Governance *in Brief*

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October 13, 2022 Edited by: **Martin Wennerström**

Musk revives Twitter buyout, sparking financing concerns

Elon Musk announced on October 4 that he will move forward with his original bid of USD 54.20 per share, while seemingly maintaining his right to pursue damages against Twitter for having allegedly misrepresented its usage statistics. The trial on the matter has been put on hold, but may be rescheduled for November should the deal not be closed by October 28. While Musk has liquidated about USD 32 billion in Tesla stock to finance the deal, a remaining USD 12.5 billion would be provided through a consortium of financial institutions. Having already committed to the financing, these banks may now be saddled with losses as worsening macroeconomic conditions make it increasingly difficult to sell the debt to investors. Investment companies Apollo Global Management and Sixth Street Partners have reportedly pulled out of talks to provide around USD 1 billion for the deal. Twitter's share closed at USD 52.03 following the announcement, circa 22% above the session's opening price, but continues to trade below the offer price.

Reuters (1) | Reuters (2) | Business Insider (1) | Business Insider (2) | Business Insider (3) | CNBC | Guardian |

SFDR standards on fossil and nuclear energy released

European supervisory authorities have presented the final report on the draft regulatory technical standards concerning the disclosure of financial products' exposure to investments in fossil gas and nuclear energy activities. The proposal impacts providers of investment products promoting environmental or social characteristics, or products with a sustainable investment objective. The standards introduce a yes/no question to identify whether the financial product intends to invest in fossil fuel or nuclear energy products.

ESG Today | ESMA | Mondaq

Meta's board sued for putting profits over public safety

Corporate governance activist James McRitchie has filed a lawsuit against Meta's board of directors for breach of fiduciary duty. The lawsuit, which seeks class action status, alleges that the company prioritizes profits over economic welfare and public safety, as such harming diversified shareholders through negative externalities. McRitchie argues that the board of directors ignored past shareholder proposals addressing these topics. In particular, the lawsuit accuses the company of fostering engagement and revenue by changing Facebook's algorithm to allow more aggressive content.

Business Wire | Bloomberg | RI | SC

Tesco links executive incentives to food waste

Tesco has announced that it will link executive pay to food waste reduction targets. A quarter of top executives' long-term performance will be assessed against ESG performance metrics - reduction of food waste, carbon reduction, diversity and inclusion. The move is part of the company's larger efforts to halve food waste in its operations by 2025, a target set against a 2016 baseline for the UN's 2030 sustainable development goals. CEO Ken Murphy expressed his hope that the newly introduced ESG performance targets and the 2025 food waste target will "drive further transformative change."

Retail Gazette | Tesco | Yahoo |

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