COMPARATIVE ANALYSIS OF CORPORATE GOVERNANCE MODELS

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Abstract*. The article is devoted to the study of models of corporate governance in corporations. The purpose of the article is a comparative analysis of corporate governance models of different countries of the world. The main research methods that were used in the article are general scientific methods of analysis and synthesis, as well as comparative analysis, which became the basis for obtaining research results. The main features of the Anglo-American, Japanese, and German models of corporate governance were established in the conducted research, as well as their common features and differences. It was established that the main features or elements that distinguish one model from another are: the main participants of the corporate environment; main groups of shareholders of a specific country; composition of the board of directors (or boards, as in the German model); legislative framework; information disclosure requirements for corporations included in prelisting; corporate actions that require shareholder approval; the mechanism of interaction between the main participants.*

Key words*: Corporate governance; model; Anglo-American model; Japanese model; German model; shareholder.*

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Introduction. Corporate governance in corporations has its own characteristics depending on the jurisdictions of different countries. The organization of relations between shareholders, managers, banks and other stakeholders involves various practices and features.

Carrying out a comparative analysis of corporate governance models will contribute to a deeper understanding of the activities of corporations in different countries of the world.

Literature review. The thematic multifacetedness and theoretical eclecticism of issues of the effectiveness of corporate governance form the appropriate information space of research. The founders of the theory of corporate governance, Barle & Means (1932) firstly developed agency theory as a gap between organizational ownership and control due to a decrease in ownership structure [1]. While Ross (1973) stated that agency relations arise between two parties called agents (representatives) and principals (decision makers) A significant surge in research into the corporate governance system was associated with the emergence and development of agency theory. Corporate governance is defined as the set of economic and legalmechanisms through which organizations are governed (Denis andMcConnell, 2003).

Corporate governance is a set of rules governing the relationship between shareholders, management or company managers, creditors, government, employees, as well as internal and external stakeholders with certain rights and obligations (FCGI, 2001).

The role of the corporation as the most complex and promising organizational form of entrepreneurship is growing in the era of the post-industrial, information society, as it is the most competitive element of the highly concentrated and integrated world economy.

However, the problem of knowing the essence and functional and specific characteristics that determine the place of the corporation in the country's economy and its relations with economic agents still remains open.

A number of problems related to the specifics of corporate governance are caused by legal factors (dispersion of property rights; ignoring the rights and interests of the individual owner), economic factors (predominance of qualified knowledge and skills of managers, the effect of negative synergy, complexity of corporate control mechanisms, asymmetry of information), social factors (misalignment of economic interests of various groups of economic agents; determinism of individual behavior of the owner depending on the statutory contribution) and institutional factors (change in the role of the corporation as an institution of the global economy; change in the place and role of the owner-shareholder; contradiction between the private and collective basis of the corporation) [164].

Solving the above problems requires the creation of effective mechanisms for the interaction of the diverse interests of the corporation as a business entity and owners, requires the harmonization of property relations and finding ways to resolve contradictions between them.

Aims. The purpose of the article is a comparative analysis of corporate governance models of different countries of the world.

Methods. The main research methods that were used in the article are general scientific methods of analysis and synthesis, as well as comparative analysis, which became the basis for obtaining research results.

Results. In the developed countries of the world, there are different models of corporate governance. The model of corporate governance is a reflection of the most essential characteristics, properties and regularities of the functioning of corporate governance as an object of socio-economic reality, which is created by a researcher in order to obtain new knowledge about the corporate governance system in accordance with the purpose of the study [83]. Specialists distinguish three models of corporate management: Anglo-American, Japanese and German.

In each country, the structure of corporate governance has its main characteristics or elements that distinguish it from the structures of other countries. Today, in the comparative analysis, specialists operate mainly with three models: Anglo-American, Japanese and German.

The main features or elements that distinguish one model from another are: the main participants of the corporate environment; main groups of shareholders of a specific country; composition of the board of directors (or boards, as in the German model); legislative framework; disclosure requirements for listed corporations; corporate actions that require shareholder approval; mechanism of interaction between the main participants.

The Anglo-American model is distinguished by:

- presence of individual and institutional investors unaffiliated with the corporation (so-called external shareholders or outsiders);

- well-developed legislation defining the rights and obligations of three key participants — managers, directors and shareholders;
- a relatively simple mechanism of interaction between shareholders and between shareholders and the corporation both at the annual general meeting and between them.

