

November 4, 2021 Edited by: Henry Hofman



Volvo Cars stock soars in Stockholm debut

Volvo Cars shares jumped as much as 22% in the first day of their trading on Nasdaq Stockholm as the company raised SEK 20 billion (USD 2.3 billion) in an IPO which valued the company at SEK 158 billion. The successful debut came after Volvo Cars cut the size of the offering by a fifth and priced it at the bottom of the initial range, in response to investors' concerns over how much control China's Zhejiang Geely Holding Group Co ("Geely") would retain. Moreover, Geely agreed to convert its common shares of class A, carrying 10 votes per share, into a corresponding number of common class B shares, which are entitled to one vote per share. Prior to agreeing to convert the shares the enhanced voting rights would have given Geely 98% voting power despite its stake in the company dropping to around 84%. Additionally, Geely decided not to exercise an upside option that would have allowed it to increase the offering by 20%. The amended offering could result in a free float of 16% to 17.9% depending on whether an overallotment option is exercised. Volvo Cars shares closed at SEK 57.99 on November 2, up from the SEK 53 listing price.

[Volvo \(1\)](#) | [Volvo \(2\)](#) | [Yahoo Finance \(1\)](#) | [Yahoo Finance \(2\)](#)

Citigroup to conduct racial equity audit

Citigroup announced it will conduct an independent racial equity audit to evaluate the bank's efforts towards helping to close the racial wealth gap in the United States, an initiative for which it had committed, in September 2020, to dedicate USD 1 billion. The audit will include input from a range of stakeholders, including employees and civil rights organizations. The announcement comes six months after a shareholder proposal requesting a racial equity audit analyzing the company's adverse impacts on nonwhite stakeholders and communities of color was backed by nearly 40% of the votes cast at the 2021 AGM. At that time, Citigroup had recommended a vote against the resolution.

[Citi Group](#) | [Fortune](#) | [Financial Advisor IQ](#) | [Banking Dive](#) | [SEC](#)

Kuaishou Technology announces leadership reshuffle

China's Kuaishou Technology announced its co-founder, Su Hua, has stepped down from the CEO role, causing the company stock to tumble 5%. Co-founder Cheng Yixiao will take over the CEO role, while Su Hua will retain the Executive Chairman role. The leadership reshuffle follows similar changes announced by other Chinese companies this year, amid Beijing's crackdown on tech firms. Specifically, ByteDance's founder Zhang Yiming stepped down as CEO in May and reportedly as Chairman in November, while JD.com announced in September that founder Richard Liu will step down as President. Pinduoduo Inc's founder, Colin Huang, resigned as Chairman in March after having given up his CEO role in July 2020.

[Kuaishou](#) | [SCMP](#) | [Yahoo Finance](#) | [CNBC](#)

Activist investor pressures Shell to split its businesses

New York-based hedge fund Third Point LLC announced that it has engaged with Royal Dutch Shell regarding a possible separation of the company's legacy fossil fuel and energy transition (liquified natural gas, renewables, marketing) businesses. In a quarterly letter addressed to investors, Third Point CEO, Daniel Loeb, argued that Shell's competing shareholders and the management's "do it all" attitude resulted in an incoherent strategy and unhappy shareholders. According to Loeb, the spin-off of the energy transition business would likely lead to reduced CO2 emissions and increased returns for shareholders. Shell's CEO, Ben van Beurden, pushed back against Loeb and said that Shell needs the legacy business to finance investments in renewables.

[Third Point](#) | [Reuters \(1\)](#) | [Reuters \(2\)](#) | [Forbes](#)

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