

August 19, 2021 Edited by: Henry Hofman



SEC approves Nasdaq's proposal to increase board diversity

The Securities and Exchange Commission ("SEC") has approved Nasdaq's proposal to boost race and gender diversity on U.S. corporate boards. Under the new rules, the boards of Nasdaq-listed companies will have to include at least one female director and at least one director from a racial or ethnic minority or who identifies as LGBTQ. However, smaller companies and foreign issuers can meet the diversity targets by including two female directors, while companies with five or fewer directors will only be required to have at least one board member who self-identifies as diverse. The companies that do not meet the diversity criteria will have to publicly explain why they are not compliant. Additionally, Nasdaq-listed companies will be required to annually disclose board diversity statistics. The stock exchange has set staggered deadlines for meeting diversity targets, based on how companies are listed. For example, Nasdaq Global Select Market and Nasdaq Global Market companies are required to have, or explain why they do not have, one diverse director by August 7, 2023, and two diverse directors by August 6, 2025, while Nasdaq Capital Market companies are required to have one diverse director by August 7, 2023 and two diverse directors by August 6, 2026.

[SEC](#) | [Nasdaq](#) | [CNBC](#) | [CNN](#) | [Lexology](#)

Pony.ai halts U.S. listing plans amid China's tech crackdown

Autonomous driving startup Pony.ai, with operations both in the U.S. and China, has reportedly halted plans to list its shares on the New York Stock Exchange following Beijing's crackdown on technology companies over user data privacy concerns. The company, which had planned to go public through a merger with blank-check firm VectoIQ Acquisition II in October, has reportedly not managed to secure assurance from the Chinese government that it will not become a target of its regulatory crackdown. Meanwhile, Pony.ai is considering raising up to USD 1 billion in a private funding round. Recently, several Chinese companies, including ByteDance and LinkDoc Technology, have halted plans to list on U.S. stock exchanges amid growing scrutiny by Beijing.

[Bloomberg](#) | [Reuters](#) | [Markets Insider](#)

Philip Morris buys stake in U.K.-based inhaler producer

Philip Morris International Inc. ("PMI") said it has acquired a 22.61% stake in U.K.-based inhaler maker Vectura Plc. and is seeking to make further market purchases. On August 12, Vectura's board of directors recommended shareholders accept a GBP 1.1 billion offer from PMI for the company's entire issued share capital. The tobacco company had raised its bid to 165p a share, outbidding a rival takeover offer of GBP 155p per share by the U.S. private equity group Carlyle. Vectura's board recommendation to accept PMI's offer came despite health charities and public health experts urging it reject the deal, citing ethical concerns and warning that it "could significantly hamper Vectura as a viable, research-oriented business." PMI's offer will remain open until September 15.

[Vectura](#) | [LSE](#) | [PCRS](#) | [Business Wire](#)

Origin Energy to submit climate reporting at 2022 AGM

Origin Energy, the owner of Australia's biggest coal-fired power station, will submit a non-binding advisory resolution on the company's climate change reporting at the 2022 AGM. However, activist investor group Australasian Centre for Corporate Responsibility said in response that the company's plans to develop gas in Western Australia are not in line with a commitment to limit global warming, alleging that Origin Energy "continues to mislead shareholders" as it seeks to expand oil and gas production. The company has introduced a short-term target to reduce Scope 1 emissions by 10% on average between FY2021 and FY2023 from a 2017 baseline. Origin Energy becomes the sixth ASX-listed company to offer shareholders an advisory vote of climate reporting.

[ACCR](#) | [Origin Energy](#) | [AFR](#)

About our Corporate Governance Research & Ratings

Assess corporate governance-related investment risks and opportunities with in-depth, contextual reports that provide analyses and ratings on a global universe of ~4,100 companies.

sustainalytics.com/corporate-governance-research-and-ratings/