

INSIDE PRACTICE PRESENTS:

LEGAL ESG: LONDON

LONDON // 8/9 // 07 // 2025

DAY ONE

SUPPORTING PARTNERS:



EVENT RESOURCES

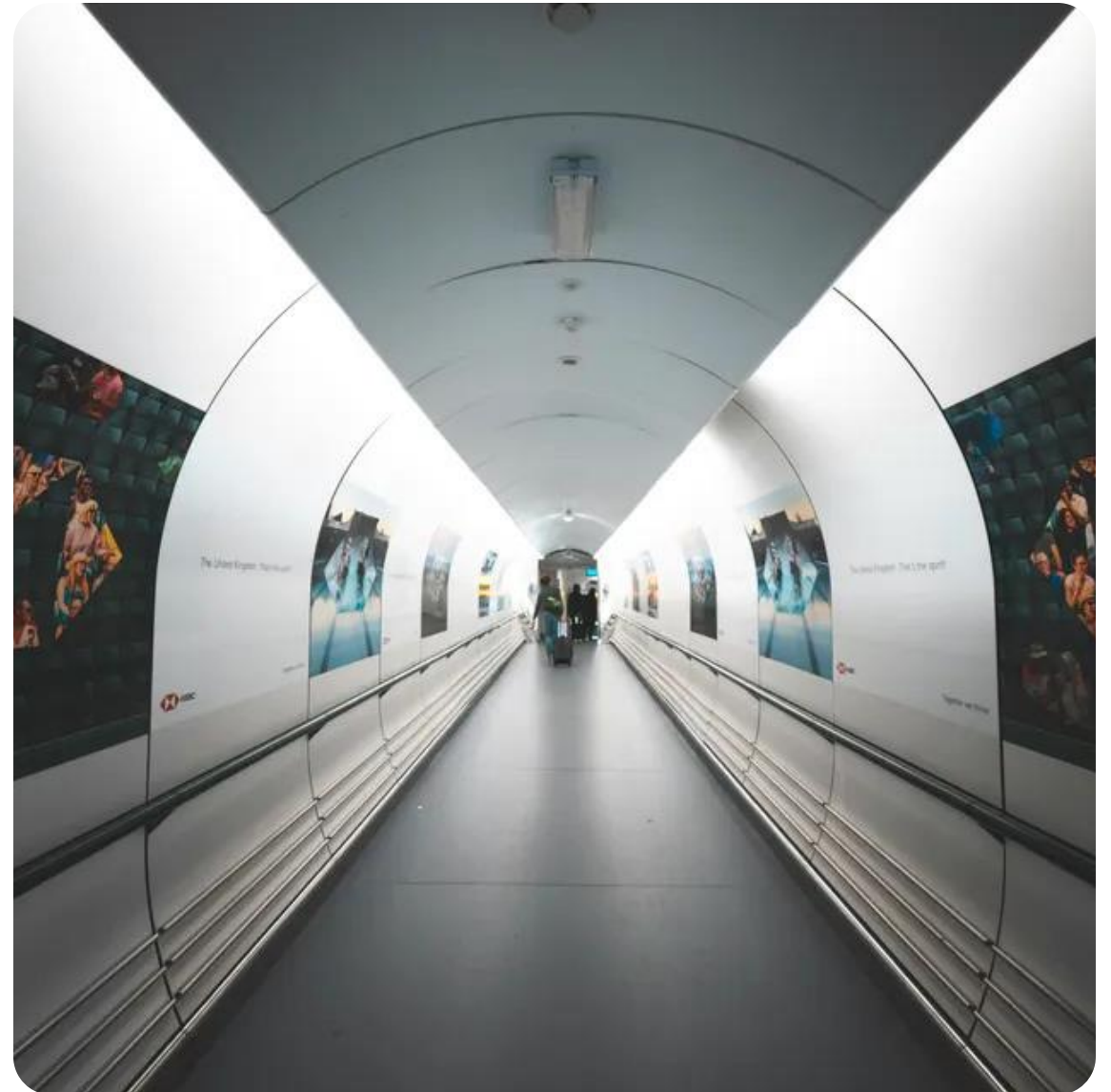


Welcome & Opening Remarks: Conference Chairperson

David Alfrey

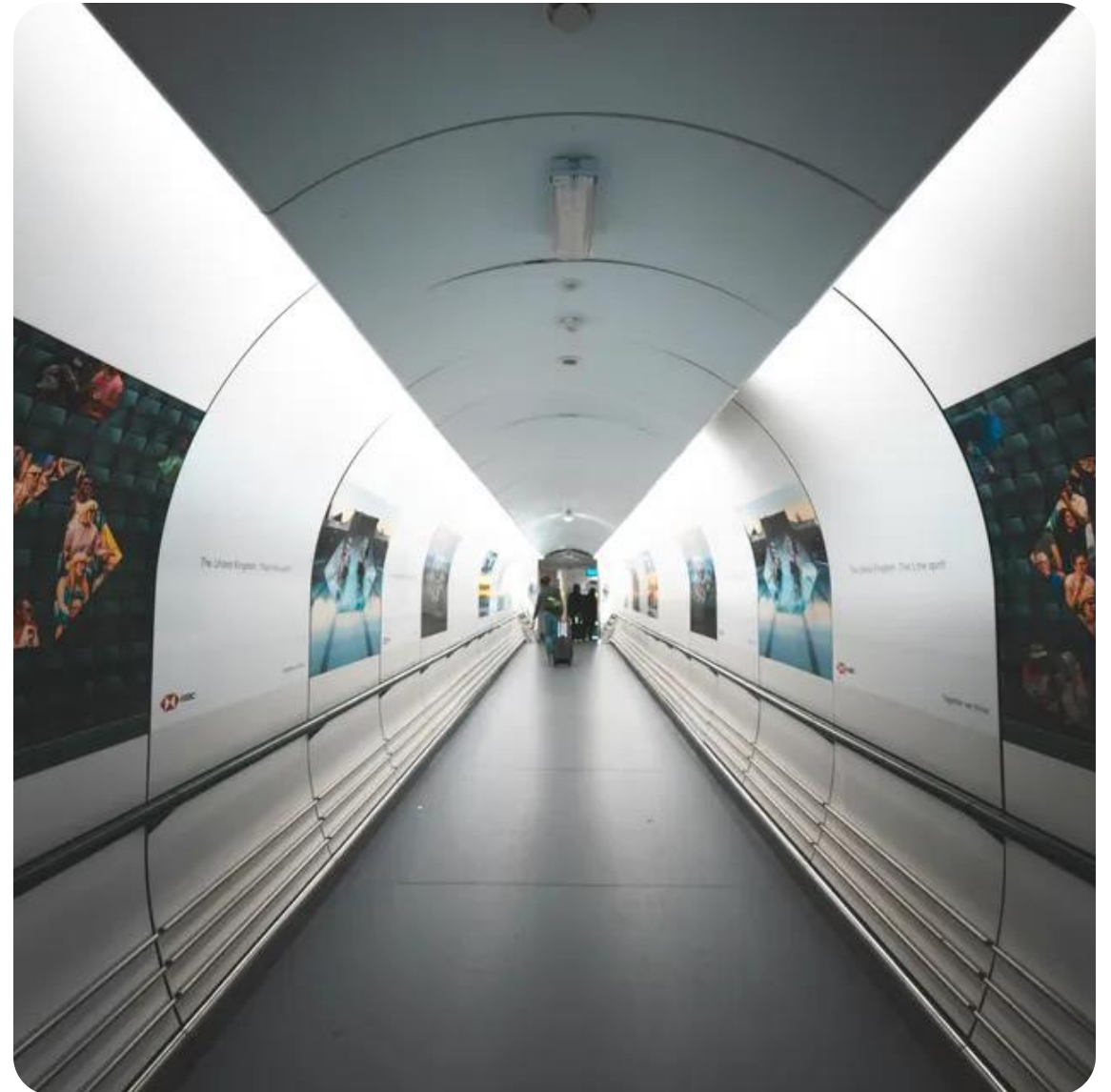
Partner

Addleshaw Goddard



Trump 2.0 and its Global Implications

Bennett Freeman
Associate Fellow
Chatham House



The General Counsel's Role in ESG Amid Global Uncertainty

David Alfrey

Partner

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Efthalia Sarri

Legal & Regulatory
Counsel

**Huma Allana van
Reesch**

General Counsel
EMEA Starbucks

