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Battles Over Corporate Governance in the Age of Asset Management: A Coalitional Perspective

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Abstract

Since the end of the global financial crisis, the world-wide market dominance of universally invested asset managers like BlackRock has grown inexorably. But despite their presumable power to shape corporate and political decisions, we know little about their political motivations, their strategies of engagement with other stakeholders, and their leverage over national institutions. This paper investigates a rare case of documented interest group conflict involving asset managers: A far-reaching reform pushed by international investors that would significantly limit the powers of Germany's supervisory boards. I apply qualitative content analysis to public statements from over 100 stakeholders and I develop a novel data visualization technique to map the opposing interests of different financial and non-financial factions. I find that contrary to their oft-alleged passive nature, index funds forge coalitions with more short-term oriented international investors to systematically weaken key tenets of long-term oriented corporatist institutions. However, despite asset managers' considerable financial power, their plans were blocked by a broad countercoalition of 'strange bedfellows' comprising owners, managers, labour unions, as well as financial and non-financial firms that used their combined political leverage to prevent the reform. This paper improves our understanding of the motives and political strategies employed by international asset managers and highlights the importance of coalition building as a key determinant of the political power of international finance. By aligning the costs of institutional change for incumbent interest groups, coordinated institutions may continue to act as effective shields against international financial pressures.

Key words: asset managers, index funds, corporate governance, patient capital, coalition building, institutional change, qualitative content analysis

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1 Introduction

The rise of a new and omnipresent class of international investment firms in recent years has rattled financial systems around the globe. So called “passive asset managers”, led by American investment behemoth BlackRock, have reinvented the game of capital allocation, and—given their overwhelming financial success—reshuffled the power structures in modern capitalism (Wigglesworth 2021). In contrast to active investors who follow a cost-intensive approach by deliberately choosing particular stocks and equities in an effort to *outperform* markets, passive investors employ complex algorithms to *track* entire market indices as closely as possible. This low-cost strategy has propelled a global ‘money mass-migration’ (Fichtner and Heemskerk 2020) into passive funds and has leveraged the ‘Big Three’ American index funds—BlackRock, Vanguard, and State Street—to emerge as ringleaders of a new age of ‘asset manager capitalism’ (Braun 2021; Fichtner et al. 2017).

Despite their extraordinary rise, as yet little is known about their political motivations, their strategies of engagement with other stakeholders, and their leverage over national institutions. What little literature we have on their motives and means has painted asset managers as truly strange beasts. Depending on the perspective, scholars have either decried their short-termist voting behaviour supportive of controversial means to inflate balance sheets and asset prices (think share buybacks) or lauded their potential as patient investors and benevolent ‘agents of corporate de-financialization’ (Fichtner 2020).

The rise of this peculiar but all-dominant investor class constitutes a significant juncture for political economists and industrial relations scholars. Recent contributions to the political economy of finance literature have called for a more careful examination of the internal diversity that different segments of finance beget, the pressures they exert on managers and firms, as well as the interest coalitions they forge in a quest to reshape national financial systems (Pagliari and Young 2014; Young and Pagliari 2017; Röper 2021). Endowed with substantial corporate voting rights and as the largest spiders in a global web of interlocking ownership, these new financial actors are likely to further tilt the power balance in advanced economies in favour of international financial interests. Indeed, the all-encompassing market dominance of asset managers seems to support scholars who consider financialized capitalism an exceptionally powerful steamrolling force that will unavoidably lead to the convergence of national models of capitalism on a liberal trajectory (Hardie *et al.* 2013).

This paper contributes to this debate by investigating the preferences and strategies of the world’s largest asset managers, and how they engage in ‘tugs of war’ with other financial and non-financial interest groups over key corporatist institutions. Influential contributions have argued that financial industry groups can leverage their influence over regulation by tying in their interests with those of other producer groups (Pagliari and Young 2014). In contrast, I show how short-term tactical coalitions between 'strange bedfellows' (Mahoney 2008: 175) comprised of financial, non-financial, and labour interests can constrain the political power of international asset managers. My findings highlight the importance of institutional complementarities in aligning the preference structures of unlike groups of incumbents and reinforcing the resilience of key domestic corporate governance institutions. Given the political explosiveness of high-staked regulatory battles and the general complexity of institutional re-design, global financial integration is therefore not an inescapable and all-encompassing force of convergence that will mute national institutional specificities, but instead, determined by the domestic particularities of producer group politics. Furthermore, previous research has argued that corporate governance institutions could shield themselves against international financial pressures by impeding market entry, but if they failed, consequential change would ensue (Goyer 2011). My findings show that domestic interest coalitions can preserve established institutions *even when* international investors have obtained a dominant position within the corporate network.

Research into asset managers' political strategies and their power over corporate governance is hampered by data availability issues as index funds tend to circumvent traditional institutions of sectoral and firm-level coordination and prefer informal meetings behind closed doors. Anticipating such challenges, this paper draws on a rare case of open conflict between different factions of capital over the future of corporate supervision: A proposed reform of the German Corporate Governance Code (GCGC), which provides Good Governance Guidelines that all listed firms must adhere to. In October 2018, the GCGC Commission issued a reformed draft asking stakeholders for consultation. This draft contained a highly controversial amendment which proposed a reduction of the service terms for shareholder-elected supervisory board members from five to three years. Supervisory boards represent key institutions of "organised" or "coordinated" models of capitalism. As inherent part of the so-called "dual board system", they guide and monitor management, and allow veto players interference in firm-level decision making (Shonfield 1965; Hall and Soskice 2001). Seats on supervisory boards are predominantly held by external labour and capital representatives who can 'impose collective interests *beyond* the firm level … *upon* the firm' (Höpner 2007: 7). Critics saw in the proposed amendment a blatant attack on the dual corporate governance structure and its strict separation between supervisory and management boards, a threat to their independence, and an unjustified bias towards shareholder interests.

Since the consultations by the GCGC Commission are publicly available, they allow me to trace the controversies that this amendment provoked, and the interest coalitions that formed in favour or against the proposal. Data from policy consultations is generally accepted in the interest group literature and used frequently in analyses of lobbying behaviour (Pagliari and Young 2014: 580). I use qualitative content analysis to categorize 110 individual statements from various stakeholders including capital and labour representatives, national and international investors, banks, insurances, legal and academic experts, government agencies, and larger and smaller firms. In a subsequent step, I propose a novel data visualisation technique to map coalitions by translating the coded statements into a radar chart. This radar chart indicates for different interest groups if their justification to support/oppose the amendment is more market or coordination driven, and highlights overlaps between factions that provide the basis for interest coalitions.

My results suggests that passive asset managers sided with much more activist private equity and hedge funds in calling for a reduction of service terms for supervisory board members. The deliberate aim of this coalition was a transition towards a de facto one-tiered corporate governance system with board re-elections taking place every year. This would allow shareholders to leverage their substantial voting powers more often and increase pressure on the board. Withstanding these efforts was a heterogenous but sizable countercoalition of capital and labour that formed in opposition to the amendment. Here, the uniting theme was a shared concern that more frequent elections would disrupt the traditional balance of power (parity) on the board with negative consequences for all parties involved. In the end, this shared coordination logic prevailed and successfully shut down the efforts by international financial investors to destabilize a central pillar of Germany's trademark corporate governance system.

