



Excellence in
Management
Education

Chair of Corporate Finance
Activity Report 2013/14
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1. Foreword

Finance is an applied branch of economics that studies the ways in which individuals, business entities, and other organizations allocate resources over time and make decisions in the presence of the uncertainty. The Chair of Corporate Finance at the WHU focuses broadly on the study of how corporations raise capital and make investment decisions and the consequences of these decisions.

We strive to produce a broad range of finance-related research that addresses topics of interest to academic researchers, practitioners, and policy makers. Current research topics include the analysis and international comparison of corporate governance indices & firm value, gender issues in executive compensation, mergers and acquisitions, CSR activities at the corporate level, executive compensation and the evolution of corporate ownership. We communicate that research both through scientific journal publications, consulting regulatory agencies and corporations, and through the contribution to WHU's rigorous MBA and Executive Education programs. We also train and mentor future finance scholars through our doctoral program.

Vallendar, September 2014



Prof. Dr. Burcin Yurtoglu

2. Team



Prof. Dr. Burcin Yurtoglu
Chairholder

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Burcin Yurtoglu (Ph.D. University of Vienna, Austria; Habilitation, University of Vienna, Austria) is Professor at WHU – Otto Beisheim School of Management, where he holds the Chair of Corporate Finance since October 2010. Before joining the WHU, Prof. Yurtoglu served on the faculty of the University of Vienna, Department of Economics. During his academic career, he was a visiting scholar at the Cambridge University (Judge Business School), Science Center Berlin (WZB), Central European University (Budapest), Sabanci University (Istanbul) and Fudan University (Shanghai).

He has conducted research and consulting projects with major companies, regulatory agencies, and research centers in Austria, Turkey and at the IFC, the World Bank.

His research interests include corporate governance, corporate finance and competition policy with a focus on emerging markets. He has published in international journals including the *Economic Journal*, *European Economic Review*, *Journal of Corporate Finance*, *Journal of Econometrics*, *Journal of Law and Economics* and many others.



Susen Schilo
Personal Assistant

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Susen Schilo joined the chair in April 2013.
She worked for the Full-Time MBA before since 2006.



Ying Gan
Research Assistant

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Ying Gan joined the chair in August 2011 as student assistant and became research assistant in October 2011. She received her diploma in economics at the University of Trier, where she worked as a tutor for different courses in business administration and as a student assistant at the chairs of finance and international economic policy. From January 2012 until June 2012 she attended various courses of the doctoral program of the Booth School of Business, Chicago, USA. Ying's dissertation consists of three essays and is titled "Essays on CEO Succession and Clawback Provisions "

Ying graduated with summa cum laude in August 2014 and joined the Erasmus University – Erasmus School of Economics as an assistant professor.



Guosong Xu
Research Assistant

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Guosong Xu joined the chair in September 2014 as a research assistant. His research interests include behavioral corporate finance and M&A. He received his B.A in Economics at East China University of Science and Technology in Shanghai and his MSc in management at ESSEC Business School Paris, where he worked as a research assistant in the Department of Finance and the Chair of Financial Reporting. In 2013 he joined the MBA program at Booth School of Business, Chicago, USA as a visiting student. He was awarded the 2008 National Scholarship by the Chinese Education Ministry. Guosong worked as a junior analyst at Lazard Financial Advisory in Paris.

3. Academic Programs

3.1 Teaching

Bachelor of Science Program

Not this period

Master of Science Program

Advanced Corporate Finance
Fall Term 2013, 2 SWS

This course examines how financial decisions, such as capital structure, payout policy and fund raising, can affect the value of a firm. It starts with a broad overview which looked at institutional differences across major governance and financing regimes. Then the first part studies the effects of taxes and bankruptcy costs, agency problems and information asymmetries on corporate financial policy and thus firm value. The second part of the lectures focus on product market interactions and mergers and acquisitions.

Full-time MBA Program

Managerial Finance
Spring Term 2014, 3 SWS

This course covers the foundations of financial decision making and of global financial markets. The theoretical guideline of the course is inspired by paradigms, neoclassical economics as well as behavioral economics. Besides classical class teaching, case studies were solved and presented by groups of students. The course was rounded off by a two guest lectures.

Part-time MBA Program

Managerial Finance
Spring Term 2014, 2 SWS

This course covers the foundations of financial decision making and of global financial markets. The theoretical guideline of the course is inspired by paradigms, neoclassical economics as well as behavioral economics. Besides classical class teaching, case studies were analyzed and discussed with groups of students.