Shareholding is a common means of capital accumulation by corporations in Great Britain and the United States of America. Therefore, it is not surprising that the largest capital market in the world has formed in the USA, and the London Stock Exchange is the third in the world after New York and Tokyo (in terms of market capitalization). In addition. the predominance of equity financing, the size of the capital market and the development of the corporate governance system are in a certain way related to each other: the USA is both the largest capital market and the place of the most developed proxy voting system and the unprecedented activity of institutional investors. The latter also play an important role in the capital market and in corporate governance in the UK.

Participants in the Anglo-American model are managers, directors, shareholders (especially institutional), government agencies, stock exchanges, self-regulatory organizations and consulting firms that provide advice to corporations and/or shareholders on issues of corporate governance and proxy voting.

Key participants are managers, directors and shareholders.

The Anglo-American model developed under the conditions of a free market, it assumes the distribution of ownership and control in the most famous corporations, which is very important from a business and social point of view, because investors who invest their money and own the enterprise, of course, do not bear legal responsibility for their actions corporations. They hand over control to managers and pay them as their agents to run things.

The interests of shareholders and management do not always coincide. Corporate law resolves this conflict by creating an additional link — the board of directors. She is elected by shareholders and acts as their trustee, representative of their interests in the corporation.

The post-war period in the United States and Great Britain saw a shift towards an increase in the number of institutional shareholders compared to individual shareholders. In 2006, UK institutional investors accounted for 53.3 percent.

The increase in the number of institutional investors led to the strengthening of their influence and the introduction of changes in the legislation that contributed to their activation as participants in corporate relations.

The board of directors in the Anglo-American model consists of "insiders" and "outsiders". "Insider" is a person who works for the corporation (executive director or employee) or is closely connected with the management of the corporation. An "outsider" is a person or institution that is not directly connected to the corporation and its management. A synonym of the word "insider" is "executive director", or "independent director", or any person working in the company, and not necessarily a director [85].

Traditionally, the chairman of the board of directors and the CEO of the corporation are the same person. This practice often leads to abuses, in particular, to the concentration of power in the hands of one person (for example, the board of directors is controlled by one person who is the chairman of the board of directors and the CEO) or a group of persons (for example, the board of directors consists only of "insiders") immutability of directors and/or managers, as well as disregarding the interests of shareholders.

As recently as 2006, 75 percent of the CEOs of the 500 largest US corporations were chairmen of the board of directors. However, both English and American corporations seek to include an increasing number of independent directors on the board.

Starting from the mid-80s of the last century, interest in corporate governance began to grow. A number of factors contributed to this: an increase in the number of institutional investors in both countries; increased state control in the US of granting voting rights to some institutional investors at annual meetings of shareholders; company takeover activities; excessively high salaries of executive directors in many American companies and a sense of loss of competitiveness compared to German and Japanese competitors.

As a result, individual and institutional investors began to notify each other of planned actions, conduct investigations, and organize themselves to defend their interests. The data collected by them is quite interesting. For example, in many cases there is a connection between the "loss of vigilance" of the board of directors and the poor performance of the corporation. In addition, corporate governance analysts have observed that independent directors often do not have complete information and are unable to provide effective control.

There are a number of factors that contributed to the increase in the number of independent directors on the boards of corporations: a change in the composition of owners, i.e. an increase in the number and importance of institutional investors, their participation in voting at annual meetings of shareholders, as well as the recommendations of such independent organizations as the Committee on Financial Aspects of Corporate Relations (known as the Cadbury Committee) in Great Britain and a number of organizations in the United States.

The composition of the board of directors remains the most controversial issue of corporate governance in Great Britain and the United States. Perhaps this is because other issues of corporate governance, such as information disclosure and mechanisms of interaction between corporations and shareholders, have largely been resolved. As a rule, the number of board members in Great Britain and the United States is smaller than in Japan and Germany. A 2006 survey of the 100 largest U.S. corporations by research firm Spencer Stewart found that the size of boards had declined slightly from 15 members in 1998 to 13.