The balance of this paper is structured as follows: The next section lays out the theoretical framework and discusses the growing dominance of index funds and their split personality as 'passive aggressive' investors (Fichtner *et al.* 2018). Section 3 outlines the data and methodological approach and specifies the details of the GCGC reform. In Section 4, I present the results of the qualitative content analysis and visualize the 'tug of war' between different coalitions over the proposed amendment using a novel mapping strategy. The final section discusses the role of institutional complementarities in underwriting tactical coalitions between 'strange bedfellows' and concludes.

2 Theoretical framework: Asset manager capitalism and the resilience of domestic institutions

The question if and how international financial interests shape domestic models of capitalism has obtained a central place in political economy research ever since the onset of financial integration at a global scale. Influential contributions have argued that the growing influence of global finance would act as a "great leveler" and listed various reasons for the un-governability of international financial markets. Firstly, firms depend on the sustainable provision of financial capital to produce growth, and governments depend on a working economy for their re-election. Since financial capital is highly mobile, credible threats of exit can be used as powerful means to steer political decision making. Secondly, this literature has characterized the interests governing international financial markets as largely homogenous and certainly well-funded, which endows its actors with an Olsonian advantage over other less-organized non-financial interest groups. Thirdly, their importance in steering the flow of capital combined with a too-big-to-fail-level of global entanglement gives international financial interests a degree of structural power that limits the room for manoeuvre of political regulators (*see* Strange 1986; 1998). Though by no means exhaustive, these factors are deemed stronger than the counterbalancing power of existing institutions, which is ultimately seen to result in the inescapable convergence of national models of capitalism. Underlying this line of reasoning is the pessimistic assumption that finance capitalism cannot meaningfully be tamed. Once domestic firms find themselves sucked into the global game of market-based capital provision, institutional variations at the national level begin to vanish (Rubach and Sebora 1998).

Financialization serves as an ambiguous umbrella term for the multivariate changes that the seminal 'shift from industrial to finance capitalism' entails (van der Zwan 2014: 99; Mader et al. 2021). Undoubtably, 'the increasing role of financial motives, financial markets, financial actors and financial institutions in the operation of the domestic and international economies' (Epstein 2005: 3) holds severe consequences for national models of capitalism. In the realm of production systems, it introduces the logic of maximising shareholder value that brings with it heightened cost pressures, short-termism, and economic rationalisation. In the political arenas, it amplifies a shift of power from labour to capital. Recent developments in international financial markets therefore lend support to the 'modernist thesis of institutional convergence' (Engelen and Konings 2010: 608): Bank lending conditions are now commonly determined in international capital markets ("marked to market"); loans are usually securitized and traded; shadow banks play an increasingly important role as less regulated financial agents; and assets on balance sheets are commonly refinanced. Joint stock and private debt market capitalization as a share of GDP has increased markedly in virtually all rich Western democracies. Seen on a continuum, country differences remain, but in the big picture, a seminal convergence towards market-based banking is undeniable (Hardie *et al.* 2013).

The repost from comparative political economy scholars is that such macro views are less attentive to national specificities and institutional complementarities that nurture and sustain distinct social coalitions and make existing institutions exceedingly sticky (Hall and Soskice 2001; Hall and Soskice 2003; Hancké *et al.* 2007). In the *Varieties of Capitalism* (VoC) school, for instance, long-term patient capital represents a vital characteristic of coordinated market economies. The key functions of patient finance lay in shielding target firms from hostile takeovers and alleviating excessive concerns of short-term profitability (Culpepper 2005), thereby enabling strategies towards incremental innovation, skill preservation, and horizontal and vertical coordination along supply chains that are required for the development of comparative advantages in diversified quality production (Streeck 1991). From this perspective incumbents would resist such short termism to protect the logic of long-term investment and the particular capacities enabled by it, notably a high-skills base rooted in tacit knowledge and a comparative institutional advantage in incremental innovation.

While these two views of institutional development—the convergence and the resilience perspective—stand in complete opposition to one another, they are both equally characterized by a general lack of agency in their frameworks (Crouch 2005). In each case, systemic structures and institutional characteristics explain continuity or change while states, actors, and interest groups remain passive enforcers, if not helpless tokens, of the historical course. More recent scholarship has taken issue with this determinism and pointed to the ineluctably political nature of financialization processes. Not only do national institutions refract common processes of global financial integration in different ways, but they actively condition the playing field in which political and economic actors of all colours negotiate the outcomes of regulatory battles, and by extension, the political struggles over distributive consequences (Engelen and Konings 2010: 617). Depending on the institutional context and the underlying production regime, the preferences of different faction of financial and non-financial producer groups can vary widely, both, across, but crucially so, also within sectors (Röper 2021). To better understand the relationship between the influence of financial actors and the constrained institutional context they find themselves embedded in, more attention ought to be paid to the internal logics guiding their actions, as well as the types of coalitions they forge with other actors who share similar ideas regarding the means to achieve their political and regulatory objectives.

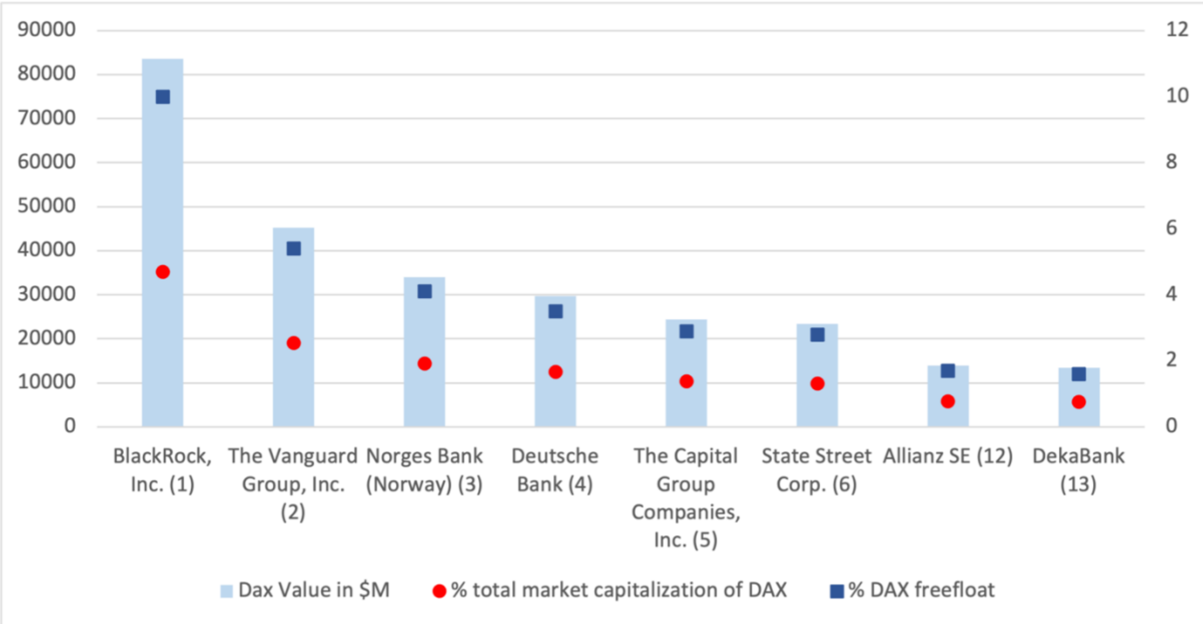
To expand on this approach, I draw on an important but sometimes underplayed aspect in the neo-institutionalist literature that governs social and economic relations between dissimilar actors: The role of producer group coalitions. In *Politics in Hard Times*, Peter Gourevitch (1986) argues that domestic coalitions between producer groups act as important mediators in times of institutional upheaval (*cf.* Gourevitch and Shinn 2005). In this view, 'cross-class alliances' (Swenson 2002) and intersectoral negotiations will matter for the manifestation of financialization under different polities (Young and Pagliari 2017). Germany serves as a case frequently invoked to stress the importance of national institutions in mediating the vigour of international finance where myriad veto players, domestic blockholders and family owners, and a bank-based savings culture have proven a hostile playing field for short-term oriented investors in the past (Goyer 2011).

