



ZAGREBAČKA BURZA
THE ZAGREB STOCK EXCHANGE

Corporate Governance Progress in Croatia

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White Paper on CG in SEE

Comprehensive tool developed to enhance CG practices in SEE. Requires active participation of

- Private sector
 - Issuers
 - Investors
 - Stakeholders
 - Exchanges
- State

Private Sector - Issuers

- Issuers begin to recognize importance of CG
- Number of voluntary company CG Codes increases
- Investor relations improve
- Internet is utilized as communication channel

Private Sector - Investors

- Institutional investors
 - Takeover regulation
 - Insider trading regulation
- Small investors
 - Through privatization
 - “Real” investors
- Strategic investors

Private Sector - Stakeholders

- Creditors (banks)
- Employees
 - ESOP
 - Unions
- Bankruptcy regulation

Private sector - Stock Exchanges

- ZSE incorporated most of CG regulation into Rules
- No CG code
- CG code is being developed under auspice of securities regulator
- More voluntary listings are expected

State

- CG related scandals
- No regulatory reaction
- Ownership structure
- Implementation of OECD Guidelines in CG of SOE is of paramount importance
- Further progress at desired rate can not be expected unless state dedicates it's resources toward resolving CG issues



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Thank You

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