Christelle Mateso

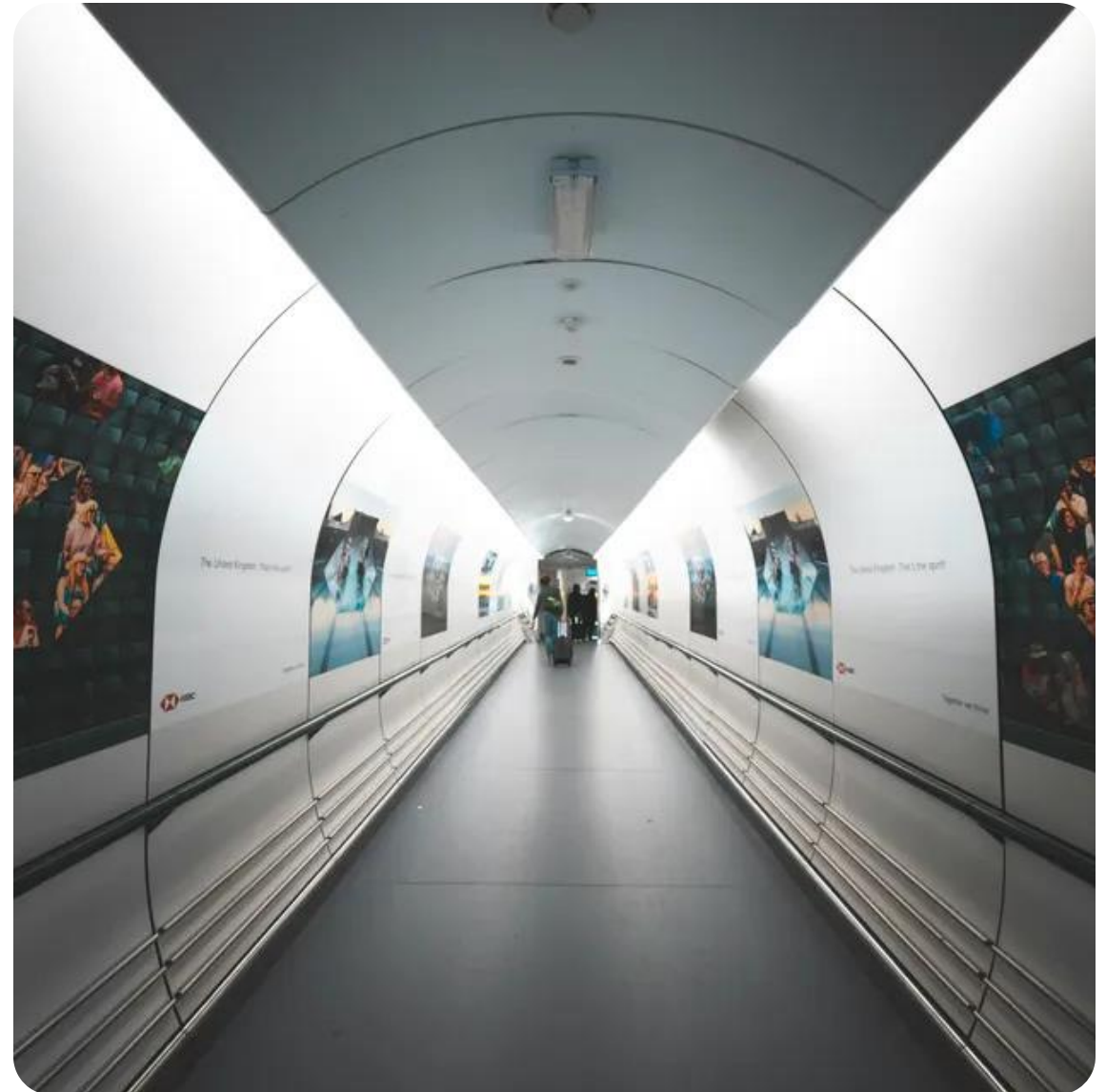
DMLRO

**Kuwait Finance
House PLC**

**Punam Elleana
Mehta**

Group General
Counsel

Longevity Partners



AM NETWORKING COFFEE BREAK



ESG CONSIDERATIONS IN INTERNATIONAL M&A

Lightning Session

Christopher Mesnooh
Partner
Fieldfisher





fieldfisher

ESG Considerations in International M&A

Christopher J. Mesnooh

Admitted to Paris, New York & Washington
D.C.

Fieldfisher LLP -- Paris

London, 8 July 2025

Topics to be Covered

- 1) Introduction
- 2) ESG considerations in M&A due diligence
- 3) Integrating ESG into transaction documents
- 4) Conclusion



