

July 1, 2021 Edited by: **Martin Wennerström**



Toshiba shareholders oust board Chairman

Toshiba's June 25 AGM resolved to oust board Chairman Osamu Nagayama and audit committee member Nobuyuki Kobayashi, with the two directors receiving only 43.74% and 25.32% support, respectively. The vote came shortly after an independent probe found that the company had "worked closely" with the Japanese government to dissuade certain foreign shareholders, including Effissimo Capital Management with its 9.9% stake, from proposing or supporting director nominees. Effissimo had successfully proposed such an independent investigation through an EGM in March 2021. Effissimo's proposal had been itself prompted by the outcome of an internal investigation published in February 2021 and conducted under the supervision of the audit committee, which found no evidence of vote manipulation in connection with the 2020 AGM. While Nagayama had joined the board only shortly before the alleged vote manipulation, his reelection was nevertheless opposed by major proxy advisers. The outcome may prove to be a watershed moment in Japanese corporate governance history, as especially foreign investors may now be emboldened to exert influence elsewhere in the market.

[Toshiba \(1\)](#) | [Toshiba \(2\)](#) | [AP News](#) | [CNBC](#) | [Reuters](#)

Vivendi shareholders back Universal Music spin-off

Vivendi shareholders have approved the spin-off of the company's Universal Music Group ("UMG") unit. More than 99% of votes cast at the AGM backed the company's planned in-kind distribution of 60% of UMG's share capital to Vivendi shareholders and the listing of UMG on Euronext Amsterdam. The vote came after Pershing Square Tontine Holdings agreed to buy 10% of UMG for around USD 4 billion. The spin-off was opposed by two activist investors, who claimed that its tax implications and overall structure unduly disadvantaged smaller shareholders.

[Vivendi](#) | [CNBC](#) | [Fox Business](#)

Brasília greenlights Electrobras privatization

The National Congress of Brazil has given its final approval for a bill privatizing state-owned power utility Centrais Elétricas Brasileiras SA ("Eletrobras"). The government plans to raise an estimated BRL 60 billion (approximately USD 12 billion) through a share offering at the beginning of next year, thereby diluting its stake to 45%. The Brazilian State currently owns, directly and indirectly, 61% of Electrobras. However, the government would retain a golden share, giving it a veto over several strategic matters such as hostile takeovers. Electrobras' stock has surged around 22% since the beginning of the year, fueled by hopes of privatization.

[Reuters](#) | [Bloomberg](#) | [Barron's](#)

UK considers new climate disclosure rules

The UK Financial Conduct Authority ("FCA") is considering climate-related financial disclosure rules for asset managers, life insurers and FCA-regulated pension providers. Under FCA's proposals, firms would be subjected to annually publish a report on how they take climate-related risks into account, and would have to make annual disclosures regarding their products and portfolios. The latter would include carbon emissions metrics. The proposed rules would not apply to firms with less than GBP 5 billion in relevant assets. Stakeholders are invited to express their opinions on the proposals until September 10.

[FCA \(1\)](#) | [FCA \(2\)](#)

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