

February 4, 2021 Edited by: **Martin Wennerström**



## Apollo Global Management to overhaul corporate governance

On January 25, US private equity firm Apollo Global Management announced far-reaching changes to its corporate governance. The firm will separate the Chairman and CEO roles held by co-founder Leon Black, who will stay on as Chairman while co-founder Marc Rowan takes over as CEO. The asset manager's seven member-strong board will be expanded to include four new independent directors and two co-presidents. Moreover, the board will "evaluate and consider" moving to a "one share, one vote" share structure - a revamp which could qualify the firm for the S&P Global indices. Apollo disclosed in January 2020 that its long-only and passive ownership had increased by over 50% following its September 2019 conversion from a publicly traded partnership to a C-corporation and its subsequent inclusion in several indices. The firm will also consider granting the full board the power "to oversee all aspects of the company", highlighting that "much of the responsibility and legal authority for supervising the business" is currently delegated to the executive committee.

[Apollo \(1\)](#) | [Apollo \(2\)](#) | [SEC \(1\)](#) | [SEC \(2\)](#) | [Reuters](#)

## Shareholder calls out Tyson supervoting regime

The New York State Common Retirement Fund has submitted a shareholder resolution requesting that US company Tyson Foods abolish its dual class share structure to "provide all shareholders an equal voice in [the] company's governance." Tyson has two classes of common stock, with each class A share carrying one vote and each class B share carrying 10. The latter are indirectly held by the founding family and account for 70% of voting power. The New York State comptroller and sole trustee of the pension fund raised concerns over the class A shareholders' inability to hold Tyson's board and management accountable, with Tyson arguing that all investors are made aware of its share structure prior to purchasing its stock. Shareholders will vote on the resolution at the firm's Feb. 11 AGM.

[SEC](#) | [P&I](#) | [NYC Comptroller](#)

## Mediaset and Vivendi continue to dispute voting rights cap

Mediaset has reportedly filed an appeal against a December 2020 court ruling lifting restrictions on the voting power of its second largest shareholder, French media giant Vivendi. Despite owning 28.8% of Mediaset, Vivendi controls only 9.98% of votes, due to an Italian law that the European Court of Justice has declared to violate EU regulations. The firms have been embroiled in a standoff since 2016 over Mediaset's plans to merge its Italian and Spanish businesses. The development occurs shortly after Italian prosecutors charged Vivendi's former Chairman Vincent Bolloré over allegations of market manipulation and obstruction of regulators in a related case.

[Reuters](#) | [S&P Global](#) | [EU COJ](#)

## Electrobras faces turmoil among top management

Electrobras has announced that CEO Wilson Ferreira Jr. will step down effective March 6. Ferreira, appointed in 2017 by erstwhile Brazilian President Michel Temer, reportedly cited concerns over a perceived lack of political support for the state-controlled company's privatization. Ferreira's departure occurs shortly after the abrupt resignation of Chairman José Guimarães Monforte in December, with Ruy Flaks Schneider serving as interim chairman until the firm's April 27 AGM. While the Economy Minister recently affirmed that Electrobras will be privatized by December 2021, the abrupt leadership changes are prompting concerns over the country's privatization efforts.

[Electrobras \(1\)](#) | [Electrobras \(2\)](#) | [Reuters \(1\)](#) | [Reuters \(2\)](#) | [Estadão](#)

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