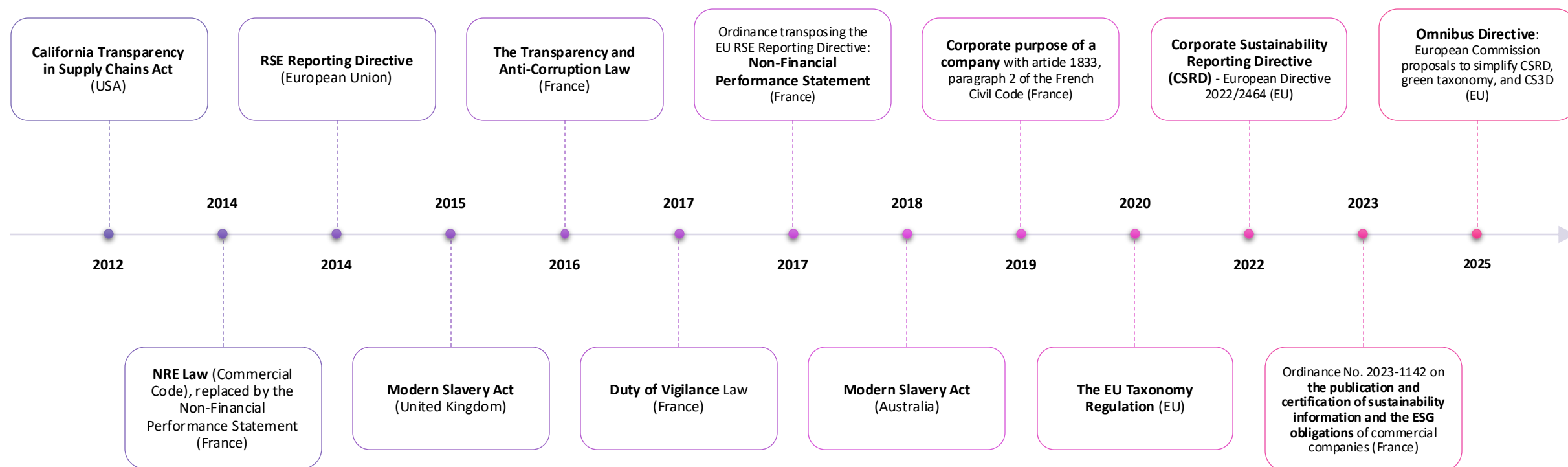
Introduction:
ESG in the M&A and Corporate Transactions Space



Why is ESG Important for Corporate Transactions ?



What are the regulatory obligations regarding ESG compliance in France and internationally (a partial list) ?



- 1. Policies, laws and regulations across all jurisdictions**
- 2. Stakeholder Pressures**
- 3. Impact on Valuations**
- 4. Heightened Sensitivity at Management Level**
- 5. Increased but imperfect attempts to comply to the wide range of policies, laws and regulations**
- 6. ESG as a tool for good governance makes the target company more attractive for both the acquirer and the group into which it will integrate**
- 7. Heightened attention paid by outside advisors : lawyers, HR, finance, communications, investors, shareholder activists**



What is the best way to include ESG considerations in M&A due diligence?



Introduction

When acquiring a target, it is important to have, upfront, a clear framework for ESG assessment and strategy for deal success.

Buyers need to ensure that the targets they acquire correspond to their ESG profile by identifying the key risks and opportunities prior to signing. This requires the parties involved to adapt their due diligence and deal documentation to a number of considerations which are not the same as those for “hard law”. ESG considerations can play a key role in determining the legal framework of mergers/acquisitions.

The pressure to investigate ESG of the target company in the run-up to a corporate transaction is increasing: social pressure is growing, as are the expectations of customers and employees. ESG aspects are increasingly being litigated. Banks and financial investors are also increasingly concerned about ESG issues.

Thorough Due Diligence mitigates risks – but certain adjustments must be made,



Scope of an ESG due diligence

The precise scope of an ESG due diligence largely depends on the ESG topics that are likely to be material in the context of an individual transaction – which in turn depends on the target company's risk profile (given its activities and geographical locations) as well as on the investor's ESG strategy and the topics typically considered to be material by the acquirer.

In general, for lawyers, it is advisable to look at the following topics from a legal perspective:

- **Environmental**: subtopics that could be identified and reviewed are contamination, waste and water (shortage) and/or noise pollution.
- **Social**: the subtopics to consider in this area are labor law and human rights compliance (e.g. living wages, modern slavery, child labor), fair trade and supply chain, equity pay as well as diversity and inclusion.
- **Governance**: possible areas include ethics and integrity, corporate governance structures (e.g. management roles and responsibilities, link to executive pay etc.), anti-corruption processes, transparent reporting and/or sustainable corporate strategy.



Start with a thorough checklist - for example:

Target evaluation

- ☐ Does the target have stated ESG-related goals – even if it is not using the term ESG?
- ☐ Where is the target on its climate agenda?
- ☐ Will a deal strengthen or weaken our ESG position?
- ☐ Does the target have recognized ESG certifications or labels (e.g., ISO 14001 for environmental management)?
- ☐ How does the target manage relationships with local stakeholders and communities?
- ☐ Does the target have a history of controversies or litigation related to ESG?

Due diligence

- ☐ Does the company have a climate strategy?
- ☐ What are the climate-related risks to the business?
- ☐ What are the target's approaches to diversity, equity and inclusion (DEI)?
- ☐ How is the company doing on governance issues? Is the board diverse? What compliance risks does the target face?
- ☐ What are its supply chain practices? How does the target handle human rights in its supply chain?
- ☐ What are the specific environmental impacts of the target's operations (e.g., water usage, greenhouse gas emissions)?
- ☐ Does the target have policies for fair remuneration and decent working conditions?



In practice, which are the key sub-areas an ESG Due Diligence workstream should make enquiries about?

Environment

- *Climate*: A target's understanding of its carbon footprint, science-based decarbonization targets and a credible decarbonization plan
- Supply chain issues : geography, supply chain flow, actors
- *Regulated sites ?* : Real estate ? Installations Classées or equivalent ?
- *Contamination*: risks from soil or groundwater contamination
- *Waste & resource efficiency and management*: maturity of a target's waste & resource management practices
- *Product safety*: strength of a target's product safety records and policies
- *Biodiversity*: a target's understanding of its impact and dependency on biodiversity; related targets and actions plan
- *Materiality*: whether a target has a robust understanding of its material areas of concern (Net Zero ? Supply Chain Issues ? Energy Consumption ?)



In practice, which are the key sub-areas of sustainability that an ESG Due diligence workstream should make enquiries about?

Social:

- *EHS*: strength of a target's employee health and safety records and policies
- *Labor practices*: strength of a target's labor policies and practices (e.g., human rights, living wages, modern slavery, child labor)
- *Diversity and inclusion*: strength of a target's Diversity and Inclusion policies and performance, profile of work force & Challenges to obtaining this kind of information in certain countries
- *Availability of whistle-blowing mechanisms* : do they exist ? Have they been used ?
- Awareness of DEI, as this evolves under pressure from the US Government– see queries sent to 20 US law firms by the EEOC
- Human Rights, particularly outside of the home market(s), and links to supply chains
- Data Protection of employees' and customers' data and use thereof



In practice, which are the key sub-areas of sustainability that an ESG Due diligence workstream should make enquiries about?

Governance (1) :

- ***Governance:*** a target's sustainability-related governance structures (e.g., management roles and responsibilities, link to executive pay, management-employee relations, etc.)
- ***Corporate Culture in general***
- ***State of Play of written policies :*** does the target have Internal Regulations, Money-Laundering, Supply Chain, Data Protection ?
- ***Corruption:*** strength of a target's anti-corruption policies and process
- ***ESG history:*** whether the target has had any controversy that may impact its ESG performance and reputation
- ***Link to business strategy:*** degree to which ESG considerations are embedded in or an integral part of a target's strategy and business model



In practice, which are the key sub-areas of sustainability that an ESG Due diligence workstream should make enquiries about?

