# Governance *in Brief*

**June 8, 2023** Edited by: **Martin Wennerström**

## European Parliament approves CSDDD

The European Parliament has approved the "Corporate Sustainability Due Diligence Directive." Under the new rules, companies will be required to identify and address the negative impact of their activities and value chains on human rights and the environment. Additionally, companies will need to implement climate transition plans, and, in the case of companies with more than 1,000 employees, tie directors' variable compensation to target achievement. The rules will first apply to EU-based companies with over 500 employees and EUR 150 million in revenue, later extending to companies with more than 250 employees and EUR 40 million in revenue. Non-EU firms will also be included to the extent that their EU revenues exceed these thresholds. Noncompliant companies will be subject to sanctions, including withdrawal of goods from the market, fines of at least 5% of global revenues, or in the case of non-EU companies, bans on public procurement in the EU.

Lexology | ESG Today | RI | EU Parliament |

## Glencore shareholders seek clarity on coal divestment

A third of Glencore's investors rejected the company's climate progress report at its 2023 AGM. In addition, more than 29% of investors voted in favor of a motion demanding more clarity on how the global miner planned to scale back thermal coal production. This resolution was put forward by a group of shareholders and coordinated by the Australian Centre for Corporate Responsibility and ShareAction. Glencore's directors had recommended that investors oppose the vote, as it risked undermining the board's role in setting the company's climate strategy. The Switzerland-based commodities giant has plans to close its coal mines by 2040, with 12 due to close by 2035.

Reuters | Morningstar | Market Screener

## Prudential CFO resigns over probe into recruitment-related incident

Insurance giant Prudential has announced the resignation of CFO James Turner after an investigation into his conduct during a recent recruitment-related incident. Turner, who has only been in the role for just over a year, will be replaced by Ben Bulmer, the current CFO of the group's insurance and asset management business. The company did not release further details about the incident but stressed that there were no implications for its financial performance, results, or operations. The resignation comes amid a period of flux at the insurer following last year's departure of longtime CEO Mike Wells.

Independent | Bloomberg | Morningstar |

## Unicaja announces departure of CEO Manuel Menendez

Unicaja Banco has announced that Manuel Menéndez will vacate the CEO position as part of the bank's plan to overhaul its corporate governance structure. The departure occurs at the end of the transition period following the merger between Unicaja and Liberbank in 2021. At the time, the banks announced that Unicaja Chairman Manual Azuaga would retain his executive role at the merged entity for two years, at which point Menéndez's CEO role and the firm's wider governance model would also be revisited. Menéndez will remain in office until a replacement is found.

Market Screener | Reuters | Europa Press |