



## Microsoft and Cisco targeted by tax transparency resolutions

Microsoft and Cisco Systems have come under shareholder pressure to bring their tax disclosure in line with the Global Reporting Initiative's GRI 207 tax transparency standard, which requires granular country-by-country disclosure on non-U.S. profits and tax payments, as well as other financial data relating to tax risk appetite. A similar shareholder proposal received over 20% support at Amazon's May 25 AGM, suggesting a growing interest in tax transparency amongst investors. All three of these resolutions were proposed by the Pensions & Investment Research Consultants Ltd. (PIRC) and the Centre for International Corporate Tax Accountability and Research (CICTAR), with the support of several European institutional investors. The proponents contend that Microsoft has failed to adequately break down its ex-U.S. profits, revenues, and tax payments, while characterizing Cisco's disclosure of its governance and risk management as "not fit-for-purpose." Similar proposals may follow at other upcoming AGMs as part of a larger campaign targeting 30 companies.

[Forbes](#) | [Reuters](#) | [Bloomberg](#) | [InnovationAus](#) |

## Indra Sistemas to revamp post-AGM board structure

Seven independent directors of Spanish defence company Indra Sistemas have been either ousted or resigned following a board reshuffle proposed by activist fund Amber Capital. At the June 23 AGM, shareholders dismissed four independent directors and voted against the re-election of a fifth director. Two additional independent directors resigned in the aftermath. The head of Spanish market regulator CNMV has described the events at the AGM as "worrisome."

[Nasdaq](#) | [Reuters](#) | [Indra Sistemas](#) |

## Activist representatives elected to Toshiba board

Toshiba's 2022 AGM approved the election of two representatives of activist hedge funds Farallon Capital and Elliott Management, clearing the way for a possible privatization of the firm. Shortly after the AGM, a Toshiba director stepped down from the board over concerns that these new appointments would give the activist shareholders outsized influence over the board. The appointments come as Toshiba is reviewing its strategic options, which in addition to a go-private transaction also include multiple buyout offers.

[BNN](#) | [Nikkei](#) | [Toshiba](#) |

## UK government overhauls financial reporting regime

The UK government has announced an overhaul of its corporate reporting and audit regime, whereby the Financial Reporting Council will be replaced by a new "Audit, Reporting and Governance Authority" (ARGA). ARGA will hold board directors accountable for significant failures and breaches of duty. The government plans to strengthen boardroom accountability for internal controls in the UK Corporate Governance Code and have ARGA enforce the audit-related duties and responsibilities of directors of Public Interest Entities (PIEs).

[Lexology](#) | [UK Gov't \(1\)](#) | [UK Gov't \(2\)](#) |

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