Alas, while key contributions have highlighted the overall importance of interest plurality for the power of finance (Pagliari and Young 2014), the particular ways in which national institutions and actors' interests blend into cross-class coalitions remain an open question. In Gourevitch and Shinn's (2005) analysis of owners, managers and workers' struggle over corporate governance institutions, alliances are based on the mutual realization among ostensibly unlike actors that they share the same preferences and objectives, which leads them to unite in domination of the third party. But a focus on shared strategic goals underwritten by the benefits of a particular institutional setting, again, makes this arrangement relatively static. A given coalitional line-up determines the political winners and produces institutional outcomes that are seen to be quite resilient and enduring.

This punctuated equilibrium view of coalitional conflict does not seem to do full justice to the dynamic fashion in which interest group conflicts over institutional reform typically unfold. Actors' preferences are frequently updated in light of new developments and the constraints of a changing environment, and coalitions are reorganized given actual or expected payoffs for individual partners. Indeed, we know from a rich literature on interest groups that coalitions are often merely *tactical* in nature (Axelrod 1981; Mahoney 2008). Partners in a tactical coalition do not necessarily have to share the same goals, let alone the same moral convictions. It may simply suffice for actors to share the same idea about the means required to achieve their personal objective to make their alliance mutually reinforcing. This paper investigates the mechanisms that lead to the formation of tactical coalitions between unlike partners against international financial interests. It argues that they can pose a mighty countervailing force in support of national institutional particularities.

Asset managers' unrivalled rise to global dominance injects new dynamism into the debate over the power of international financial actors, their leverage to change domestic institutions, and the role of producer coalitions in defending them. Unlike their much more activist cousins, asset managers' sell financial products that replicate the performance of market indices. Investment decisions are not based on individual firm performance and share price trajectories, but instead on complex mathematical algorithms—BlackRock's *alladdin* application being most (in)famous[1]—which determine the ideal composition of shares to maximize price correlation with a particular index. This hands-off strategy allows asset managers to compete on very low fees for low risk returns and spares them, at least in theory, from active intervention in target firms.

Figure 1. Selected DAX investors at group level (2020)



Source: DIRK 2021 HIS Markit; numbers in brackets indicate overall ranking

This novel investment strategy has propelled the "Big Three" American asset managers—BlackRock, Vanguard and State Street—to become fully diversified 'universal owners' (Braun 2016) that dominate equity markets around the globe, and notably so, even in jurisdictions that were heretofore considered bulwarks against external financial pressures, like Germany. In 2020, the "Big Three" were the largest individual shareholders in 40 percent of Germany's DAX30 firms and in many cases the owners of sizeable blockholdings. As Figure 1 shows, in 2020 BlackRock alone held 10.0% of the entire DAX30 free float easily outsizing all other group investors in the blue-chip index. Deutsche Bank and Allianz—the former heirs of

[1] *alladdin* is an acronym for "Asset, Liability, and Debt and Derivative Investment Network". Experts have criticized *alladdin* for creating unruly market dominance and conflicts of interests (Financial Times 2020).

Germany's famed but now decimated corporate network (*Deutschland AG*)—rank in distant spots four and twelve. Germany is the fifth-most popular destination for index investors after the United States, United Kingdom, Japan and Australia. And even in the MDAX, which contains mainly family-controlled firms, the Big Three are at least the third largest investors in 42% of listed firms, but in 10% of cases still the largest (Fichtner and Heemskerk 2020).

While asset managers have successfully established a central position in Germany's corporate finance network, their intentions and potential as trailblazers of financialization remain a conundrum. Scarce research on this issue has painted an inconclusive picture. On the one hand, scholars have highlighted characteristics that clearly distinguish asset managers from activist investors. Their passive strategy provides no immediate incentive to engage actively in corporate governance, quite to the contrary, this would imply unnecessary costs. Furthermore, asset managers lack the exit options that are typical for other activist international investors (Jahnke 2019). Investment and divestment decisions are determined exclusively by a target firm's membership in an index, and so, passive funds must remain invested in a firm for as long as it is a member of a chosen baseline. And finally, asset managers like BlackRock like to paint themselves as champions of Environment, Social and Governance (ESG) values. In his 'Annual Letter to CEOs', BlackRock' chief executive Larry Fink has argued frequently that the best way to sustainably increase shareholder value is to invest capital in the long term to promote innovation and skill development. In this sense, classical German firms with their coordinated production profile are often invoked as model cases and ESG-focused asset managers should have little incentive to actively intervene in corporate decision-making processes that undergird these strategies. These conditions have led some academic observers to conclude that passive index funds represent a new class of patient investors 'without any skin in the game' (Braun 2021; Deeg and Hardie 2016: 640; Braun 2016: 268). Others, with a whiff of optimism, even accredit them the potential to become 'agents of corporate de-financialization and long-termism' (Fichtner 2020: 274).

On the other hand, a series of studies has cautioned that internal contradictions might entice asset managers to be more 'passive-aggressive' than is commonly acknowledged (Fichtner *et al.* 2018). As global money managers, they remain first and foremost loyal and devoted to creating value for their shareholders. Herein lies the most obvious difference to more classical patient capitalists like relationship banks or family owners, and an important similarity to more activist investors. Research has shown that asset managers vote actively and highly congruent with management recommendations, proxy advisors, and activist shareholders, and often support short-termist strategies to boost stock value (Fichtner 2020; Fichtner and Heemskerk

2020). Labour rights and trade union priorities, on the other hand, find virtually no representation in index funds' voting behaviour (Committee on Worker's Capital 2020).

As deeply ambiguous and universally invested international financial agents, asset managers pose the most formidable test yet for the resilience of domestic corporatist institutions. The implications are simple: If this mighty investor class manages to leverage its status as universal owners in German equity markets to change key corporatist institutions to its advantage, this would be grist on the mills of financialization scholars who argue in favour of sweeping convergence. If, however, domestic interest coalitions prevail in shielding national institutions from change, proponents of the resilience thesis would have the edge. Whatever the outcome, the results of this test will add to an improved understanding of asset managers' internal logics that guide their actions, as well as the role and relevance of institutional complementarities in the formation and reinforcement of tactical political coalitions. The next section details the case and explains the methodological approach.