Governance (2):

- ***Regulation:*** a target's understanding of existing or emerging sustainability-related regulation relevant to its business
- ***Certifications and ratings:*** degree to which the target has obtained well-recognized sustainability certifications and ratings
- ***Compliance:*** degree to which a target has developed compliance processes and a verifiable compliance record
- ***Data and systems:*** maturity of a target's ESG data, systems, and processes
- ***Tax transparency:*** degree to which company makes use of aggressive tax planning; risks of tax avoidance/evasion; non-regulatory disclosure of tax-related information



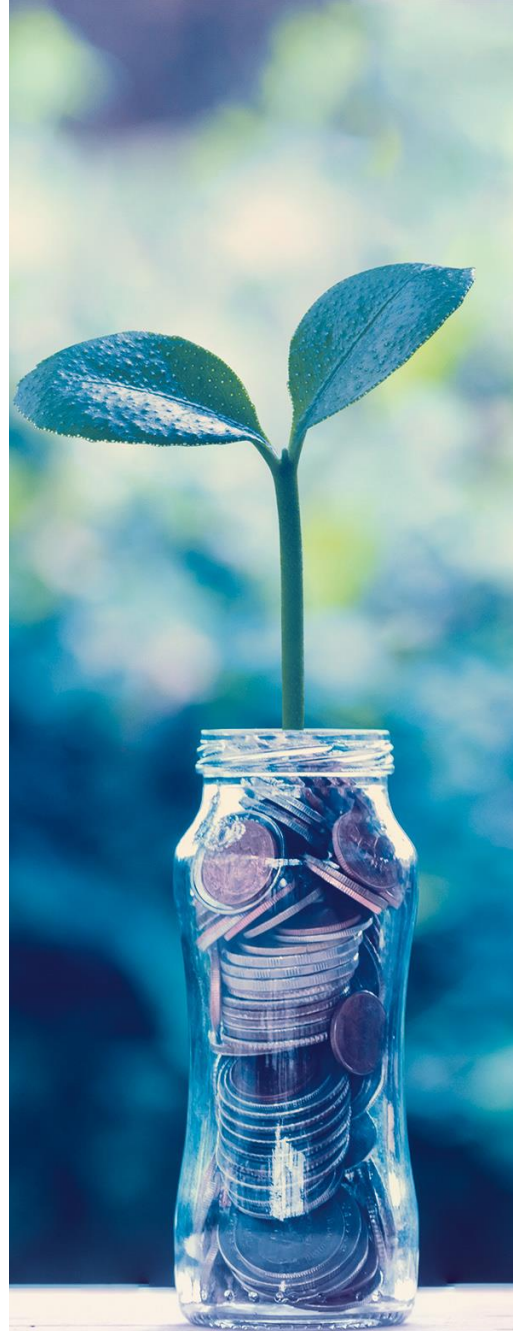
How can ESG-related Information be obtained when the framework and compliance levels can be so different, even non-existent ?

Small and Medium Sized Enterprises are often partially compliant at best, and do not have or choose to devote the resources necessary to organize ESG data and compliance in a coherent manner

How can a potential acquirer obtain the information that it needs in order to evaluate a target's compliance with ESG principles and regulations ?

Creative Due Diligence is the Key:

- Review Management Reports and Shareholder Meetings Minutes
- Interview Management and, when possible, employees or employee representatives
- Review Works Council Minutes
- Auditors and other outside consultants reports
- Does the target take data processing and exporting seriously ? This is often a predictive indicator because GDPR has been in force since 2018, which means that companies that do not take data protection seriously are likely to be non-compliant with ESG principles and regulations.



How can ESG-related Information be obtained when the framework and compliance levels can be so different, even non-existent ?

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Creative Due Diligence is the Key:

- Excessive use of independent contractors ?
- Litigation history, particularly in employment, compliance, regulatory, and governance
- On-site inspections
- Pay particular attention to the Target's litigation history, including in the area of HR/employment
- Publicly available regulatory information – e.g. for “Installations Classées” in France



Practical challenges



In France, ESG considerations are enforced through various legislation at both the national and EU level. The fragmented structure of ESG regulations poses significant challenges for acquirers in securing relevant data from target companies.



Acquisitions often involve businesses operating across multiple states, each with its own legal and regulatory nuances, further complicating the process due to differing laws. Acquirers can address this challenge by providing the target company with a tailored DD Request list designed to align with the specific industry and jurisdiction.



Mobilize multi-national advisors who are well-versed in the laws, regulations, business and legal culture of each jurisdiction where the target company is present



Analysis of the economic costs of compliance – and of non-compliance – and of remediation measures post-closing



Conclusion

- These challenges make ESG due diligence a lengthy and time-consuming process, often delaying transactions.
- ESG, like other bodies of “soft law”, can be harder to obtain information for, and therefore to evaluate, than more concrete areas such as contract analysis, litigation history and employee-related costs
- The mixed “soft law” / “hard law” approach does allow for the possibility of a complete DD exercise, by mixing procedures to analyze both types of laws and regulations
- Approach must be adapted to reflect this

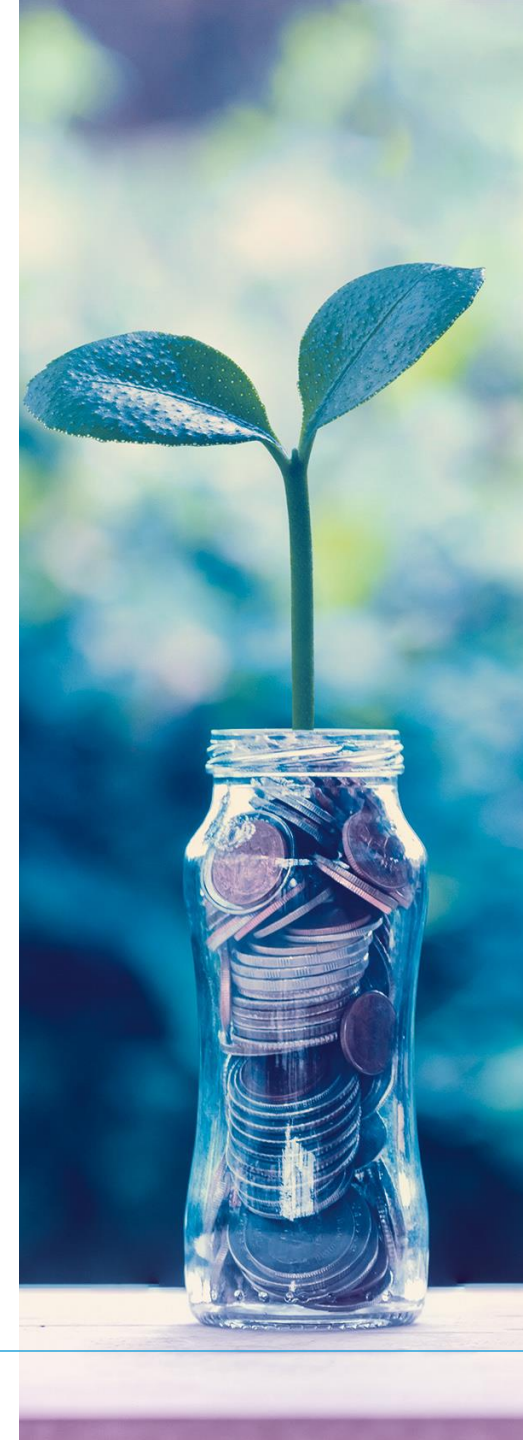


How to integrate ESG concepts into Transaction Documents ?