In Great Britain and the United States, the relationship between management, directors and shareholders is governed by a set of laws and regulations. In the United States, the Securities and Exchange Commission (SEC) regulates the securities market, establishes disclosure rules for corporations, and also regulates shareholder-to-corporation and shareholder-to-shareholder relations. The laws governing pension funds also have a strong impact on corporate governance. In 1988, the Ministry of

Labor, which is responsible for private pension funds, decided that these funds can act as "proxies" for their shareholders in the affairs of the corporation. This resolution affected the activities of private pension funds and other institutional investors. They became interested in corporate governance, shareholder rights and participating in voting at the annual shareholders' meeting.

In the US, corporations are registered and established in a certain state, and it is the laws of this state that form the basis of the legal framework for the rights and obligations of the corporation.

Compared to other countries, the USA has the strictest rules regarding disclosure of information, and there is a clearly regulated system of relations between shareholders. This is not surprising, considering the size and significance of the stock market in the country's economy and in the international arena. In the UK, the statutory framework for corporate governance is enacted by Parliament and may be governed by the rules of bodies such as the Securities and Investments Board, which oversees the stock market. The legislative framework regarding disclosure of information and relations between shareholders is well developed. However, the English system is often characterized as inadequate. It is believed that a public service similar to the American Securities and Exchange Commission should be more effective [86].

An important role in the Anglo-American model is played by stock exchanges, which determine the listing, the level of information disclosure and other requirements.

As noted above, the United States has perhaps the most stringent disclosure regulations. In other countries using the Anglo-American model, these rules are not as strict as in the USA [87].

In the US, corporations must report quite a lot about themselves: financial information about the corporation - quarterly; data on the capital structure; to provide a certificate of the previous activity of the directors to be appointed (including the positions they hold, relationship with the company, ownership of the company's shares); the amount of the total remuneration for management, as well as the dates of payment of remuneration to each of the five highest ranks (senior management) of the corporation by name; data on shareholders owning more than 5 percent of the share capital; information about a possible merger or reorganization; about amendments made to the charter, as well as the names of persons and/or companies invited for audit. This information is included either in the annual report or in the agenda of the shareholders' meeting.

In the UK and other countries where the Anglo-American model is used, the disclosure requirements are similar but not as strict as in the US and, as a rule, reporting is provided every six months.

Two matters that require mandatory shareholder approval are the election of directors and the appointment of auditors. Non-ordinary matters requiring shareholder approval include: the establishment and amendment of stock option plans, which directly affect payments to executives and directors; merger and purchase of a controlling stake; reorganization; amendments to the Corporation Charter. In the US, shareholders do not have the right to vote on the amount of dividends proposed by the board of directors. In Great Britain, on the contrary, this question is put to a vote.

Shareholders also have the right to include proposals in the agenda of the annual meeting. These proposals must relate to business matters. Shareholders owning at least 10 percent of the share capital have the right to call an extraordinary general meeting of shareholders as well.

In the United States, the SEC has issued numerous regulations governing the form, content, timing, and publication of shareholder proposals. SEC also regulates the interactions of shareholders among themselves.

As already noted above, the laws governing the relations of shareholders among themselves and the relations between shareholders and the corporation are well developed. Independent organizations play an important role in corporate governance.

All registered shareholders receive by mail complete information about the holding of meetings, the annual report of the corporation and ballots for voting. Therefore, shareholders who are not present at the meeting in person have the opportunity to vote.

The Japanese model is characterized by a high percentage of affiliated banks and companies as shareholders; banks and corporations have strong ties; legislation, public opinion and industrial structures support "keiretsu", that is, groups of companies united by common ownership and management; the percentage of unaffiliated shareholders is relatively low, which is associated with complications during voting.

In Japan, with the unconditional importance of equity financing of corporations, the characteristic composition of owners prevents a serious influence of shareholders on the corporation's affairs. Although even a small number of shareholders from other countries would be able, in our opinion, to make it more convenient for foreign shareholders.

The Japanese model of corporate governance is multifaceted and is based around a key bank and a financial and industrial network or keiretsu.

The key bank and keiretsu are two different elements of the Japanese model, which at the same time duplicate and complement each other. Almost all Japanese companies have close ties with a key bank. The bank provides its corporate clients with loans and services for issuing bonds, shares, keeping current accounts and consulting services. Of course, the key bank is the main owner of the corporation's shares [84].