3 Data and methods

Research on the interests and strategies of the asset management class, and more specifically their influence on corporate governance systems, has suffered from a formidable empirical challenge in the past: Index funds are exceptionally shy creatures. They typically recuse themselves from classical corporatist institutions, they refuse seats on supervisory boards that are usually reserved for large investors, and instead rely on bilateral and behind closed door meetings with top management to make their interests heard. As a result, previous contributions pondering these questions have had to work with limited empirical material for quantitative analysis, mostly voting behaviour at annual shareholders' meetings (Fichtner and Heemskerk 2020). For much the same reasons, qualitative studies remain the exception.

This paper leverages a critical policy event that allows for an in-depth mixed methods analysis of the impact of asset managers and their strategies vis-à-vis the German corporate governance system: A proposed reform to the German Corporate Governance Code (GCGC). Since 2002, the GCGC provides Good Governance Guidelines for all listed firms in Germany. It is implemented and updated annually by a special independent government commission. The main aim of the code is to provide guidance, transparency, and information to national and international shareholders. As such, the GCGC constitutes soft law and is not legally binding, but it is still powerful as a collection of the main guiding principles of corporate governance, especially where the hard law allows for interpretative scope. CEOs and supervisory boards of all listed firms are required by law to issue an annual statement on how the code was followed and applied (under the so-called "apply and explain" rule).

In October 2018, the commission proposed a highly contentious reform to its guidelines which read: *'Supervisory Board members elected by the shareholders shall be appointed for a period of not more than three years'* (Recommendation B.1); an effective reduction of service terms from the maximum five years that are enshrined in existing law (§102(1) AktG). Unsurprisingly, given the radical implications of this amendment, the reform proposal triggered a heated debate among stakeholders. While some saw in the reform a much-needed move towards international standard alignment, others alleged a blatant attack on Germany's dual board system, which, as we recall from the introduction, plays a central role in Germany's coordinated model of capitalism.

In multiple rounds of consultations, the GCGC commission invited stakeholders of all colours to provide statements on the reform proposal which are publicly available. Therefore, this case provides us with a rare opportunity to explore the interests of different factions of financial and non-financial actors vis-à-vis German corporate governance institutions, including the strategies of international asset managers, as well as the coalitional dynamics reflected in the competition over institutional reform. In the next section, I draw on a total of 110 statements available from the GCGC archive[2] and combine qualitative content analysis with a novel coalition visualisation technique to distinguish between rival factions of stakeholders and their emphasis on different arguments and logics in the struggle over corporate governance reform.

For my analysis, I draw on a mix of inductive and deductive, or, 'directed' qualitative content analysis (QCA; Hsieh and Shannon 2005; Schreier 2012; Mayring 2021). QCA is a method that allows for the systematic analysis of qualitative material by assigning it to a coding frame. In a first step, inductive coding of stakeholder statements yields a set of nine themes which I then assign to two overarching and competing logics: a *market logic*, and a *coordination logic*. These broad logics are derived from the VoC literature and represent the two distinct models of capitalism clashing in this case study. Under the market logic, contracts are the dominant mode of economic organization and institutional investors use the threat of exit to exert pressure on management when they are unhappy with a company's performance (Hirschman 1970). Financial capital under this logic is therefore more short-term oriented and nervous and shareholder value creation constitutes the dominant heuristic. In contrast, the coordination logic is characterized by strategic links between banks, businesses, and labour

[2] URL: https://www.dcgk.de/en/consultations/archive/consultation-2018/19.html

representatives. Capital is typically more patient and loyal, even in the face of short-term market fluctuations or adverse firm performance, and decision making is much more stakeholder oriented (Deeg and Hardie 2016). Given limited exit options, voice is used as dominant means of corporate engagement.

Along these logics, I visualise coalitions of different interest groups by translating the coded statements into a radar graph. I classify congeneric stakeholders into factions (e.g., banks, non-financial DAX30 firms, activist investors, passive investors, etc.) and code their statements along their mentions of particular subthemes using dummy variables (0=not mentioned, 1=mentioned). This allows me to aggregate these data for factions and calculate the share of stakeholders within a faction that have referred to a particular theme. Overlapping the results in a radar graph indicates (a) which themes and logics particular factions draw on predominantly, and (b) where interests of different factions might align either in favour of or in opposition to the proposed GCGC reforms. The radar graph thus helps to understand where different factions might form a tactical coalition in pursuit of the same outcome, albeit for potentially very different individual motives.

Germany presents a critical case for exploring the impact of international asset managers on domestic corporate governance institutions for at least three reasons. Firstly, it is a country case where patient institutions remain thick, but also, where passive asset managers clearly have established a central and increasingly dominant position in equity markets. This constellation creates the breeding ground for significant political-economic conflict over Germany's characteristic corporate governance institutions, most likely so between the incumbent heirs of the German model and international financial challengers. Secondly, the comparative political economy literature typically describes Germany as a prototype Coordinated Market Economy (CME) in which strategic coordination between firms, banks and the government creates high entry barriers for alien investors (Zysman 1983; Hall and Soskice 2001; Goyer 2011). If the arrival of an internationally dominant investor class led to the convergence towards a liberal, shareholder-oriented corporate governance model, financialization would prove to be the all-encompassing force that influential international political economy contributions have alleged in the past (Strange 1998; Hardie *et al.* 2013). And thirdly, statements from leading asset managers suggest that German firms—with their characteristic focus on long-term investments, diversified quality production, incremental innovation, skill development, and risk aversion—represent best-practice examples of long-term oriented and sustainable enterprises. At the same time, however, this logic presupposes a coordinated model of stakeholder orientation that stands in contradiction to asset managers' stewardship and their primary responsibility towards financial shareholders. Against this backdrop, the GCGC reform provides a rare opportunity to explore asset managers' interests and strategies vis-à-vis target firms, and to theorize their authority to re-design domestic institutions conditioned by the interests of incumbent factions in the context of a prototypical coordinated market economy.

4 Analysis: Interest factions and coalition analysis

Out of a total of 110 statements from consulted stakeholders on the 2018 GCGC reform, 60 referred to proposal B.1 to reduce the tenure of supervisory board members elected by the shareholders. The types of stakeholders ranged very broadly from individual legal and academic experts to employer, labour and investor representative associations, small and medium-sized firms and larger DAX listed corporations, banks and insurers, investors of all types, proxy advisors and financial umbrella associations (see Appendix). Different trade unions as well as works councils of many firms decided to co-sign a joint statement by the German Trade Union Confederation (DGB) which was submitted multiple times to the GCGC commission. Overall, a large majority of stakeholders (40) came out in strong opposition to the proposed reform, clearly outnumbering a smaller number of mostly international institutional investors (16) who voiced their support. Another set of four commentators could be classified as cautiously in favour.