Incorporating ESG due diligence findings into the transaction documentation (1)

- Identification of risks via ESG due diligence is the first step. Once completed, the task changes and becomes one of negotiating acquisition terms and integrating the material findings into the transaction documents (Share Purchase or Asset Purchase Agreement).
- Acquirers insist on an increasingly lengthy list of representations and warranties on matters such as regulatory, legal, and environmental compliance.
- An evolution which is similar to Data-related issues : 1995 Directive → GDPR (2018) → lengthier reps and warranties about data protection → Data Exports → Data Security → Cyber Security
- Besides robust representations and warranties, acquirers may seek tailored warranties with respect to ESG issues, based on DD findings, sector and geography, risk appetite, guarantees granted by the seller(s)



Incorporating ESG due diligence findings into the transaction documentation (2)

- Increasing use of W&I Insurance in the M&A space is a partial answer, but not necessarily a complete solution, because certain risks can be difficult to cover : disclosed risks, data breaches, environmental risks
- Apart from seeking representations and warranties, acquirers can attempt to require that certain material ESG areas of non-compliance must be resolved as a condition precedent to the closing or impose post-closing covenants requiring compliance/ rectifications by the target companies within stipulated time periods.
- Post-closing covenants are also used to incentivize management that remains post-Closing, and the acquirer, to work together to develop ESG policies that were non-existent or inadequate prior to the Closing
- Soft principles ? ISO certifications (14000 ? 26000 ?)
- PMI often leads to the imposition of group-wide policies to the newly-acquired target in a wide range of areas, including ESG, data protection, HR



Existence of standard clauses integrating ESG concepts into SPA?

Currently, ESG findings have not yet given rise to genuinely standardized share purchase agreement clauses.

However, in the area of international M&A, with its high degree of cross-border practice and dissemination of knowledge and practice, lengthier and more detailed clauses are becoming more frequent

VC funds, public-sector banks (e.g. BPI in France), publicly-traded companies, insurance/pension groups have all become increasingly alert to the importance of ESG principles



Specific clauses integrating ESG concepts in all standard contracts

Various organizations have recognized the importance of developing contractual tools for addressing various ESG topics and have published model contracts clauses and/or provide information to aid companies and legal professionals, such as:

- The UK Chancery Lane Project's resources for “climate-aligned” contracts and clauses;
- The US American Bar Association's Contractual Clauses Project to “ensure human rights due diligence in business contracting”;
- The Responsible Contracting Project (Rutgers University) Toolkit (including the draft European Model Clauses), and;
- Practical Law's ESG and Sustainability Toolkits, which includes a variety of ESG contracting resources, for the EU, US and UK
- The French Compliance Society



Example of the European Model Clauses (EMCs)

The European Model Clauses (EMCs) are a set of contractual tools under development that aim to assist companies in aligning with the EU Corporate Sustainability Due Diligence Directive (CSDDD) and other international human rights and environmental due diligence (HREDD) standards, such as the United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the OECD Due Diligence Guidance for Responsible Business Conduct.

The EMCs aim to improve the use of contracts as tools for preventing and addressing human rights and environmental impacts in global supply chains.

The EMCs are the product of the European Working Group (EWG), composed primarily of European legal experts from practice and academia. The first version, EMCs 1.0, is expected to be published in Fall 2025, following an extensive consultation process involving diverse stakeholders worldwide.

→ <https://www.responsiblecontracting.org/emcs>



Practical challenges



Each use of DD in the transaction documents is highly context-specific, depending on the relevant investor's ESG commitments, ESG data collection requirements, and ESG risk appetite. They may be further shaped by the applicable market and regulatory drivers as well as the risk of litigation post-Closing.



At the same time, the likelihood of successfully integrating ESG provisions into contracts in this context can also depend on the target company's level of sophistication with respect to ESG issues and broader competitive pressures.



A tailored approach is necessary in order to leverage the most appropriate transaction tools for any given transaction.



Conclusion (1)

- ESG principles vary across jurisdiction, as do the degree of compliance and business cultures governing their application
- Integrating “soft law” principles as well as codified, “hard law” principles into a corporate transaction requires a multi-faceted approach
- Due Diligence must be multi-form in its approach, and not reliant simply on the documentation that is included in the Data Room organized by the Sellers
- Incorporating the results of a varied Due Diligence approach into the transaction documents requires particular skill and attention
- Gaps in compliance can be significant ; are they “deal breakers” ?



Conclusion (2)

- The traditional remedies for breaches of Reps & Warranties – holdbacks, escrow, W&I Insurance – can be useful and help insulate an Acquirer from liability
- Post-Closing litigation may not, however, allow an acquirer to be fully insulated for inadequate ESG policies which were in place prior to the acquisition
- Covenants which address gaps in compliance will require the sellers/management and the acquirer to develop or strengthen policies and can assist in showing “good faith” should litigation be threatened
- The PMI process will also be key in addressing ESG shortcomings for international groups
- Sophisticated acquirers, such as multi-national groups, V/C and P/E funds, institutional investors and banks must accept that many target companies will not be able to demonstrate an acceptable degree of compliance, particularly in SMEs



Final word



Thanks for your attention !

