# Allianz GI to oppose Adidas chairman Thomas Rabe’s re-election over governance concerns



Allianz Global Investors has announced its intention to vote against the re-election of Thomas Rabe as chairman of Adidas at the upcoming annual general meeting (AGM) scheduled for 15 May. This decision has reignited discussions concerning Rabe's multiple roles as a potential conflict of interest and has raised questions about governance practices within the organisation.

With assets under management amounting to €571 billion, Allianz GI's stance is significant, particularly given the context of previous votes on Rabe's role. Last year, a majority of Adidas investors opted to re-elect Rabe despite concerns highlighted by the influential proxy advisory firm Institutional Shareholder Services, which urged shareholders to oppose his reappointment due to what it termed "overboarding." This term refers to a situation where an executive holds too many directorships, potentially hampering their ability to manage each role effectively.

Rabe has served as Adidas' chairman for nearly six years, concurrently holding the chief executive positions at RTL, a media company, and the German conglomerate Bertelsmann. Allianz GI argues that, while they previously endorsed Rabe’s reappointment based on an acknowledged transition plan, the lack of substantial progress towards an effective succession strategy has weighed on their current assessment.

The recent communication from Allianz GI expressed concerns that Adidas has not yet presented a successor or outlined a convincing plan for leadership transition. They emphasised the importance of a thorough preparation process for selecting a future chair, highlighting that a potential successor should possess exemplary senior management experience, as well as the ability to lead during precarious times marked by geopolitical and economic uncertainty.

Matt Christensen, Allianz GI's global head of sustainable and impact investing, further elaborated on the criteria that should guide this process. He insisted that the incoming chair must not only possess strong leadership and extensive industry experience but also demonstrate unquestionable independence, enabling them to focus solely on overseeing the board. The call for such qualifications resonates in an environment where corporate governance is increasingly scrutinised amid shifting market dynamics.

It remains to be seen how other key shareholders of Adidas will respond, as Allianz GI is not among the top ten investors in the company. Rabe’s continued chairmanship may very well depend on their perspectives and actions in the lead-up to the AGM. The unfolding situation underscores a growing trend where institutional investors are taking an active stance on governance issues, advocating for best practices in corporate leadership and accountability.

As companies face mounting pressures to meet expectations of governance and transparency, cases like that of Adidas highlight the challenges of balancing multiple leadership roles. The outcome of the upcoming vote may set a precedent for how similar situations are managed in the future, potentially influencing both investor sentiment and corporate governance standards across industries.

### Reference Map

1. Paragraphs 1, 2, 3, 4, 5, 6, 7

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.dailymail.co.uk/money/markets/article-14702579/Allianz-GI-vote-against-Adidas-chair-election-overboarding-row-reignites.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data