BUCERIUS/WHU Master of Law and Business

Case Studies in Finance
Fall Term 2013, 2 SWS

This course covered the foundations of financial decision making and of global financial markets using a case based approach. The cases come from a variety of areas including investment decision rules at the corporate level, portfolio choice and optimization, determination of the cost of capital, valuation, risk management, mergers and acquisitions.

3.2 *Doctoral Dissertations*

Supervision

Harun Akbas

Working Title: Three Essays on Corporate Governance in Turkey

Driven by the financial crisis occurred in the beginning of 21st century which endangered global financial stability and development, reforms in corporate governance become an essential issue since it is directly related to long-term productivity and sustained growth. The importance of corporate governance especially in emerging markets increased tremendously and due to its importance, corporate governance is a mainstream concern according not only to scholars and shareholders but also whole society. With this motivation, I would like to investigate the corporate governance issues in a cumulative thesis format in Turkey. This thesis will consist of three papers which analyze different aspects of corporate governance in Turkey. After an introductory chapter, the first paper investigates the link between corporate governance and the cost of capital; the second paper examines whether corporate governance structures determine the level of capital expenditures and whether they influence the relationship between the availability of internal funds and investment opportunities and investment expenditures. The third and last paper studies the factors which are likely to explain the ownership structures in Turkey and their change over time.

Stevan Bajic

Working Title: "CSR & Corporate Performance" & "CSR & Cost of Debt."

The research project has the goal to enlighten what effects Corporate Social Responsibility (CSR) has on corporate financial (CFD) performance. CSR encompasses corporate policies for incorporating environmental, social and governance (ESG) considerations into the business practice of a firm. The proposed papers in this domain target various goals. The first is to clarify through which channels CSR can impact a firm's performance. Particular focus will lay on the Corporate Governance pillar and markets where this question has been less of an interest in the literature so far, e.g. Emerging Markets. One further area which still holds a knowledge vacuum, in our view, is the relation of CSR to corporate debt, particular to corporate credit risk. With an increasing interest in responsible business cultures and Socially Responsible Investments (SRI), corporate debt is at crossroads. Does it pay or harm the performance if an investor's bond investment is ESG compliant? Can a firm with good CSR policies reduce the firm risk and thus the default risk of the bond? We aim to fulfill the need of corporates to understand how their CSR policies impact their financial performance as well as document to investors how ESG compliant investments bear on their financial bottom line.

Ying Gan (finished in August 2014)
Essays on CEO Succession and Clawback Provisions

Two of the essays focus on the determinants and effects of clawback provisions. A clawback policy should deter executives from misbehavior ex ante and recover erroneously awarded compensation ex post. In contrast to prior studies, these essays focus on the firm-level heterogeneity in the structure of clawbacks and find that firms have considerable discretion in how they design their policies. Firms make heavily use of their discretion in adopting more or less deterrent policies and that most firms have weak clawback provisions. The papers analyze voluntarily adopted clawbacks of all Russell 3,000 non-financial firms over 2007-2012 and conduct an extensive linguistic analysis to construct a Deterrent Index for 3,578 clawback observations. This index reflects the degree to which the contractual form of each clawback contains the core elements of a deterrent clawback policy. The results show that executive power, the executives' pay level, firm complexity and risk are associated with a low deterrent level.

The third essay investigates CEO reappointments of U.S. listed firms over the period 1980-2013. For a sample of 117 CEO reappointments, the paper finds that shareholders of these firms experience statistically significant negative stock valuation consequences. These market reactions depend on certain executive-specific characteristics, such as whether the CEO is the founder of the firm or whether s/he is also appointed as chairman of the board of directors. Finally, the paper shows that firm performance deteriorates after a former CEO is appointed relative to appointing a non-former CEO. The results imply that the market considers reappointed CEOs as "leaders of last resort" and highlights the importance of careful CEO succession planning.

Abdullah Ünal
Title: The Development of Hostile Takeovers/Shareholder Activism in Europe

The objective of my doctoral thesis is to contribute to the field of corporate governance by studying the development of merger and acquisitions, precisely the development of hostile takeovers/shareholder activism in Europe, especially in Germany, Austria and Switzerland and its implications on corporate governance by analyzing the underlying ownership structure and performance issues.