CHRISTOPHER J. MESNOOH

Partner

Admitted to the Paris, New York, and Washington DC Bars

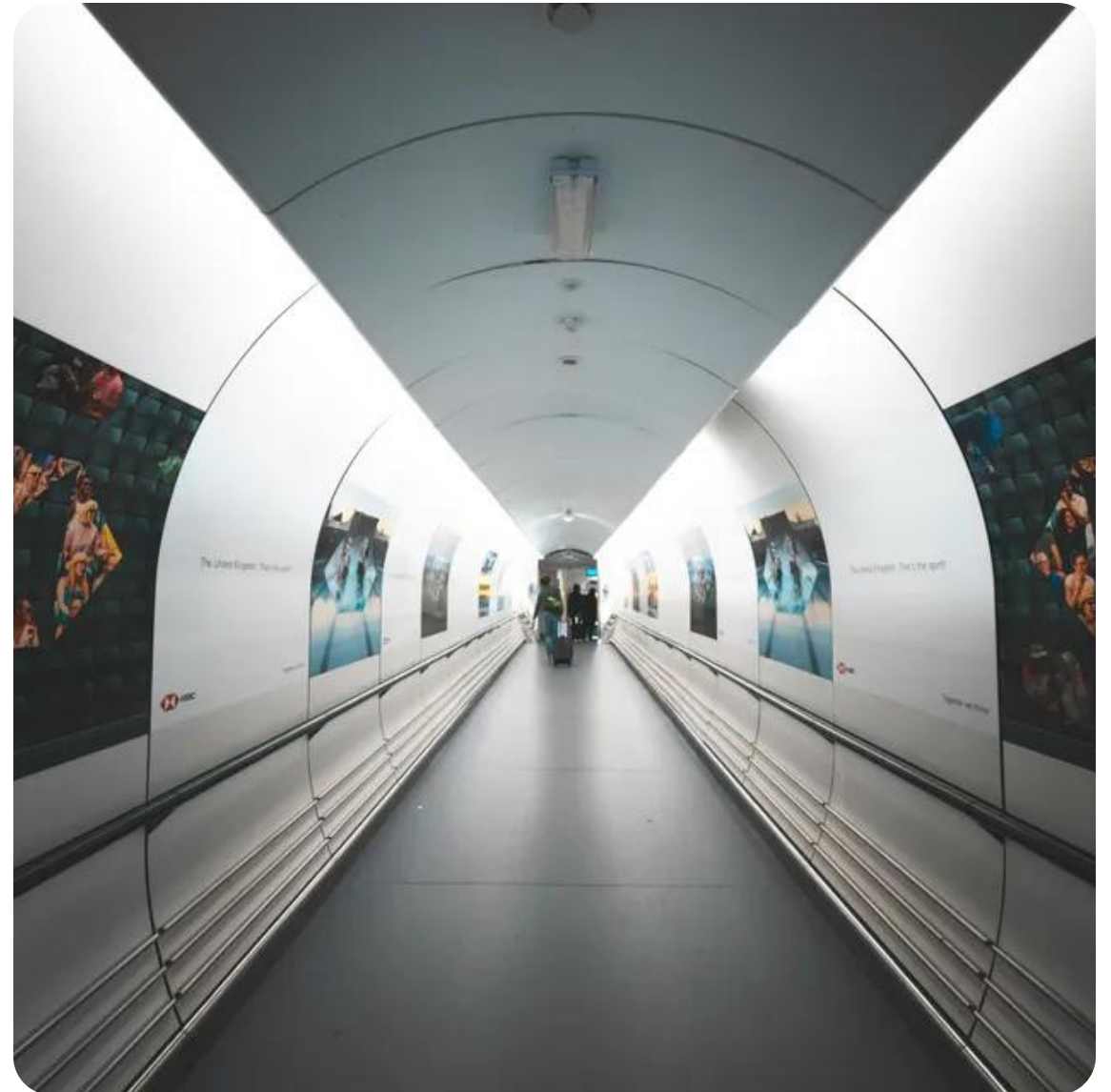
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CLIMATE CATASTROPHES – WHO PAYS?

Lightning Session

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ESG IN SUPPLY CHAIN AGREEMENTS

Lightning Session

Alexandra Holsgrove Jones

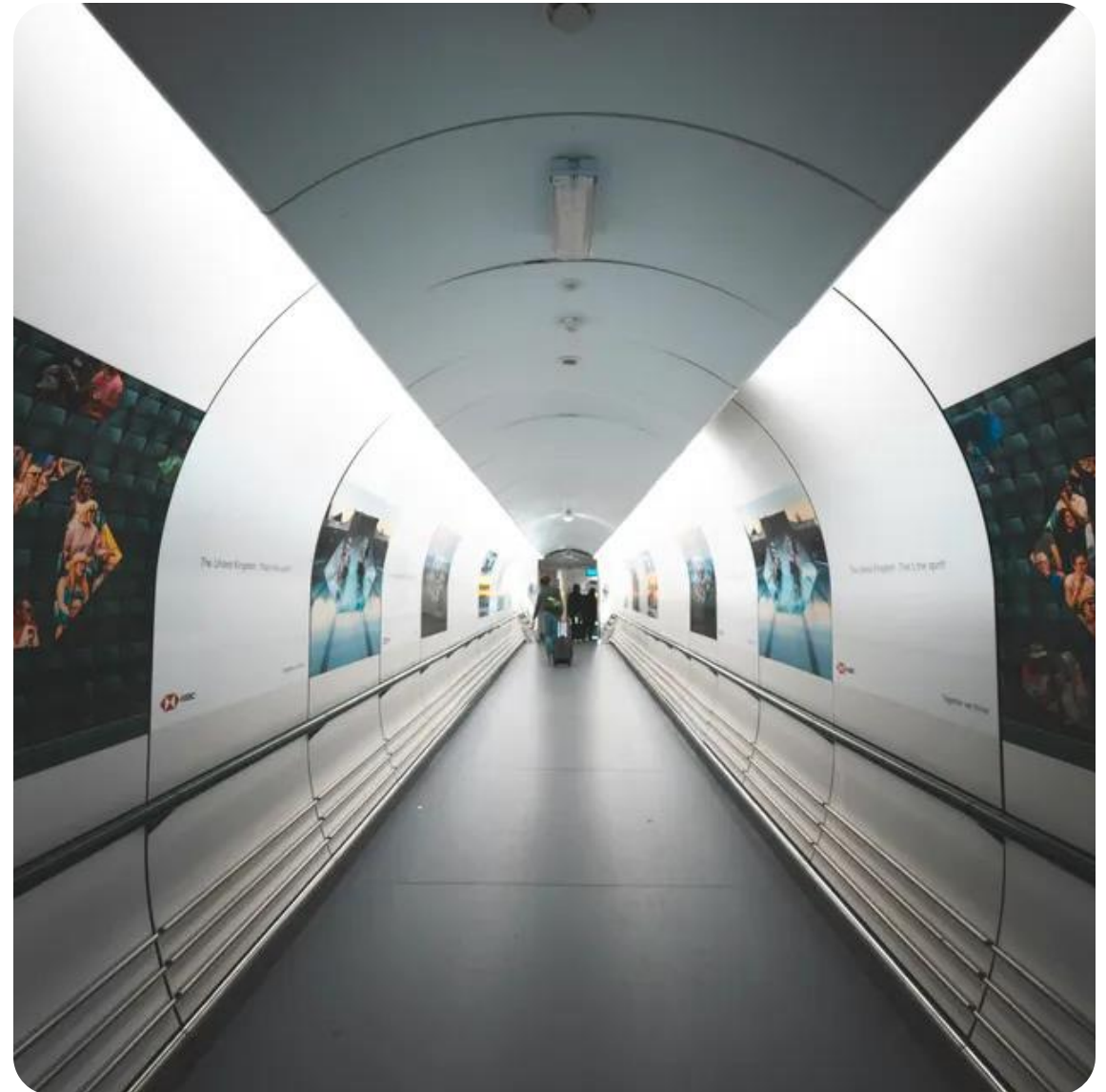
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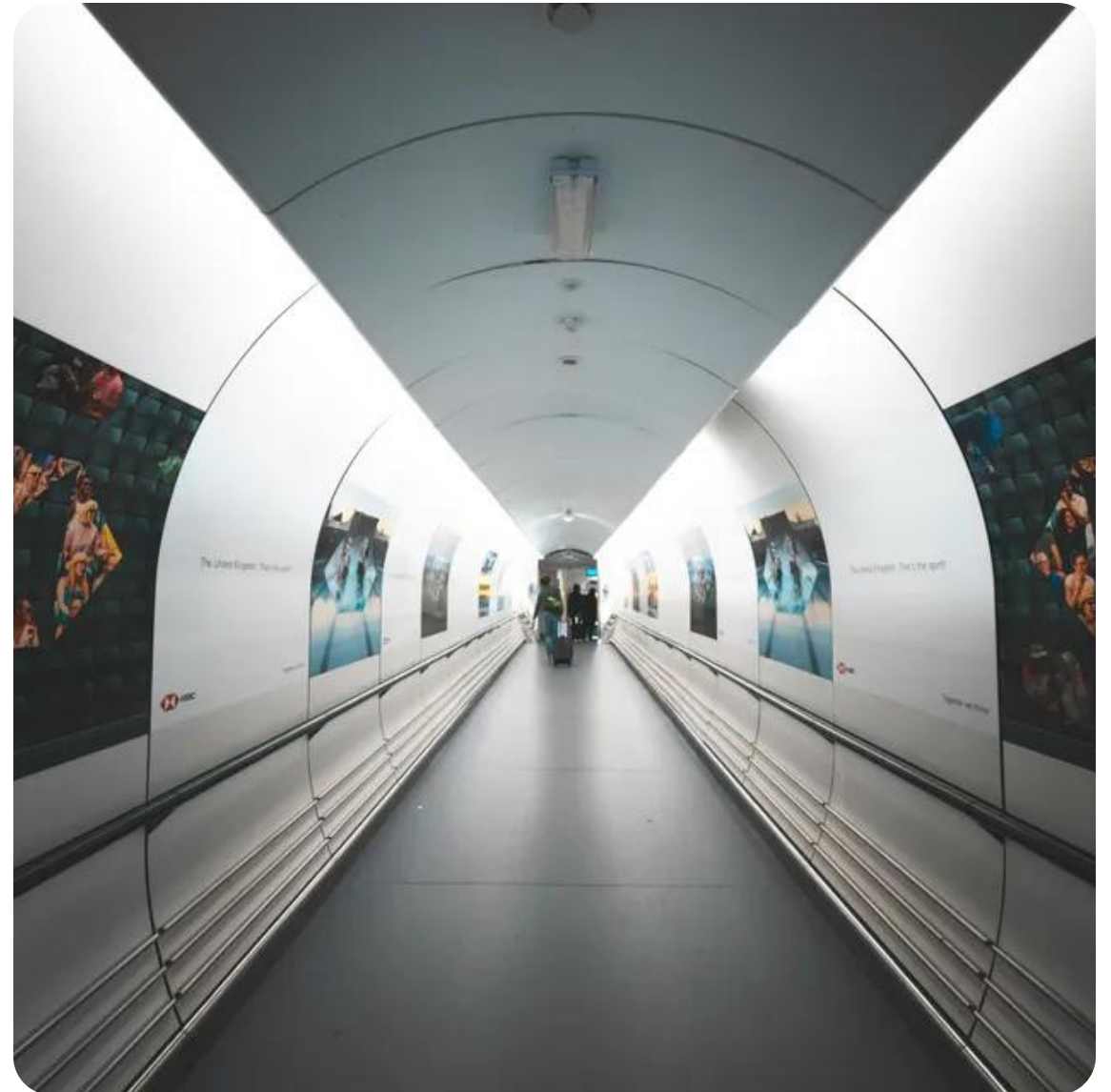
Greenplaces