Table 1. Frequency table of logics and sub-themes (n=60 stakeholders)

Logic	Sub-themes	Frequency
Coordination	Loss of qualification	20
	Knowledge exchange	6
	Balance of power	28
	Independence from shareholders	13
	Excessive short-termism	24
Market	Flexibility	8
	International standard alignment	9
	Shareholder value	5
	Independence from management	7

Qualitative content analysis

Qualitative content analysis of 60 stakeholder statements yields a set of nine specific themes. As signposted above, I bundle these themes under two competing logics, a market logic, and a coordination logic (Table 1). Beginning with the *coordination logic*, a number of commentators expressed concerns that a shorter duration of elected supervisors on the board would hinder smooth operations. The main focus laid on the problem of having to find qualified personnel more frequently and a disruption of the balance of power on the board between capital and labour. In large German firms, the dual corporate governance structure ensures parity between capital and labour with the board's chair casting the decisive vote. Since the reform concerned shareholder-elected representatives of the capital side only, consulted stakeholders cautioned against a sustained drifting apart of time spent in service between representatives on the labour side and those of capital. In addition, they also raised potential issues with knowledge exchange on the boards, another key element of strategic coordination. Since supervisors usually serve on a number of boards simultaneously, they can act as information carriers between large firms. At the same time, supervisory boards constitute the main hub for knowledge exchange between management and labour within a firm. And finally, commentators decried an excessive focus on short-termism. Under the dual supervision model, supervisory boards are elected by the shareholders at annual general meetings where one unit of common stock carries one vote. In this context, stakeholders specifically warned against a loss of independence of elected board members should they face re-election from international shareholders with dominant voting rights more frequently.

Under the *market logic*, on the other hand, stakeholders highlighted positive implications for corporate efficiency. Some argued that more frequent re-elections would allow firms to react more flexibly to the challenges of an ever faster changing corporate environment. Others alluded to further opportunities to strengthen shareholder value orientation if investors could decide more frequently over the composition of supervisory boards and personnel. In addition, many deemed the reforms a first but necessary step to align Germany's dual board structure with the internationally more common single board model under which there is no clear separation between supervision and management duties, and decision-making authority is more concentrated with the management board. And finally, some commentators hoped that the reform would help to break conspiratorial structures on the board and increase the independence of shareholder-elected supervisory board members from management and labour representatives.[3]

As discussed in the previous section, I use these nine themes and two overarching logics to classify different factions of stakeholders along their emphasis on particular aspects and concerns regarding the reform. By amalgamating the individual faction statements, I can

[3] Irrespective of above logics, some commentators cited practicability reasons in opposition to the reform. More frequent board elections would imply significant costs involved in organizing stockholders' meetings. In addition, some stakeholders voiced legal concerns pointing out that formal law granting tenure of a maximum of five years could stand *ultra vires* to the more informal CGCG. In the interest of conceptual clarity, I focus my analysis on above logics even though these practicability concerns are not easily dismissible.

identify interest overlaps between unlike groups that provide the basis for tactical coalition building either in support of or in opposition to the proposal.

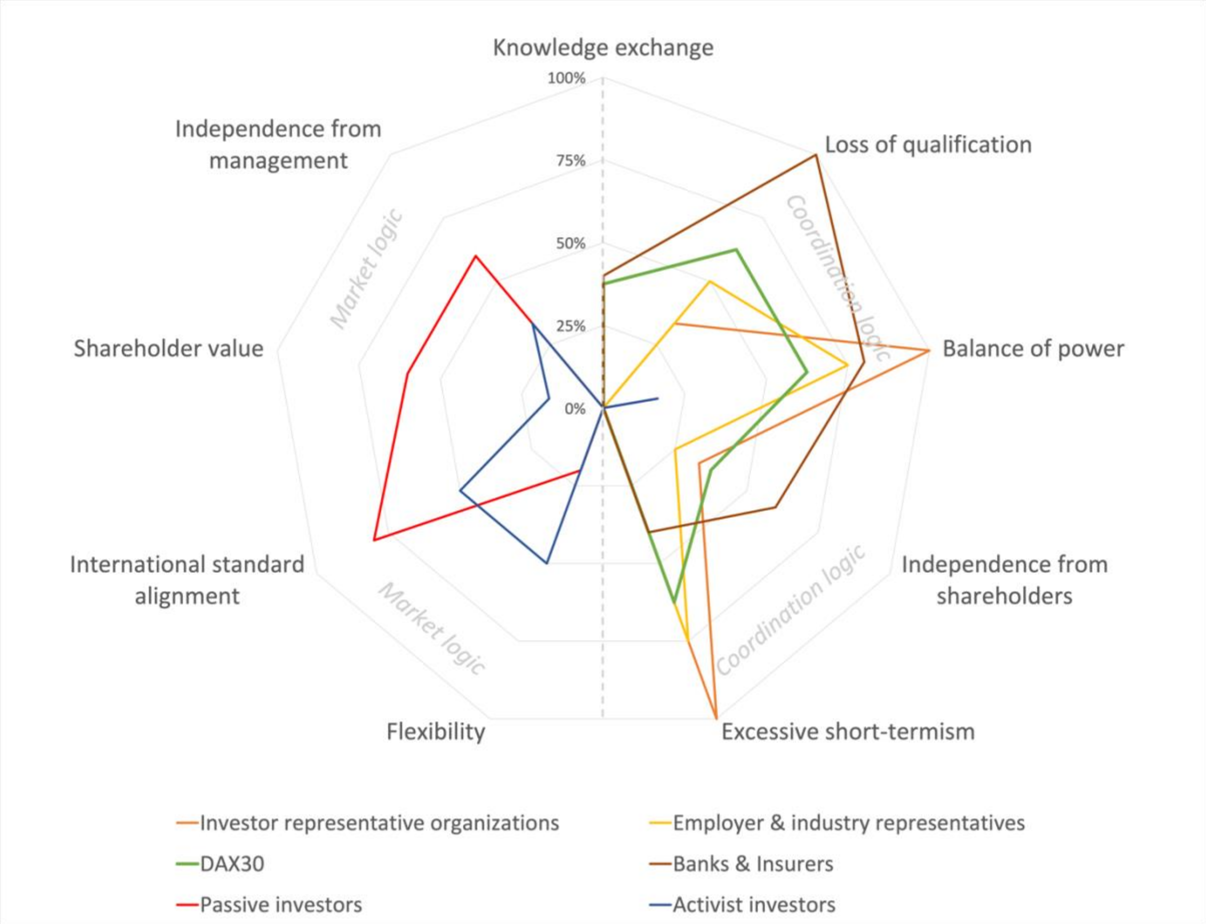
Coalition analysis

The results of my coalition analysis show a striking separation of factions in support of, and in opposition to, the reforms distinguished clearly along the two guiding logics (Figure 2). At a first glance, this confirms the initial intuition that the GCGC's proposal to reduce the tenure of supervisory board representatives was a highly contentious position.

The coalition in favour of the changes consisted of activist and passive institutional investors, including the 'Big Three' index funds. These stakeholders welcomed the proposal to cap the service time at a maximum of three years, but also saw it as only a first step with 'annual Board elections as [the] ultimate objective' (Vanguard), or, in other words, as 'a transition period where companies could choose to first shift from the current 5-year term of office to a 3-year term before moving to annual elections' (State Street). The motives behind this stance seem rather obvious: As money managers, shareholder value creation constitutes the main decision-making rationale of activist and passive investors, alike. Reducing the tenure of supervisory board members increases the frequency of board re-elections which in turn increases the opportunities for shareholder representatives to use their voting powers to exert pressure on a portfolio firm; by threatening to axe unpopular representatives, and by appointing allies. BlackRock reiterated this objective between the lines arguing that 'director elections provide the board with a sense of the level of shareholder support'. At first glance, this seems to confirm an old wisdom: Since shareholder value is the dominating logic of financial markets, international money managers lean towards short-termist preferences. Somewhat unsurprisingly, then, activist and passive investors share a market logic towards Germany's corporate governance institutions.