Dietlinde Schumacher
Working Title: The Determinants of Corporate Investment

Sabrina Wieland
Title: Does corporate governance really matter? – Essays on the influence of management and stakeholder orientation on financial performance

"Section 161 of the German Stock Corporation Act and the underlying German Corporate Governance Code require that managers run a company in the interests of the whole company, taking into account the interests of all stakeholders, hence ensuring long-term success and sustainable value creation for the company. Among such stakeholders are external stakeholders, such as shareholders, creditors, suppliers, customers and the state as well as internal stakeholders, such as employees and management. Although German companies are legally bound by the code and endeavour to meet stakeholder expectations there exists a poor connection between theoretical concepts and practical implementation. This is due to the current inability to access if an overall business strategy was stakeholder friendly and whether such a strategy led to higher overall financial performance. This project aims to address this issue by providing an empirical investigation into companies achieving

high stakeholder satisfaction, their business strategies and if they are financially out performing companies with low stakeholder satisfaction. Primarily the project focuses on internal stakeholders, namely employees, providing an in-depth analysis of the relationship between employee satisfaction and financial performance, which is then correlated with capital structure. Furthermore, it examines the influence of demographic and job-related characteristics such as gender diversity, tenure, and compensation of management on financial performance. This investigation will in the future allow companies to implement corporate governance practices capable of simultaneously achieving high stakeholder satisfaction and financial performance.”

Guosong Xu

Working Title: Serial Mergers and Acquisitions.

Co-Supervision

Samah Adel Ibrahim

Working Title: Assessing the Readiness of the Egyptian Market for Derivatives: A Proposed Derivatives Market in Egypt.

Johann Benesch

Working Title: Restructuring in family firms: A crisis related Analysis

Paul Gebhard

Title: Distress risk and cross-sectional returns: International evidence

Yujing Gong

Working Title: Ambiguity Aversion, Information Uncertainty and Momentum around the World

Ulrich Hofbaur

Title: Essays on Empirical Corporate Finance

Ruth Kümmerle

Working Title: Illiquid Investment in a Portfolio Context

Xiaomin Lin

Working Title: Shareholder-initiated Class Action Lawsuits of the U.S. listed Foreign Firms: Country Spillover Effects of Financial Fraud

Mathias Schmidt

Working Title: Pricing and liquidity of complex and structured derivatives

Santo Centineo

Working Title: Essays in Empirical Corporate Finance: Family Firms, Investment Decisions and Performance

3.3 Theses

Burcin Yurtoglu supervised the following theses:

BSc Program

Bilgin Bilir

The Impact of Families on the Performance of Companies in Turkey: An Analysis of Family and Board Structures

Felix Braun

Determinants of Value Creation in Corporate Mergers: Evidence from Germany

Stephan Duwe

What Are the Effects of Large Shareholders on Market Valuations in Germany?

Marvin Kattendiek

Can the Corporate Governance Quality be measured? The Use of Corporate Governance Indices

Janek Kraus
Capital Structure Drivers of European Corporations

Timm Niethammer
The Sarbanes-Oxley Act: Requirements for the Auditing Profession

Jun Peng
Impact of Shareholder Structure on Market Valuation: Empirical Analysis of Public Companies in China

Florian Plath
Large Shareholder's effects and implications on Valuations in M&A transactions

Jan Schaeferjohann
Corporate Governance in Family Firms

Jan-Felix Stolz
The Cross-Listing Decision and the Role of Institutional Investors in Corporate Governance

Kristoffer Tschischke
A Meta-Analysis of the Effect of Ownership Structure on Firm Performance in the Context of Emerging Markets

Jan Wodzinski
Determinants of Ownership and Control Structures of Large Shareholders: Structured Literature Review

MSc Program

Jochen Daum
Merger waves in the banking industry

Bastian Frenzel
Exit Option im Private Equity

Jochen Hartmann
Value Creation through M&A in Europe

João Miguel Rodrigues
Engagement of shareholder activists and its effect on agency costs

PT MBA Program

Juljan Pöhlisen
Working Title: Hedging in the German Electricity market – Analysis of hedging strategies for wholesale consumers based on historical data

Antonis Maggoutas
Asset Management - Market selection study – CEE & CIS

FT MBA Program

Mateo Belardi
M&A and Executive Compensation in the USA

José Ignacio Egidio
Risk from the perspective of value investing: A contrast between academic theory and value investing visions of risk.