THE EU OMNIBUS LEGISLATION: WHAT DOES IT REALLY MEAN?

Lightning Session

Lucia Williams
Senior Associate
Clyde & Co



What is the Omnibus Simplification Package?

A set of proposals to:

- Amend the Corporate Sustainability Reporting Directive (**CSRD**) and the Corporate Sustainability Due Diligence Directive (**CSDDD**)
- “**Stop the clock**” Directive postponing the application of all reporting requirements in the CSRD for companies that are due to report in 2026 and 2027
- Amend the Carbon Border Adjustment Mechanism (**CBAM**) Regulation
- Amend the **Taxonomy** Disclosures and the Taxonomy Climate and Environmental Delegated Acts

What are the proposed changes to CSRD and CS3D?

INSIDEPRACTICE

CSRD Application and requirements

Who /
when /
where?

- **“Wave 1”**: large EU undertakings/parent undertakings of a large group that are Public Interest Entities (PIEs) with min. 2 of: **>500 employees** on average / **>EUR 20m** total balance sheet / **>EUR 40m** net turnover. Already subject to NFRD. Reporting in 2025 on **2024** data
- **“Wave 2”**: large EU undertakings/parent undertakings of a large group exceeding at least two of: **EUR 20 m** balance sheet total / **EUR 40 m** net turnover / and/or **250 employees** on average during the financial year. Were due to report in 2026 on **2025** data
- **1 January 2026 – “wave 3”**: listed EU **SMEs**, small and non-complex credit institutions and captive

What?

Requires **audit/assurance of reported information**

Strengthens standardisation of reported information by empowering the Commission to adopt **sustainability reporting standards** as set out in the framework of the **ESRS**

How?

- Review policies and procedures
- Audit of existing practices
- Gathering of data at an early stage
- Upskill and raise awareness internally
- Stakeholder engagement
- Continuous impact assessments

CS3D Application and requirements

When?

- CS3D took effect from 25th July 2024
- Member States had until **26th July 2026** to transpose the CS3D into national law, which would then be implemented over a two-year period from July 2027

Who?

EU companies with:

- **>1,000 employees**
- global net turnover **> EUR 450 m**

Non-EU companies with net turnover **> EUR 450 m** in the EU

Franchise / royalty partners in the where:

- franchise or royalty agreement ensures a common identity, a common business concept, and the application of uniform business methods
- royalties **> EUR 22.5 m**
- net company turnover **> EUR 80 m** worldwide

Ultimate parents of the above

What?

- Adds a substantive **corporate duty to perform due diligence** to identify, prevent, mitigate and account for external harm resulting from adverse human rights and environmental impacts in:

- The company's own operations
- Its subsidiaries
- Its value chain

- Mandates disclosure of plans of an undertaking to ensure that its **business model and strategy are compatible with the transition to a sustainable economy** and with limiting global warming to 1.5 °C in line with the Paris Agreement

How?

