

March 18, 2021 Edited by: **Martin Wennerström**



Delaware court strikes down poison pill at Williams Companies

A Delaware court has invalidated a poison pill that had been adopted by U.S. energy firm The Williams Companies in March 2020. While poison pills have been traditionally conceived of as takeover protections, Williams' pill is meant to deter activist campaigns by imposing substantial dilution on any shareholder acquiring a specified stake without prior board approval. The measure was initially aimed at staving off opportunistic investors by imposing a "one-year moratorium" on shareholder activism, at a time when the incipient COVID-19 pandemic and a mounting Russia-Saudi Arabia oil price war was causing the firm's share price to plunge. The court now concludes that the plan contained "a more extreme combination of features than any pill previously evaluated" – most notably, a 5% trigger and a broad definition of "acting in concert" that could stifle "benign stockholder communications." The ruling comes as an unprecedented number of US companies, prompted by recent market volatility, employ the defense. It remains to be seen whether U.S. boards will seek to renew those poison pills that were adopted in 2020, many of which are set to expire in the coming months.

[SEC \(1\)](#) | [SEC \(2\)](#) | [Delaware Courts](#) | [National Law Review](#) | [Oxford Academic](#)

Apollo to abolish multi-class share structure

Apollo Global Management has announced that it will acquire insurance company Athene Holding Ltd in a USD 11 billion deal expected to close in January 2022. Apollo and its related parties currently hold 34% of Athene's shares as per available disclosure. Following the merger, Apollo shareholders will own approximately 76% of the combined company, with Apollo adopting the "one share, one vote" principle. The firm's capital is currently composed of, on the one hand, a publicly traded share class, and on the other, two share classes indirectly held by the founders (Chairman and CEO Black and executive directors Harris and Rowan) that collectively represent over 90% of votes.

[SEC \(1\)](#) | [SEC \(2\)](#) | [SEC \(3\)](#) | [Apollo](#) | [Reuters](#) | [P&I Online](#)

Boeing reworks executive pay amid industry uncertainty

Boeing has overhauled its executive remuneration plan, partially in response to challenges posed by the COVID-19 pandemic and the grounding of the 737 MAX. The firm's 2021 STI incorporates safety and quality metrics, while its 2021 LTI is equally divided between stock options and time-based stock, with performance-based equity awards being discontinued. Notably, 75% of the 2020 LTI had been based on three-year performance against specific metrics. CEO David Calhoun's 2020 compensation stood at approximately USD 21 million, with the bulk – over USD 17 million – arising from sign-on awards granted in connection with his January 2020 appointment.

[SEC](#) | [Reuters](#)

HSBC shareholders to vote on climate resolution

HSBC has bowed to investor pressure by announcing that it will include a climate resolution on its 2021 AGM agenda. The development occurs following months of negotiations with representatives of a USD 2.4 trillion coalition of investors that had filed a similar resolution in January 2021. The investor group agreed to withdraw its proposal in exchange for the board-submitted resolution. If approved, the resolution would cause HSBC to establish short- and medium-term targets to align its financing to the Paris Agreement goals. In addition, it would implement a policy to phase out coal-fired power and thermal coal mining financing, by 2030 in the EU and OECD and by 2040 in other markets.

[HSBC](#) | [Bloomberg Quint](#) | [ShareAction \(1\)](#) | [ShareAction \(2\)](#)

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