Ayca Tunc
The Financing of R&D and Innovation: How to invest more and lower risk by involving external financing

3.4 Guest Lectures

For the research seminar finance, which took place twice a month from September 2013 until June 2014 and addressed all faculty members and doctoral students, Burcin Yurtoglu organized the following guest lectures:

Fall 2013

Hendrik Hakenes, University of Bonn
Regulatory Capture by Sophistication

Yishay Yafeh , Hebrew University
Business Groups in the United States: A Revised History of Corporate Ownership, Pyramids and Regulation, 1930-1950

Spring 2014

Christine Zulehner, Goethe Universität FRA, SAFE
Competition in Austrian Treasury Auctions (H. Elsinger, P. Schmidt-Dengler and C. Zulehner)

Marco Becht, Université Libre de Bruxelles
Does Mandatory Shareholder Voting Prevent Bad Acquisitions?

The following guest speakers gave lectures as part of the Full-time MBA Program:

26.05.2014 Dr. Ulrich Schürenkrämer, Managing Director Deutsche Bank
Banking 4.0 – Adapting to a new environment

16.06.2014 Jörg Mahlich, Janssen Cilag / Johnson & Johnson
Investment Process in the Pharmaceutical Industry

23.06.2014: Hans-Jörg Naumer, Global Head of Capital Markets & Thematic Research
Behavioral Finance & The Post Retirement Crises

4. Research

4.1 Publications

PAPERS IN INTERNATIONAL AND REFEREED JOURNALS

Methods for Multicountry Studies of Corporate Governance (and Evidence from the BRIKT Countries), forthcoming at the Journal of Econometrics

WORKING PAPERS (in part under review process)

Melsa Ararat, Bernard S. Black , and B. Burcin Yurtoglu, *Corporate Governance, Business Groups, and Market Value: Time-Series Evidence from Turkey* (June 11, 2014). Northwestern Law & Econ Research Paper No. 13-19; ECGI - Finance Working Paper. Available at SSRN: <http://ssrn.com/abstract=2277768>.

Bernard S. Black, Antonio Gledson De Carvalho, Vikramaditya S. Khanna and Woochan Kim, and B. Burcin Yurtoglu, 2014, *Which Aspects of Corporate Governance Matter most in Emerging Markets?*

Michael H. R. Erkens, Ying Gan, and B. Burcin Yurtoglu, 2014, *Firm-Level Heterogeneity of Clawback Provisions*.

Michael H. R. Erkens, Ying Gan, and B. Burcin Yurtoglu, 2014, *Economic Consequences of Deterrent Clawback Provisions*.

Stevan Bajic and B. Burcin Yurtoglu, 2014, *CSR, Market Value, and Profitability: International Evidence*.

Stevan Bajic and B. Burcin Yurtoglu, 2014, *Corporate Social Responsibility and the Cost of Debt*.

Ayse Karaevli and B. Burcin Yurtoglu, 2014, *How do Founding Family Characteristics Affect the Growth and Diversification of Turkish Business Groups?*

Igor Goncharov, Jörg Mahlich, and B. Burcin Yurtoglu, 2014, *R&D Investments, Profitability and Regulation of the Pharmaceutical Industry*.

4.2 Presentations at International Conferences

NSE-IGIDR (National Stock Exchange of India and Indra Gandhi Institute of Development Research) International Conference in Corporate Governance (10.07.2014), Discussion of "Board Characteristics, Ownership Structure and the Market for Corporate Control in India" by Bipin Kumar Dixit.

GEABA (25.09.2013), Discussion of "How do insured deposits affect bank stability? Evidence from the 2008 Emergency Economic Stabilization Act" by C. Lambert, F. Noth and U. Schüwer.

Campus for Finance (08.01.2014), International Corporate Governance, Economic Performance

OECD Roundtable on Equity Market Development and Corporate Governance in Emerging Markets, Istanbul, 16 January 2014



Panel: “Financing of business investment and corporate governance”

Moderator: **Mats Isaksson**, Head of Division, Corporate Affairs, **OECD**

Keynote Address: **Mary Schapiro**, Managing Director and Chairman of the Governance and Markets Practice, Promontory Financial Group; former Chair, **U.S. Securities and Exchange Commission**

Panellists:

Burcin Yurtoglu, Professor, Chair of Corporate Finance, **WHU – Otto Beisheim School of Management**, Germany

Carmine Di Noia, Professor, Deputy Director General, **Assonime**, Italy

John Plender, Columnist, **Financial Times**

José Luiz Osorio, Founding Partner, Jardim Botânico Asset Management; former Chair, **Securities and Exchange Commission of Brazil**

