



Shareholder vs Stakeholder

Pick a path!

1

Shareholder

An individual, company, or institution that owns shares in a company, making them partial owners of that company. Shareholders invest in the company primarily to gain financial returns through dividends or capital appreciation when the stock price increases. Their main interest is the financial performance of the company because it directly affects their investment.



2

Stakeholder

Anyone who has an interest or is affected by the activities of a company, which can include employees, customers, suppliers, communities, governments, and even shareholders. Stakeholders can be internal (employees) or external (customers, government agencies) and have a broader interest in how the company operates, including its social, environmental, and ethical impact, in addition to financial performance.



3

Triple Bottom Line

A framework that encourages businesses to focus not only on profit but on their impact on people and to planet. The goal of the TBL is to promote long-term sustainability by balancing economic success with social responsibility and environmental stewardship.



THE BIG QUESTION

Milton Friedman once claimed that the only social responsibility of a business was to increase profits, i.e., the shareholder perspective. Does a company have a moral obligation to adopt a stakeholder perspective?