But upon more nuanced analysis, the radar graph reveals important differences in the discourse of activist (blue) versus passive investors (red). Activist investors put strong emphasis on the prospect of increased flexibility (50%), a standard short-term perspective which also featured explicitly in the rationale of the Commission's First Draft from 25 October 2018: 'A shorter term of office increases the flexibility in order to better meet a developing profile of skills and expertise, and to take into consideration changes in the ownership structure'. Alluding to the pressures of fast-changing business environments, activist shareholders have traditionally called for more bundled competencies in top management. The concentration of decision power at the top would come as their benefit because it would allow easier access and implementation of extractive investment strategies (Goyer 2007; Fichtner 2015). Interestingly, shareholder value is not a theme that activist investors emphasize predominantly.

Figure 2. Radar chart of interest coalitions



Note: Each corner depicts a subtheme. Right-hand subthemes relate to the coordination logic, left-hand subthemes relate to the market logic. Amplitudes of individual lines indicate in percent how many individual stakeholders from a faction mentioned a particular subtheme in their statement. Overlapping lines suggest agreement between different factions regarding a particular subtheme. In the interest of legibility, remote factions such as legal and academic experts or proxy advisors were excluded from this figure (relevant statements are revisited in the discussion below). Labour unions' reactions are discussed separately below (see footnote 4). Reading example: Within the faction of "banks & insurers", 40% of stakeholders referred to "knowledge exchange", 100% referred to "loss of qualification", 80% referred to "balance of power", and so on. While all of them referred to "loss of qualification", they share the largest overlap with other stakeholders on "balance of power". None of the stakeholders from the "banks & insurers" faction referred to themes under the market logic.

Passive investors, on the other hand, do not tend to raise the issue of flexibility. Instead, they focus first and foremost on the accountability of board members and on creating long-term value for shareholders. In their statement, BlackRock expressed their hope that the reform would guarantee a 'sufficient number of independent board directors to ensure objective debate and oversight that leads to decisions that protect and advance the interests of all shareholders'. State Street echoes this view: 'As a global investor that has active engagement and voting programs in key global markets, we find that annual director elections provide increased accountability and encourage board members to be more responsive to shareholder interests, thereby improving board quality'. Passive investors therefore seem hopeful that more frequent board elections would increase the independence of board members from management and workers and prevent them from suffering corporate "Stockholm syndrome". Overall, asset managers understand board composition as a key element of good governance ('Good governance begins with a great Board'; Vanguard). BlackRock considers 'The performance of the supervisory board […] critical to the long-term success of the company and to the protection of shareholders' economic interests', adding that 'BlackRock's pursuit of good corporate governance stems from our responsibility to protect and enhance the long-term economic value of the companies in which our clients are invested' (BlackRock statement). Statements like these resonate with points made elsewhere in asset managers' stewardship guidelines. For example, State Street (2018) reiterates that moving towards annual board elections 'would provide shareholders with an effective mechanism to fulfil our stewardship responsibilities and improve the quality of board oversight and company performance in the long-term'. Taken together, these statements appear to convey a more long-termist approach compared with activist investors, which resonates with the image as socially responsible investors that index funds attempt to construct for themselves.

So, while the two types of investor groups stand unitarily in support of shortening the maximum service of supervisory board members, they do so for different reasons. What unites them, as Figure 2 illustrates, is a shared conviction that the German corporate governance system should converge towards the internationally standard one-tiered model in which management is not institutionally separated from supervision and where these two functions are performed by one and the same body, usually, the Board of Directors. This latter model provides more entry points for shareholder interests and is generally characterized by fewer veto players.

As figure 2 illustrates, the demands of international money managers were met with fierce opposition from a heterogenous cross-class coalition of 'strange bedfellows' encompassing banks and insurers, DAX30 corporations, domestic investor associations such as the Deutsche Schutzvereinigung für Wertpapierbesitz (Germany's largest association of shareholders with over 30,000 members), the German Investor Relations Association (DIRK), employer representatives such as the Bund Deutscher Arbeitgeber (BDA), and major labour unions.

Banks and insurers, as well as blue-chip firms listed in the DAX30 were most concerned about loss of qualification on the board. In a joint statement, the chairmen of the supervisory boards of Allianz, Deutsche Bank, and Siemens warned that ‘a shortened mandate would increase the risk of loss of competence and know-how on the supervisory board and further weaken the authority of the respective supervisory board member’ (my translation). Others voiced their support in defence of typical features of strategic coordination, for example, representatives of Telekom AG who warned against ‘considerable disadvantages for the transfer of knowledge and cooperation on the board’. Recall that tacit, firm/sector-specific knowledge plays an important role in German companies that compete in diversified quality production, and takes time and money to accumulate.

Domestic investor representatives were most concerned about the spectre of increased short-term pressure, as well as legal barriers since the proposal effectively challenged existing law. The Deutsche Schutzvereinigung für Wertbesitz (DSW) representing the interests of more than 30,000 shareholders took particular issue with the goal raised by proponents of the reform to align German regulations with international standards: ‘Unlike the Anglo-American system, which provides for much shorter terms of office and also takes a more short-term approach overall, current service terms of up to five years Germany’s dual system does more justice to the long-term nature of the interests of shareholders on the supervisory board’ (my translation). Many commentators questioned the comparability of the German supervision model with international standards.

Employer and industry representatives including the powerful Confederation of German Employers’ Associations (BDA) decried increasing costs of more frequent re-elections that would accrue to firms, but like many other stakeholders they also pointed towards the negative implications of increased time pressure and short-termism, as well as the challenge to find qualified personnel and the adverse effects this could have on board operations. The Federation of German Industries (BDI) argued that ‘due to the increasing complexity of supervisory board activities, especially in listed companies, the statutory maximum term of office of five years has proven its worth from the perspective of German industry. The continuity associated with this model is of great importance to companies, which is why a reduction to three years could have a negative impact on the quality of supervisory board work overall’ (my translation).

While stakeholders in opposition to the reform alluded to many different motives to justify their stance, the radar graph indicates a single uniting theme: a potential threat to the balance of power on German boards. This concern stemmed from the fact that the GCGC’s formulation referred only to board representatives elected by the shareholders, i.e., the capital side, while leaving rules for labour-elected board members untouched. Unsurprisingly, therefore, capital representatives saw in the proposal an 'arbitrary differential treatment of the shareholder and the employee side' (Allianz) and a 'clear deviation from the principle of equal legal status of all members of the supervisory board' (Deutsche Telekom AG). In their statement, chemical company and DAX member Merck put the concerns of capital in clear terms: 'While employee representatives have five years to familiarize themselves with the subject matter, forge alliances and get to know the company from the supervisory board's point of view, shareholder representatives have only three years. Such discrepancy and the practical difficulties this entails lacks any objective justification' (my translations).