In the United States and other countries where the Anglo-American model is used, there is no phenomenon of a key bank that performs multiple functions. Various institutions are engaged in this; commercial banks provide loans: investment banks issue shares; specialized consulting firms provide proxy voting services, etc.

Many Japanese corporations also have strong financial ties to a network of affiliated companies. This network is characterized by common loan equity capital, trade in goods and services, and informal business contacts. They are called keiretsu.

State economic policy also plays a key role in corporate governance. Before, during, and after World War II, the Japanese government pursued and continues to pursue economic policies designed to aid Japanese corporations. This policy means the official and unofficial representation of the government on the board of the corporation.

Four participants are the main ones in the Japanese model; the key bank and affiliated company or keiretsu (major internal shareholders of the corporation), managers and the government. The interaction between these participants is aimed more at establishing a business contact, and not a balance of power, as in the Anglo-American model.

Unlike the Anglo-American model, independent (unaffiliated) shareholders are practically unable to influence the affairs of the corporation. As a result, there are few truly independent directors.

The basis, which consists of four connected straight lines, is the interrelationship of the interests of four key participants: the managers, the bank, the keiretsu and the government. The lines in the upper part of the figure define the lack of mutual interest between non-affiliated shareholders and independent directors, which play a minor role in the Japanese model.

In Japan, the stock market is completely in the hands of financial organizations and corporations. Similar to the USA and Great Britain, the number of institutional shareholders increased significantly in the post-war period. In 2006, financial institutions (insurance companies and banks) accounted for approximately 43 percent of the Japanese stock market, corporations (excluding financial institutions) accounted for 25 percent. Foreign investors — about 3 percent.

In the Japanese model, as in the German one, banks are key shareholders and develop strong relationships with corporations. This is the main difference between both models from the Anglo-American one, where such relationships are prohibited by antitrust legislation. American and English corporations obtain financial and other services from a variety of sources, including well-developed securities markets.

The composition of the board of directors consists almost entirely of affiliated persons, that is, executive directors, heads of important departments of companies and the Management Board. If the company's profits fall over a long period, the key bank and keiretsu members can remove the directors and appoint their own candidates [85]. Another common phenomenon in Japan is the appointment of retired ministry officials to the corporation's board of directors. For example, appointing a retired ministry official to the bank's directorate. In contrast to the Anglo-American model, representatives of unaffiliated shareholders, i.e. "outsiders", are rarely found on the board of directors of Japanese corporations. The board of directors in Japan is more than in the USA, Great Britain and Germany. The composition of the average Japanese council is 50 members.

Government ministries have traditionally had enormous influence on the development of Japan's industrial policy, although a number of factors have slowed this movement in recent years. First, several ministries, led by the Ministry of Finance and the Ministry of International Trade and Industry, began to participate in policymaking due to the growing role of Japanese corporations at home and abroad. Second, the incipient internationalization of Japanese corporations has made them less dependent on the Japanese market and, accordingly, less dependent on domestic industrial policy. Third, the growth of the Japanese capital market led to a partial liberalization of Japanese financial markets. While these and other factors have separated the unified industrial policy, it nevertheless remains an important factor in Japanese legislation, especially compared to the Anglo-American model.

On the other hand, there is independent regulation of the Japanese market by government agencies (although not as effective). Japan's legal framework was copied from the American one during World War II. Despite various amendments and changes, the core of Japanese stock market law is still the same as that of the US. In 1971, after the first wave of foreign investment, new laws were introduced in Japan requiring more complete disclosure of information. The main regulatory bodies are the Securities Bureau of the Ministry of Finance and the Committee for Supervision of Stock Exchanges, which was established at the initiative of the Bureau in 1992. The latter is responsible for compliance by corporations with current legislation and consideration of offenses.

Japan has pretty strict disclosure requirements, but not as much as America. Corporations have to report quite a bit about themselves. namely: data on the capital structure: information about each candidate for the board of directors (including the positions he holds, relations with the corporation, ownership of the corporation's shares); details of the remuneration paid to all managers and directors; information about possible mergers or reorganizations; proposed changes to the articles of association, as well as names of companies invited for audit [87].

