

APRIL 21, 2022 Edited by: Henry Hofman



Shopify plans to approve Founder's share

Shopify will seek shareholder approval at the June 7 AGM for the creation of a new class of share – Founder's share – for its chief executive and founder Tobi Lutke. The company's current share structure comprises two classes of shares, Class A with one vote per share, and Class B with 10 votes per share. Class B shareholders currently control around 51% of the total voting power. Under the proposed share structure, the Founder's share will grant CEO Lutke a variable number of shares that combined with the existing Class B share voting power held by Lutke and his affiliates will amount to 40% of the total voting power. The Founder share will expire when Lutke no longer serves as executive, director, or consultant, or when he and his affiliates no longer own combined class A and class B shares representing at least 30% of the Class B currently owned. Shopify's board also plans to seek shareholder approval for a 10-for-1 split of Class A and Class B shares.

[Shopify](#) | [Bloomberg](#) |

Volkswagen rejects proposal on climate lobbying reporting

German carmaker Volkswagen rejected a proposal initiated by European investors requiring the company to disclose how its lobbying activities address climate risks. The resolution aimed at amending the company's articles of association to enhance disclosure around how association memberships align with emissions-cutting targets. According to The Church of England Pensions Board the proposal comes after three years of engagement with Volkswagen. In rejecting the proposal, the company said that "the board is alone responsible for deciding on the non-financial report in accordance with the interests of the company."

[Reuters](#) | [Church of England](#) | [Church of England \(2\)](#)

TotalEnergies pressured to set Paris Agreement-aligned targets

Shareholders representing around 0.8% of ownership, filed a resolution requesting TotalEnergies include environmental targets aligned with the Paris Agreement in its annual reporting. Shareholders are asking the company to set and publish short- and long-term quantitative targets aimed at reducing GHG emissions to align to the 1.5C target set for 2030. The reports should include the board's strategies and policies for achieving the targets, as well as past-year's progress on the issues. At its May AGM, TotalEnergies will submit for consultative vote its first progress report on sustainability and climate, presenting its transformation strategy and climate commitments.

[Reuters](#) | [MN.nl](#) | [TotalEnergies](#)

California judge declares diversity mandate unconstitutional

A Los Angeles judge ruled that a California law mandating corporations include a specific number of people from underrepresented communities on their boards is unconstitutional. The law, adopted in 2020, required public companies with main offices in California to include at least one member of an underrepresented community to their board, otherwise risking fines. In a summary judgement the court ruled that the law violates the equal protection clause of California's constitution. It is expected that the state of California will appeal the ruling. Previously, the same group initiated a lawsuit attacking the bill mandating gender balance on public companies.

[LA Times](#) | [National Law Review](#) | [Lexology](#)

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