Given capital's alarms over the undeniable disadvantages the reform would mean for their board representatives, we could suspect that labour representatives should wholeheartedly support a proposal that promised to increase its relative strength on the board. However, a joint statement by the DGB, co-signed by works council representatives from various firms shows that in fact the opposite was the case: labour unions sided with capital.[4] The worker side had two main concerns. Firstly, they argued that the reform would nullify lessons drawn from the Great Financial Crisis that had led to a shift of companies' strategies 'away from mere shareholder-primacy to reimbursement systems incentivizing long-term goals' (DGB 2019). Rainer Hoffmann, chairman of the DGB, argued in his statement that the reform proposal 'would set considerable incentives for a short-term orientation of corporate policy and would stand in extreme contradiction to recent remuneration developments for board members, which (rightly so) increasingly take long-term incentives into account. The long-term future of the company would thus be lost from the view of the supervisory board with negative social and economic effects' (my translation).

Secondly, and most considerably, the balance of power argument raised by capital representatives found strong reiteration among unions, since supervisory board terms of labour and capital are tightly coupled under German law and the principle of parity:

> 'Even though the GCGC refers to shareholder representatives only, it would equally affect the tenure of worker representatives. Pursuant to §15 section 1 of the Co-determination Act (MitbestG), the length of term in office for worker representatives of the supervisory board is bound to the length of term in office for shareholder representatives as determined by the articles of a company. In other

[4] Since labor representatives co-signed and submitted the same joint statement by the DGB multiple times, there is no variation of themes within this faction. Therefore, workers' interests cannot be integrated meaningfully as another faction into the radar graph and need to be discussed separately here.

words, recommendation B.1 would authorize shareholders to decide over the length of tenure for worker representatives in the supervisory board.' (DGB 2019)

This legal detail epitomizes an important and powerful lever in Germany's coordinated market economy: Built-in complementarities stemming from past negotiations over corporate distribution of power that align the interests of diametrically opposed producer groups towards protecting existing institutions and rules of the game. Since board mandates in Germany are formally linked, opposed interest factions find themselves sitting in the same boat when it comes to fundamental changes to the way the system works and forge strong majorities in its defence. Unions play a particularly important role in reinforcing this counterintuitive arrangement. Once they consider themselves an involved party, they will not tire to point out that curtailing the power of the capital side will have adverse implications for their *social* mandate, which intensifies the pressure on political decisionmakers. The capital side, in turn, will profit from unions' involvement. As a result, symbiotic complementarities can lock actors into a pareto-efficient situation where existing institutions will be jointly defended.

To summarize our findings, qualitative content analysis and coalition mapping suggests that passive asset managers sided with activist investors in an attempt to undermine one of Germany's trademark institutions of corporatist coordination: the dual supervision model. However, while their opinions regarding the objectives of the GCGC's reform proposal were strongly aligned, in their individual statements they specified different reasons. While activist investors voiced their aim to increase short-termism and flexibility in target firms, passives alleged improved accountability and sustainable decision making resulting from more intensive and frequent shareholder representation. This suggests that passive investors do constitute a corporate-political class of actors in their own right, who unite both, long-termist aims and short-termist strategies under one roof.

In contrast, the interest factions in opposition to the proposed reform appear much more heterogenous and conflicting at first sight. But a startling degree of unity in their coordination logic and their action against the proposal to weaken capital representatives on supervisory boards shows that legal path dependencies can create a stable equilibrium that aligns insiders' interests in support of existing institutions. Thus, domestic producer coalitions can continue to forge strong bulwarks against financialization pressures even when facing universally invested asset managers endowed with unlimited equity and considerable voting rights. The final section discusses the implications of these findings in more detail.

5 Discussion and conclusion

The attempt to reform the GCGC and weaken a central tenet of Germany's corporate governance framework—the dual board supervision model—gives political economy scholars front row seats to the high-staked battles over corporate governance that global asset managers engage in. Drawing on this critical case, this paper clarifies the internal logics guiding asset managers' interests vis-à-vis coordinated corporatist institutions and proposes a dynamic explanation for the power of international financial challengers conditioned by their ability to forge producer coalitions with domestic incumbents.

As passive investors but activist owners, asset managers distinguish themselves from other types of investors and should be understood and classified as a financial faction with distinct interests and characteristic traits. Recent contributions have painted passive asset managers as typical patient investors who lack exit options and remain financially involved in target firms in the long run (Deeg and Hardie 2016). But while on the outside they seem to resemble patient capitalists by any of the standards employed in the past, at the same time, their relation to institutions of patience appears fundamentally antagonistic. As the case of the GCGC demonstrates, passive asset managers put into question the most fundamental rules of the game governing long-term oriented production systems and get into conflict with former champions of patience that form counter coalitions in defence of established customs. They are thus driven by an internal logic that easily clashes with that of proponents of coordination. Shareholder value constitutes their main guiding principle, they have little interest in the ability to coordinate with domestic producer groups, and they desire direct access to management to meet fiduciary duties.

Against this backdrop, my paper holds important lessons for the ongoing debate around passive asset managers and the power of international finance. To start with, ambiguity in asset managers' strategies of investment and corporate engagement suggest that the temporal duration of capital represents a necessary but insufficient condition of patience. When classifying financial actors, attention must also be paid to more qualitative characteristics of patient behaviour, first and foremost, the social relationships between investors, target firms and other producer groups, and the complementary or symbiotic effects for coordinated production regimes that patient capital underwrites. Asset managers' complicated (if not confrontational) relationship with coordinated institutions clearly distinguishes them from the more classical patient capitalists we know, such as relationship banks or family owners (*cf.* Höpner and Krempel 2004; Lehrer and Celo 2016).

Asset managers' undeniable contempt for the particularities of domestic corporate governance institutions makes their schizophrenic character all the more evident. As discussed in Section 3, the 'Big Three' like to paint themselves as champions of ESG values that only want the best for target firms in terms of long-term orientation and sustainable development. The classical image of the innovative and high-skilled "Made in Germany" manufacturing firm is often invoked as best-practice example. But ironically, in their desire for unitary cooperate control to enforce these values, they tend to disregard and even destabilize the very institutions and complementarities that have guaranteed protection against increased short-termism in the past. A labour unions' statement on the GCGC reform proposal highlights this inconsistency: 'International investors advocating of such a measure are not only ignoring best practice standards in German Corporate Governance system but are also disregarding the German Co-determination system by jeopardizing it readily' with 'detrimental [effects] to the fairly long-term strategies that companies are currently following' (DGB 2019).

Turning to the power of international investors, proponents of convergence theory will note that in their statements passive asset managers clearly voice their ambition to align German corporate governance with international standards and empower shareholder interests. In that sense, they can be considered a potential force of corporate financialization with significant equity shares and voting rights. At the same time, however, the fulminant rejection of the reform proposal demonstrates an apparent discrepancy between the centrality of asset managers position in German equity markets and a lack of ability to re-design key pillars of the established corporatist order.