Japan's disclosure regime is different from the US, which is considered the toughest in the world. In Japan, financial information is provided every six months, in the USA - quarterly. In Japan, the amount of the total remuneration is notified to managers and directors, and in the USA - for each person personally. The same applies to the list of significant owners: in Japan - these are the ten largest shareholders, in the USA - all shareholders who own a package of more than 5 percent. In addition, there are significant differences between Japanese and American financial accounting standards (GAAP).

Payment of dividends, distribution of funds, election of board of directors and appointment of auditors are the usual range of matters requiring shareholder approval. In addition, without the consent of the shareholders, it is not possible to solve problems related to the capital of the corporation: adopt amendments to the charter (for example, changes in the number and composition of the board of directors or changes in the approved type of activity); pay severance pay to directors and auditors; increase the upper limit of remuneration for directors and auditors. Mergers with other corporations, acquisition of a controlling stake, and reforms also cannot be carried out without the consent of shareholders [88].

Shareholder proposals are a relatively new phenomenon in Japan. Until 1981, the law did not allow shareholders to bring their proposals to the general meeting. In 1981, an amendment to the Commercial Code was passed, which provides that a shareholder who owns at least 10 percent of a company's stock can make proposals at annual meetings.

The mechanism of interaction between key participants contributes to the strengthening of their relations. This is the main feature of the Japanese model. Japanese corporations are interested in long-term, mostly affiliated shareholders. And, on the contrary, they are trying to exclude unaffiliated shareholders from this process.

Annual reports and materials related to holding general meetings are available to all shareholders. Shareholders can attend meetings, vote by proxy or by mail. In theory, the system is quite simple, but in practice it is very difficult for foreign shareholders to vote.

Annual meetings are a purely formal event, and corporations take proactive measures to keep shareholders from voicing their dissent. Moreover, shareholder activism is also weakened by the fact that most corporations hold their annual meetings at the same time, which prevents institutional investors from attending and voting at different corporations.

The **German model** of corporate governance is significantly different from the Anglo-American and Japanese models, although there are some similarities with the Japanese model. Banks are long-term shareholders of German corporations and, similar to the Japanese model, bank representatives are elected to the board of directors. However, in contrast to the Japanese model, where bank representatives are elected to the board only during a recession, in Germany bank representation on the board is permanent. The three largest universal German banks (banks that provide a variety of services) play a major role. In some regions of the country, state-owned banks are key shareholders [84].

The German model has unique features that distinguish it from other models:

• bicameral board consisting of executive (corporation officials) and supervisory (employees/company employees and shareholders) councils;

• legalized restrictions on shareholder rights in terms of voting, i.e. the company's charter limits the number of votes a shareholder has at meetings, and may not correspond to the number of shares he owns.

Most German corporations have traditionally preferred bank financing to equity financing, and thus the stock market capitalization is small compared to the power of the German economy. The percentage of individual shareholders is low, which reflects the general conservatism of the country's investment policy, and, not surprisingly, the structure of corporate governance is oriented towards maintaining contacts between key participants, that is, banks and corporations.

The system is somewhat controversial for small shareholders: on the one hand, it allows them to make proposals, but at the same time, it allows companies to limit the rights of shareholders in terms of voting. However, the percentage of foreign investors is quite significant (19 percent in 2006). This factor is slowly starting to affect the model, because foreign investors are starting to protect their interests.

As in the Japanese model, the bank simultaneously acts as a shareholder and as a creditor, issuer of securities and debt obligations, depository and voting agent at the annual general meeting. In 1990, the three largest German banks (Deutschebank, Dresdnerbank, Commerzbank) were members of the supervisory board of 85 of the 100 largest German corporations.

In Germany, corporations are also shareholders and can have long-term investments in other non-affiliated corporations, that is, they do not belong to a certain group of related parties. companies themselves. This is somewhat similar to the

Japanese model, but quite different from the Anglo-American model, where neither banks nor corporations can be key institutional investors.

The inclusion of worker/employee representatives in the supervisory board is an additional distinguishing feature of the German model from the Japanese and Anglo-American ones [85].

In Germany, the main shareholders are banks and corporations, in 2007 they held 27 percent and 41 percent of the stock market. Institutional agents (such as banks) with about 3 percent and individual investors with 4 percent are not a particularly strong force. In 2006, the share of foreign investors was 19 percent of the market, and their influence on the German corporate governance system is growing.

