ

BEYNƏLXALQ İQTİSADİYYAT MƏKTƏBİ

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**Paper: Corporate governance**

**Group: 1081**

**Questions:**

1. What is corporate governance? Explain the definition of corporate governance through “narrow” and “broad” approach perspectives.
2. Why is well-established corporate governance needed? Explain.
3. Discuss the development of corporate governance in the US.
4. Discuss the development of corporate governance in the UK. Why did it emerge later in the UK than the US?
5. What were the key corporate governance reports in the UK? Explain their scope and importance.
6. Discuss the history and development of corporate governance in Azerbaijan.
7. What are the distinctive features of corporations (companies)?
8. Explain the advantages and disadvantages of incorporation.
9. Explain the standard corporate structure (main organizational bodies) of a public limited company (PLC).
10. Explain the corporate structure (main organizational bodies) of an Open Joint Stock Company (OJSC) in Azerbaijan.
11. Describe and compare the Audit Committees of a UK company and Azerbaijani Open Joint Stock Company (OJSC).
12. Describe the structure of the Remuneration Committee by referring to the UK Corporate Governance Code and explain its role in the company.
13. Describe the structure of the Nomination Committee by referring to the UK Corporate Governance Code and explain its role in the company.
14. Compare a UK company`s (PLC) board of directors with an Azerbaijani company`s (OJSC) board. Highlight the main differences.
15. Who are the stakeholders? Classify stakeholders of a company?
16. Explain the definition of “director” and “shadow director” through international and Azerbaijani perspective. What are the general requirements for being a director?
17. General requirements for the appointment and dismissal of directors. Who can and cannot be a director? Compare the UK and Azerbaijani requirements.
18. Describe and explain the fiduciary duties of directors.
19. Explain rules-based and principles-based approach to corporate governance. What are their distinctive features?
20. Describe the main differences between the US and the UK approach to corporate governance.
21. Discuss the rules-based approach to corporate governance in the US.
22. Discuss the principles-based approach to corporate governance in the UK. What is “comply or explain” concept?
23. International sources of the regulatory framework of corporate governance. Which principles have been established by the OECD and how they affected the domestic regulation of corporate governance?
24. Explain the independence of non-executive directors (NED). Describe the circumstances which are likely to impair, or could appear to impair a non-executive director`s independence.
25. Conflict of interests: related party transactions and the procedure of approval. Explain.
26. Which qualities should non-executive directors have in order to be considered “independent” according to the UK Corporate Governance Code?
27. Describe the fiduciary duties of directors according to Companies Act 2006 and briefly explain them.
28. Explain the duties of directors in Azerbaijan. When a director considered to be a related party in a transaction in Azerbaijan?
29. Duty to Act Within Powers (s.171, CA2006) and Duty to Promote the Company’s Success (s.172, CA2006). Explain.
30. Duty to exercise independent judgment (s.173, CA2006) and Duty to exercise reasonable care, skill and diligence (s.174, CA2006). Explain.
31. Duty to avoid conflicts of interest (s.175, CA2006) and Duty not to accept benefits from third parties (s.176, CA2006). Explain
32. Advance disclosure of interested contracts. Why is it important?
33. Ex-ante (advanced) and ex-post disclosure of interested contracts. Explain the procedure. Why is it important?
34. Conflict of interest in Azerbaijan. What is the approval procedure in related-party transactions in Azerbaijan? When is approval needed?
35. Describe the rights and duties of shareholders.
36. In which cases shareholders can exercise their veto rights? Briefly explain them.
37. Describe the rights and duties of shareholders in Azerbaijan.
38. Describe the main corporate governance models in the world.
39. Explain the Anglo-US model of corporate governance.
40. Explain the Continental model of corporate governance.
41. Explain the Japanese model of corporate governance.
42. Describe and explain the main differences of Anglo-US, Japanese, and Continental corporate governance models.
43. In many countries, companies have a unitary board structure. In some countries, large companies have a two-tier board structure. Explain the advantages and disadvantages of a unitary board structure, compared with a two-tier board structure for large stock market companies.
44. What is disclosure and transparency? Why are they important? What are the types of disclosure?
45. Explain: disclosure of directors` interests and disclosure of major voting shareholdings
46. Inside information and insider trading. How to disclosure inside information. Explain.
47. Periodic disclosures. Explain.
48. Periodic and episodic disclosures in Azerbaijan. Explain.
49. Explain agency problem and agency costs
50. Explain information asymmetry.
51. What is a state-owned enterprise (SOE)? What are the rationales for state-owned enterprises (SOEs)?
52. Main corporate governance challenges in state-owned enterprises (SOEs). Discuss.
53. Explain the main provisions of the OECD Guidelines on Corporate Governance of State-Owned Enterprises.
54. What reforms should be carried out to increase the efficiency and transparency in the governance of state-owned enterprises? Support your arguments using the OECD Guidelines on Corporate Governance of State-Owned Enterprises.
55. Main corporate governance challenges and associated risks in financial institutions. Discuss.
56. Why is good corporate governance in financial institutions important?
57. 2008 financial crisis and corporate governance. Was poor corporate governance the main reason for the 2008 financial crisis? Discuss the arguments pro and against.
58. Explain the Basel Committee’s Corporate Governance Principles for Banks.
59. Explain the corporate governance standards for banks in Azerbaijan according to the “Corporate Governance Standards for Banks” (2013) by the Central Bank of the Azerbaijan Republic.
60. What is executive pay? Discuss the importance of executive pay for corporate governance purposes.
61. Explain the structure of a remuneration package.
62. Discuss the approval procedure of a remuneration report and its regulation. Binding and advisory shareholder voting on the issue.
63. Performance-related incentive schemes. Explain.
64. How to use executive pay to align the interest of management with the long-term interests of the company? Explain.
65. Discuss the history of the shareholder engagement in corporate governance.
66. Explain the main requirements of the UK Stewardship Code.
67. Explain the main reasons for “shareholder passivism”.
68. Explain “shareholder activism” and its importance for good corporate governance.
69. Hedge funds as a vehicle of “offensive shareholder activism”. Discuss.
70. Discuss the advantages and disadvantages of “offensive shareholder activism”.
71. Discuss contemporary corporate governance challenges in the world.
72. Discuss contemporary corporate governance challenges in Azerbaijan.
73. Do we need more “soft law” measures such as UK Corporate Governance Code or Stewardship Code here in Azerbaijan? Explain your arguments.
74. What kind of corporate governance reforms should be carried out in Azerbaijan? Explain your arguments.
75. Do we need reforms in the governance of state-owned enterprise (SOE) in Azerbaijan? Discuss.