To understand this discrepancy, we need to unpack the coalitional dynamics guiding institutional change in Germany and the role of complementarities that shape and align the interests of unlike actors. As we have seen, producer coalitions in pursuit of mutual institutional outcomes must not necessarily share the same goals or convictions to forge a stable political alliance. It suffices for them to share the realisation that an external shock to the institutional order will likely put them in a worse position than ex ante, or, conversely, improve their joint position vis-à-vis other interest groups. Institutional complementarities and the legacies of past negotiations are important in aligning the internal logics of antagonistic actors who operate under the same model of capitalism. Qualitative content analysis has demonstrated that labour unions and capital representatives—usually not natural allies, to say the least—united in strong opposition to the reform when both felt equally worse-dispositioned. The fact that even large commercial banks and domestic shareholder representatives joined the efforts to prevent the reform supports recent contributions which show that financial actors' interests are more heterogenous and internally conflictual than commonly assumed (Röper 2021). While truly ‘strange bedfellows’, the incumbent defenders of Germany’s corporate governance model jointly realised that changing key institutions of co-determination is a complex, multi-dimensional operation. Even though this particular reform proposal targeted exclusively the powers of the capital side, labour came out against the proposal as well, because the consequences of realigning this central institutional cogwheel were more than unclear.

Still, when drawing conclusions about the power of asset managers, we should not forget that the case and statements I analysed in this paper provide only a limited snapshot of actual political agency. Future research should focus on finding additional innovative points of access into the political engagement of asset managers, for example, their lobbying activities or more direct interference with management boards.

To conclude, my results suggest that as long as the interests between financial challengers and incumbent producer groups remain misaligned, institutions are unlikely to change. Institutional resilience is therefore not simply a product of inertia. Quite to the contrary, it is an ineluctably political outcome of high-staked regulatory battles. Under coordinated types of production systems with a high number of veto points, financialization is unlikely to act as a steamrolling force. Now as before, agents of financialization need allies among incumbents to advance their interests. Only when their interests align with those of politically relevant insiders can financial challengers unleash meaningful institutional change. Producer group politics will therefore continue to decide the battle between converging and diverging forces in the future.

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Appendix. List of stakeholders by faction and position regarding Proposal B.1.

Faction	Actor	Position
Labor representatives	DGB	Against
	Ver.di (same as DGB)	Against
Employer & industry representatives	Bundesverband der Deutschen Industrie (BDI)	Against
	Deutscher Industrie- und Handelskammertag (DIHK)	Against
	Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA)	Against
	Verband der Chemischen industrie (VCI)	Against
Supervisory board representatives	Arbeitskreis Deutscher Aufsichtsrat e.V. (AdAR)	Against
	Vereinigung der Aufsichtsräte in Deutschland e.V. (VARD)	Against
Investor representatives	Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW)	Against
	Deutscher Investor Relations Verband (DIRK)	Against
	Deutsches Aktieninstitut e.V.	Against
DAX30	DAX30 Prüfungsausschussvorsitzende	Against
	E.On	Against
	Deutsche Telekom	Against
	Merck KGaA	Against
	Siemens AG	Against
	Siemens Healthineers	Against
	BASF SE	Against
	Infineon	Against
Government	Federal Ministry of Finance	Against
Legal & academic experts	Deutscher Anwaltverein	Against
	Bundesrechtanwaltskammer	Against
	Institut der Wirtschaftsprüfer (IDW)	Against
	White & Castle LLP	Against
	Prof. Dr. Böcking (Goethe Universität Frankfurt)	Against
	Prof. Dr. Schüppen (lawyer)	Against
	Dr. Kaum (lawyer)	Against
	Prof. Dr. Wilhelm Haarmann (lawyer)	Against
Banks & Insurances	Joint statement by Chairmen of Supervisory Boards of Allianz, Deutsche Bank & Siemens	Against
	Commerzbank (same as DGB)	Against
	Allianz	Against
	Deutsche Bank	Against
	Gesamtverband der Deutschen Versicherungswirtschaft e.V.	Against
Others	Evonik	Against

Non-DAX firms	Grillo Werke	Against
	Satorius AG	Against
	K+S AG	Against
	Schmalenbach Gesellschaft	Against
	Fuchs Petrolub SE	Against
	Lufthansa	Against
Passive investors	BlackRock	In favor
	Vanguard	In favor
	State Street Global Advisors	In favor
	Norges Bank	In favor
	Legal & General Investment Management (LGIM)	In favor
Active Investors	Allianz Global Investors	In favor
	Aberdeen Standard Investments	In favor
	Aviva Investors	In favor
	Baillie Gifford & Co	In favor
	BMO Global Asset Management	In favor
	DWS Investment GmbH	In favor
Proxy advisors	Glass Lewis	In favor
	Pension & Investment Research Consultants Ltd. (PIRC)	In favor
Umbrella associations	International Corporate Governance Network (ICGN)	In favor
	Deutsche Vereinigung für Finanzanalyse und Asset Management e.V. (DVFA)	In favor
	Aufsichtsräte Mittelstand in Deutschland e.V. (ArMiD)	In favor
	ProSiebenSat.1 Media SE	Undecided
	Prof. Dr. von Werder (TU Berlin)	Undecided
	Vereinigung für Unternehmens- und Gesellschaftsrecht (VGR)	Undecided
	IVOX Glass Lewis	Undecided
	Stiftung Familienunternehmen	No statement
	AOK	No statement
	Dr. Maximilian Zimmerer (Münchener Rück)	No statement
	HKP	No statement
	Dr. Stefan Mutter (lawyer)	No statement
	Merck (Dr. Kuhnert)	No statement
	Mercer	No statement
	DAX Kreis	No statement
	Flossbach von Storch AG	No statement
	METRO AG	No statement
	Linklaters	No statement
	Expert Corporate Governance Services (ECGS)	No statement
	Prof. Dr. Küpper (LMU München)	No statement
	Prof. Dr. Schwalbach (HU Berlin)	No statement

Kion Group AG	No statement
Deutsches Institut für Effizientprüfung	No statement
Frankfurt University of Applied Sciences	No statement
Schmalenbach-Gesellschaft für Betriebswirtschaftslehre e.V.	No statement
CMS Hasche Sigle	No statement
Schmid (PwC Switzerland) and Prof. Dr. Wagner (University of Zurich)	No statement
Better Finance	No statement
Bundesverband Investment und Assetmanagement e.V. (BVI)	No statement
Willis Towers Watson GmbH	No statement
Fidelity International	No statement
Vonovia	No statement
Aareal Bank	No statement
Abschlussprüferaufsichtsstelle APAS beim Bundesamt für Wirtschaft und Ausfuhrkontrolle	No statement
Dr. Bangert Consulting	No statement
Deutsche Börse AG	No statement
Dr. Backhaus (Rechtsanwalt)	No statement
Dr. Kunz (Rechtsanwalt)	No statement
European School of Governance	No statement
Mrs. Anke Linnartz	No statement
Hermes Investment Management	No statement
Mr. Tomkos	No statement
Mr. Hexel	No statement
RPMI Railpen	No statement
Research Group on Sustainable Finance (Universität Hamburg)	No statement
Institut für Organisationsökonomik (Westfälische Wilhelms-Universität Universität Münster)	No statement
Taylor Wessing	No statement
Aufsichtsratsvorsitzende Aareal Bank, Commerzbank, Deutsche Bank	No statement