The bicameral board is a unique feature of the German model, in which a supervisory board and an executive board manage German corporations. The supervisory board appoints and dissolves the executive board, approves the decisions of the top management and gives advice to the executive board. The Supervisory Board usually meets once a month. The charter stipulates financial corporate documents that require approval by the supervisory board. The executive board is responsible for the day-to-day management of the company.

The executive board consists exclusively of employees of the corporation. Only representatives of workers/employees and representatives of shareholders are included in the supervisory board. The composition and size of the supervisory board are determined by laws on industrial democracy and employee equality [85].

The size of the supervisory board depends on the size of the company. In large companies, employees elect half of the supervisory board, which is 20 people.

The two main differences between the German model and the Japanese and Anglo-American models are as follows:

1. The law establishes the size of the supervisory board, which is not subject to change.
2. The supervisory board includes representatives of the company's workers/employees.

The fact that the supervisory board does not include "insiders" does not at all mean that it includes only "outsiders". Members of the supervisory board, elected by shareholders, are usually representatives of banks and corporations - major shareholders. It would be more correct to call them "affiliated outsiders".

Germany has a strong federal tradition, meaning federal and local laws have an impact on corporate governance. The statutes of the joint-stock company and the stock exchange, commercial rules, as well as the rules listed above, which discuss the composition of the supervisory board, are part of federal legislation. However, the regulation of exchanges is the prerogative of local authorities. The Federal Securities Regulatory Agency was established in 1995.

In Germany, fairly strict disclosure rules have been developed, but they are less strict than the American ones. Corporations must report the following about themselves: financial information (every six months); data on the capital structure; limited information about each candidate for the Supervisory Board (including address and place of work); aggregate information on the remuneration of the executive and supervisory boards; data on shareholders owning more than 5 percent of the corporation's shares; information about a possible merger or reorganization; proposed amendments to the articles of association, as well as names of persons or names of companies invited for audit [87].

Information disclosure rules in Germany differ from those adopted in the USA, which are considered the strictest. So, for example, financial information is reported semi-annually, not quarterly. Unlike the US, aggregate data on directors' and managers' remuneration is provided; information about the members of the supervisory board and their ownership of the company's shares is not reported. In addition, there are notable differences between German and American (GAAP) financial reporting standards.

A major difference in the German financial reporting system is that German corporations are allowed to have significant retained earnings, which enables companies to understate their value,

Until 1995, German companies had to disclose the names of individuals who owned more than 25 percent of the shares, and in 1995 this limit was lowered to 5 percent, which is in line with international standards.

The main actions requiring the approval of shareholders are: distribution of net profit (payment of dividends, use of funds); ratification of decisions of the supervisory and executive councils for the past fiscal year; elections of the supervisory board; appointment of auditors [88].

In fact, the approval of the decisions of the executive and supervisory councils means a "seal of approval" or a "vote of confidence". If shareholders want to take legal action against individual board members or the board as a whole, they will refuse to ratify the board's decisions for the past year.

Unlike the Anglo-American and Japanese models, shareholders do not have the right to change the size or composition of the supervisory board. This is established by law.

In addition, important matters relating to the capital of the corporation cannot be resolved without the consent of the shareholders; it is not possible to make decisions about cooperation with branches; it is not possible to adopt amendments to the charter (for example, change the type of activity), as well as increase the upper limit of remuneration for members of the supervisory board. Mergers with other corporations, acquisition of a controlling stake, and reorganization also cannot be carried out without the consent of shareholders.

In Germany, shareholder proposals are commonplace. After the announcement of the agenda of the annual meeting, shareholders can submit two types of proposals in writing: one that contradicts the proposal of the executive and supervisory boards, which is included in the agenda of the annual meeting, i.e. a counter proposal (it may relate to an increase or decrease in dividends or an alternative candidate for the supervisory board), and a proposal to include the issue in the agenda of the meeting. For example, carrying out a special investigation or inspection, a request to cancel restrictions on the right to vote, recommendations on changing the capital structure.

If these proposals satisfy the legal requirements, the corporation must publish these shareholder proposals in an amended agenda and send them to shareholders before the meeting.