Qibin, Director General, Research Center, **China Securities Regulatory Commission**

Expert Roundtable on Corporate Governance in Emerging Markets (by invitation only)

Ying Gan were on the following conferences:

American Accounting Association Annual Meeting, Atlanta, USA, August 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"

Academy of Management Association Annual Meeting, Philadelphia, USA, August 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"

China-Europe Conference: Transparency, Economic Institutions and Governance,
Rotterdam, The Netherlands, July 2014

Journal of International Accounting Research Conference, Hong Kong, June 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"

European Accounting Association Annual Meeting, Tallinn, Estonia, May 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"

Global Finance Association Annual Meeting, Dubai, UAE, April 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"
Discussion of the Paper "Geographic Location, Foreign Ownership, and Cost of
Capital:
Evidence from Privatization" (Narjess Boubakri, Omrane Guedhami, Walid Saffar)

Research Seminars:

Research seminar at Erasmus University, Rotterdam, The Netherlands, January 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"

Research seminar at University Carlos III, Madrid, Spain, February 2014
Presentation of the Paper "Firm-Level Heterogeneity of Clawback Provisions"

4.3 Review and Expertise

Academic Journals:

- Borsa Istanbul Review
- Economics of Governance
- Emerging Markets Finance and Trade
- Emerging Markets Review
- Empirica
- Energy Journal
- Japanese Economic Review
- Journal of Media Economics
- Journal of Social Research
- Journal of Socio Economics
- Managerial and Decision Economics
- METU Studies in Development
- Springer Plus
- The B.E. Journal of Economic Analysis and Policy

Research Support Institutions:

- Research Foundation Flanders (FWO)

Universities

- Harvard University, USA: Harvard Law School Hiring Committee
- Vlerick Business School, Belgium: Faculty Evaluation (Tenure) Committee

Conferences:

- Reviewer: FMA (Financial Management Association) European Conference (Luxembourg, 2014)
- Reviewer: The NSE-IGIDR Corporate Governance Research Initiative (National Stock Exchange of India (NSE) and the Indira Gandhi Institute of Development Research (IGIDR) 2014

CGFT Membership:

Burcin Yurtoglu is a member of the CGFT (Corporate Governance Forum of Turkey) – a non-profit research platform based at the Sabanci University in Istanbul. As part of his activities there, Burcin Yurtoglu offers regular advice to regulatory institutions including the Capital Market Board of Turkey and major financial institutions.

Organization Committee:

4th International Conference on Corporate Governance in Emerging Markets, 2013 Indian School of Business, Hyderabad, India (IFC, World Bank)

Selection / Scientific Committee:

The NSE-IGIDR Corporate Governance Research Initiative (National Stock Exchange of India (NSE) and the Indira Gandhi Institute of Development Research (IGIDR), Mumbai, are collaborating to promote academic research on Corporate Governance in India)

Scientific Committee:

Burcin Yurtoglu is a member of the Scientific Board of “Turkey’s Strategic Vision 2023” Under the Auspices of the Presidency of the Republic of Turkey.

5. Assignments at WHU

Member of the Appointment Committee Finance
Member of the Appointment Committee Accounting
Deputy Chairman of the PhD Examination Board
Group Speaker Finance and Accounting Group
Beratendes Mitglied in der Kommission zur Sicherung der guten Wissenschaftlichen Arbeit
Mitglied Unterausschuss des Promotionsausschuss
Member of the Examination Board Full-time MBA Program

6. Business Engagement

6.1 The influence of R&D on profitability and market value of pharmaceutical firms

The Chair of Corporate Finance (together with Prof. Dr. Igor Goncharov) has prepared a project funded by Johnson & Johnson Germany to analyze the consequences of using different accounting rules to capitalize R&D expenditures on the returns of companies. Results of this international comparison covering all public companies in the last two decades suggest that accounting rules make a difference, more strongly in the pharmaceutical industry and less so in other industries. Currently, Burcin Yurtoglu is collaborating with Igor Goncharov and Dr. Jörg Mahlich (J&J Germany) on two academic papers which contain the new insights emerging from the project. The papers will be submitted to scholarly journals.

6.2 OECD

Burcin Yurtoglu is collaborating with the Capital Markets Board of Turkey which took the lead at OECD's efforts to consider the state of corporate governance in emerging markets in the revision process of the OECD Principles of Corporate Governance. The work in 2014 will focus on the development of a special report on corporate governance in emerging markets.

