



## SEC moves to revive clawback rule

The U.S. SEC has announced that it is reopening comments on a proposed rule that would claw back executive compensation in cases of financial restatement due to “material noncompliance.” The rule was initially proposed in 2015, as mandated by the Dodd-Frank Act, but has yet to be finalized. The clawback would apply to incentive-based compensation awarded to current and former executives during the three fiscal years preceding the restatement “regardless of whether the misstatement was due to fraud, errors, or any other factor.” The recovered amount would equal the excess compensation relative to the amount to which executives would have been entitled based on the restated financial statements. The clawback provisions would apply to compensation that is granted, earned or vested upon the attainment of a financial reporting measure, including stock price and total shareholder return. Additionally, under SEC’s proposal, stock exchanges would have to establish listing standards requiring public companies to adopt and comply with clawback policies. Issuers would be subject to delisting in case they fail to disclose their policies and comply with their provisions. The SEC is seeking public input on the proposed rule for a period of 30 days.

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## Activist investor pushes for GSK leadership changes

Bluebell Capital Partners has asked GlaxoSmithKline Plc (“GSK”) to reshuffle its board and replace its Chairman Jonathan Symonds, based on performance concerns. The activist investor, which has recently amassed a GBP 10 million stake in GSK, had already asked that CEO Emma Walmsley reapply for her job ahead of the spin-off of the company’s consumer healthcare business. In July, Elliott Investment Management had separately urged the company to refresh its board and review Walmsley’s position as CEO, citing her non-scientific background.

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## Lufthansa repays EUR 1.5 billion of state aid

Lufthansa has paid back EUR 1.5 million of the bailout that it received last year from the German government’s Economic Stabilisation Fund (“ESF”). The repayment was made significantly earlier than planned, using proceeds from the airline’s recent EUR 2.16 billion capital increase. Last year, amidst the COVID-19 pandemic, the company agreed to loans of up to EUR 9 billion and stabilization measures, which included silent participations made by ESF in the company’s assets. Lufthansa plans to repay a remaining EUR 1 billion of ESF’s silent participation by the end of the year. ESF now holds 14.09% of Lufthansa’s share capital.

[Lufthansa \(1\)](#) | [Lufthansa \(2\)](#) | [Yahoo](#) | [Sabah](#)

## Shanghai Exchange suspends Syngenta’s planned IPO

Syngenta Group’s planned IPO on the Shanghai Stock Exchange was temporarily suspended, as the company had not updated its application with the most recent financial information. Syngenta, owned by ChemChina, is targeting proceeds of USD 10 billion in the listing, which could be the world’s largest this year. Following the IPO, the company is expected to be valued at around USD 60 billion, including debt. ChemChina is also considering Zurich, London and New York for a secondary listing of Syngenta. Syngenta’s application to list on Shanghai’s STAR Market was accepted in July this year.

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