The legal and public framework in Germany is designed to take into account the interests of employees, corporations, banks and shareholders in the system of corporate governance. The multifaceted role of banks was already discussed above. And, although the system as a whole is focused on key participants, a lot of attention is also paid to small shareholders, such as, for example, the provisions on shareholder proposals.

But there are some circumstances that prevent the full participation of shareholders. Most shares are bearer shares (they are not registered). Corporations issuing such shares must announce in government publications the holding of annual meetings and send their annual reports and agenda to the depositary bank, which, in turn, sends them to those shareholders in whom it is interested. This often makes it difficult for foreign shareholders to obtain the specified information.

In Germany, most shareholders buy shares through banks, which are depositories and have the right to vote.

The shareholder gives the bank mandates, on which the bank has the right to vote in a period of up to 15 months. If the shareholder does not give special voting instructions, the bank has the right to vote as he deems necessary. This leads to a conflict of interests between the bank and the shareholder.

In addition, legal restrictions on the right to vote and the impossibility of voting by mail also prevent the participation of shareholders in the affairs of the corporation. The shareholder must either be present at the meeting or be represented by his depositary. Despite these circumstances, small shareholders are not excluded from the process and often make proposals against managers at meetings.

Discussion. On the basis of the conducted research, a comparative analysis of Anglo-American, Japanese, and German models of corporate governance was carried out, grouping them according to such characteristics as: the main ones participants corporate management; main groups shareholders of this country; composition of the board of directors; legislation; disclosure requirements; corporate actions requiring shareholder approval; the mechanism of interaction between the main participants.

The obtained results are summarized in the table 1.

Conclusions. The main features of the Anglo-American, Japanese, and German models of corporate governance were established in the conducted research, as well as their common features and differences. It was established that the main features or elements that distinguish one model from another are:

- the main participants of the corporate environment;
- main groups of shareholders of a specific country;
- composition of the board of directors (or boards, as in the German model);
- legislative framework;
- information disclosure requirements for corporations included in prelisting;
- corporate actions that require shareholder approval;
- the mechanism of interaction between the main participants.

Table 1. Comparison of corporate governance models

Characteristics	Anglo-American model	Japanese model	German model
The main one's participants corporate management	Managers Shareholders Board of directors	Key bank; Keirets Managers Government	Banks Corporate shareholders (companies);
Main groups shareholders of this country	Individual and institutional investors	Institutional investors	Institutional investors
Composition of the board of directors	Insiders and outsiders The number of members ranges from 5 to 10 people	Mostly affiliated persons (insiders); Quantitative composition of the board - 50 members.	The supervisory board - outsiders, and the executive board - insiders.
Legislation	Federal (statewide) laws, state laws (USA) Exchange listing rules	National laws	Federal and local legislation
Disclosure requirements	- financial information – quarterly (USA) and every six months (Great Britain and other countries) - capital structure - front activities of the directors - the amount of their reward - shareholders who own more than 5% of the JSC - merger/absorption - audit firms - other	- capital structure - candidates for the board of directors - the amount of remuneration of all managers and directors - mergers or reorganizations; - changes to the charter; - merger/absorption - auditing firms - other	- financial information (every six months) - capital structure - candidates for the board of directors - the amount of remuneration for all members of the executive and supervisory boards - shareholders who own more than 5% of the JSC - merger/absorption - audit firms - other
Corporate actions requiring shareholder approval	- election of directors; - appointment of auditors	- payment of dividends; - distribution of funds; - elections of the board of directors; - appointment of auditors - change in the capital of the corporation - adoption of amendments to the statute - merger - reorganization	- distribution of net profit; - elections of the supervisory board; - appointment of auditors; - merger; - reorganization; - amendments to the statute; - changes in capital
The mechanism of interaction between the main participants	- the influence of shareholders on the current activities of the company is reduced to the selection and removal of directors; - the key figure in company management is the chief manager; - corporate relations of banks with companies are limited.	- preference in corporations is given to affiliated shareholders; - all shareholders have access to materials related to general meetings; - shareholders can vote by proxy and by mail.	- most bearer shares, which are not registered; - shares are sold through depository banks; - frequent conflicts between banks and shareholders; - complicated management of shareholders by the company.

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