6.3 Global Corporate Governance Forum at the IFC / World Bank

Econometric Design of Policy Evaluation Frameworks

Burcin Yurtoglu acts as an academic consultant to the Global Corporate Governance Forum at the IFC / World Bank ("Econometric Design of Policy Evaluation Frameworks").

The objective of this relatively rare exercise is to design an econometric framework within which the policy work of the IFC's Corporate Governance Group can evaluate the effectiveness of their programs, and specifically looking to see if there is a way of measuring the impact of IFC's work with firms, whether the CG improvements we support the firms to implement indeed bring benefits to those firms, and ultimately to the economy as a whole and thus support its developmental mandate. The group is about to embark on a 4-5 year program in three regions (Latin America, Africa and East Asia) at the end of which it will conduct an evaluation of the programs' work. This project uses this unique opportunity to design an ex ante evaluation study, so that one can ensure to capture the necessary data points during the implementation of these programs.

6.4 Academic Advisory Board of Corporate Governance Association of Turkey (TKYD)

Burcin Yurtoglu acts as an advisor to the TKYD. Founded in 2003, Corporate Governance Association of Turkey (TKYD) is a non-profit organization aiming to develop and promote adherence to corporate governance standards and guidelines in Turkey.

7. Sustainability

In line with current developments in the area Corporate Finance, we view society's demands for individual and corporate social responsibility as alternative responses to market and distributive failures. We draw on recent research in the psychology and economics of prosocial behavior to shed light on this trend and the underlying mix of motivations. Viewed from this lens, sustainability becomes a central theme in the clarification of the business goals of corporations and, hence integrated to different extents in all courses offered at the Chair of Corporate Finance.

During 2014, the Chair of Corporate Finance has contributed to the following activities related to sustainability:

7.1 2014 Sustainable Investment in Turkey: The Case in Context – An Update.

Ararat, M. and E. Suel, and B. B. Yurtoglu, Sustainable Investment in Turkey: The Case in Context - An Update (May 2014). Available at SSRN: <http://ssrn.com/abstract=2447937>.

See also: <http://www.sseinitiative.org/publications/>

The publication is the final report of Sustainability Index Workshop Project organized jointly by SU-CGFT and the UN Sustainable Stock Exchanges Initiative and sponsored by the British Government.

The report is a sequel to the “Sustainable Investment in Turkey, 2010” report (IFC, 2011). The original report provided a review of the then current state of the sustainable investment (SI) in Turkey and analyzed the institutional prerequisites and interventions that would encourage better allocation of financial capital to sustainable firms. This update seeks to study Turkey as a case to analyze SI challenges and prospects in emerging markets with a focus on equity investments through stock exchanges and sustainability indices.

The focus on stock markets is motivated by the emerging emphasis on the role of stock exchanges in promoting SI as articulated in the objectives of the United Nations (UN) Sustainable Stock Exchanges (SSE) Initiative. Although this paper provides an update to the relevant sections of the original

Report, its ultimate objective is to reflect on Turkey's experience as a case study to assess the feasibility of sustainability indices in promoting SI in emerging markets.

7.2 Firm-level ESG Performance and Market Value: International Evidence

The topic of sustainability is also the central issue in the dissertation of Stevan Bajic and a working paper (currently under review at an academic journal) emerging from his thesis analyzes whether a causal relationship exists between the extent to which companies involved in CSR and their financial performance.

7.3 Academic advisor to Angel Wings Entrepreneurship Fund.

Burcin Yurtoglu acts as an academic advisor to the **Angel Wings Entrepreneurship Fund (AWEF, <http://angelwingsventures.com/>)** which is the **first** Turkey focused **social impact investment fund** seeking to deliver financial, social and environmental returns through investments in innovative early stage (startup – micro) and development stage (small) enterprises (SMEs).

The objective of the fund is to connect capital markets with exceptional business ideas, the business culture of the West with high-growth promise of the East thereby creating higher, fairer and social returns for all stakeholders.

The fund is built on the premise that financial returns can be achieved together with social and environmental benefits through the application of ethical, social and environmental standards along with an industry-selective investment approach that emphasizes companies with high levels of research and development (R&D) and strong product offerings.

The Fund is supported by `1514 Venture Capital Support Program` of TUBITAK (The Science and Technological Research Council of Turkey).