- Identify internal and external resource (legal counsel, accountants, procurement, sustainability, upskill stakeholders..)
- Engage with value chain partners
- Cascade obligations
- Review policies and procedures
- Conduct audits
- Identify and mitigate risk areas

“Stop the clock”



CSRD

- **Wave 1** companies – carry on
- **Wave 2** companies to apply CSRD for fiscal years starting 1 Jan 2027
- **Wave 3** companies for fiscal years starting 1 Jan 2028

CS3D

- **Transposition** extended by a year to 26 Jul 2027
- **Wave 1** companies (>5,000 employees + annual (worldwide) net turnover of >EUR 1.5 bn / third country companies with net turnover of >EUR 1.5 bn in the EU) to apply CS3D from July 2027
- **Wave 2** companies (>3,000 employees + annual (worldwide) net turnover of >EUR 900 m / third country companies with net turnover of >EUR 900 m in the EU) to apply CS3D from July 2028
- **All other companies** falling within the general scope to apply CS3D from July 2029

Key Proposed changes to CSRD and CSDDD

CSRD

- Reducing **scope** of the CSRD to “large undertakings” with > 1,000 employees and turnover > EUR 50 m or balance sheet > EUR 25 m
- ‘**Value chain cap**’: for companies no longer in the scope of the CSRD, voluntary reporting standard
- Revising European Sustainability Reporting Standards (**ESRS**)

CS3D

- Limiting due diligence to **direct business partners**
- Reducing “**trickle down**” reporting requirements
- Removing CS3D Art 29 **civil liability** regime
- “Adopt” (not implement) **transition plans**

Other key changes

INSIDEPRACTICE

Key Proposed changes to CBAM and Taxonomy

CBAM

- Introducing a **mass-based threshold** (50 metric tonnes per importer), which would exempt most importers from their obligations under the Regulation
- Simplifying the compliance burden on importers still in scope, including by **delaying the deadline** for submitting CBAM declarations to 31 August each year (from 31 May)

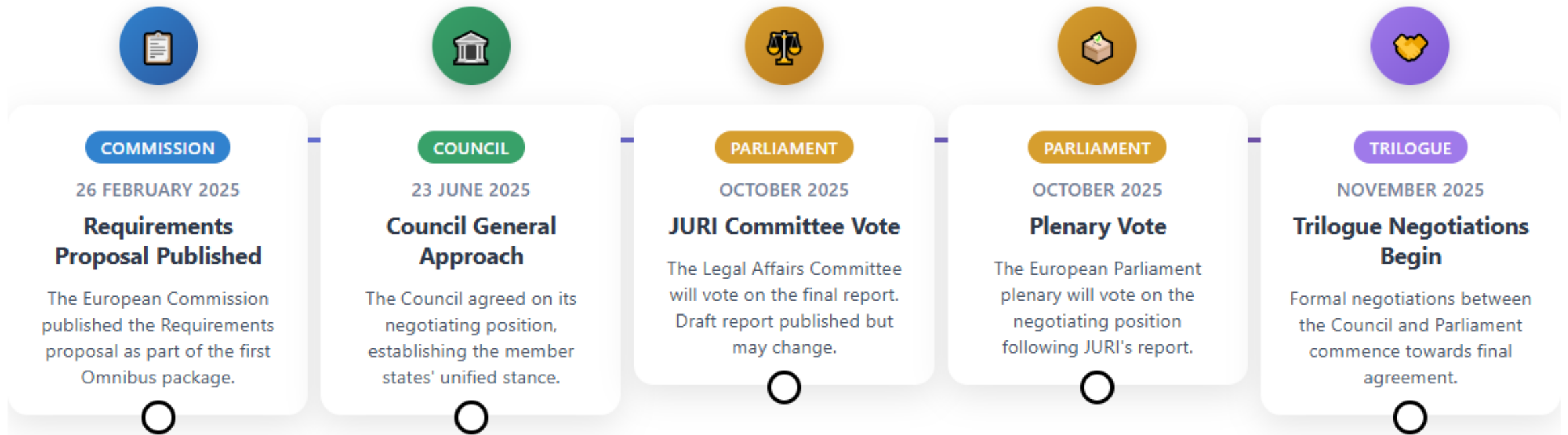
Taxonomy

- Scope of the EU Taxonomy Regulation **limited to largest companies**, i.e. those in scope of CS3D
- Companies falling under the scope of the CSRD, but not reaching the CS3D thresholds, can benefit from a flexible **opt-in regime**

What's next?

INSIDE**PRACTICE**

Timeline



EU urged to exempt more companies from contentious supply chain law

MEP seeking to broker compromise deal says rules on curbing environmental and rights abuses should not be scrapped



Council of the EU | Press release | 23 June 2025 22:12

Simplification: Council agrees position on sustainability reporting and due diligence requirements to boost EU competitiveness

This press release has been updated on 25 June 2025 with the text of the Council's negotiating mandate.

Member states' representatives agreed today the Council's negotiating mandate on simplifying **sustainability reporting and due diligence requirements** to boost EU competitiveness. This proposal aims at simplifying the directives on corporate sustainability reporting (**CSRD**) and due diligence (**CS3D**) by reducing the reporting burden and limiting the trickle-down effect of obligations on smaller companies.



“

Today we delivered on our promise to simplify EU laws. We are taking a decisive step towards our common goal to create a more favorable business environment to help our companies grow, innovate, and create quality jobs.

— Adam Sztapka, Minister for the European Union of Poland



Lara Wolters (MEP, Group of the Progressive Alliance of Socialists and Democrats in the European Parliament):

"... Commission proposal was extremely rushed and deeply flawed ... focuses on removing accountability rather than complexity and administrative burden..."

The vision put down here would put down any serious action for companies and any serious consequences for blatantly disregarding the law..."

1 July 2025

Omnibus Initiative: Sustainability rules are essential for European competitiveness

198 signatories, including 84 investors and financial institutions, 29 companies, 42 service providers, as well as 43 supporting organisations*, are issuing this joint statement to emphasise the importance of preserving the core of the EU sustainable finance framework. Rules on sustainability reporting, transition plans, climate targets and corporate due diligence are a key foundation for achieving the EU's economic and sustainability goals. Improving their implementation is a priority.

By promoting transparency and responsible business conduct, these rules are conducive to competitiveness and growth, as well as long-term value creation and subsequent returns for investors. Companies that implement EU sustainability rules are likely to be more resilient, better prepared for sustainability-related challenges and opportunities, and more capable of communicating these factors to investors and other financial stakeholders.

In the context of the Omnibus I simplification initiative, we call attention to the investors, banks, other financial institutions and companies across our economy that support preserving the core elements of the Corporate Sustainability Reporting Directive (CSRD) underpinned by the European Sustainability Reporting Standards (ESRS), and of the Corporate Sustainability Due Diligence Directive (CSDDD).

CSRD/ESRS and CSDDD are essential for achieving the EU's wider sustainability, growth and competitiveness ambitions. They contribute to reorienting investment towards the technologies and sectors that support the goals of the Clean Industrial Deal. They can also reinforce harmonisation efforts for EU capital markets, as set out in the Savings and Investment Union.

The signatories of this statement consider **that regulatory simplification can be achieved without compromising on the substance of sustainability rules or their significant benefits for businesses across the EU.** This can be achieved via the following recommendations:

- Simplify the ESRS in a way that maintains the double materiality approach of the CSRD, covering environmental, social and governance topics, and ensuring interoperability with international standards and frameworks (including ISSB, GRI and TNFD).

EUROPEAN GREEN DEAL

[Click on the title link to view the law](#)

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10/07/2024

 <https://www.circulaw.nl>

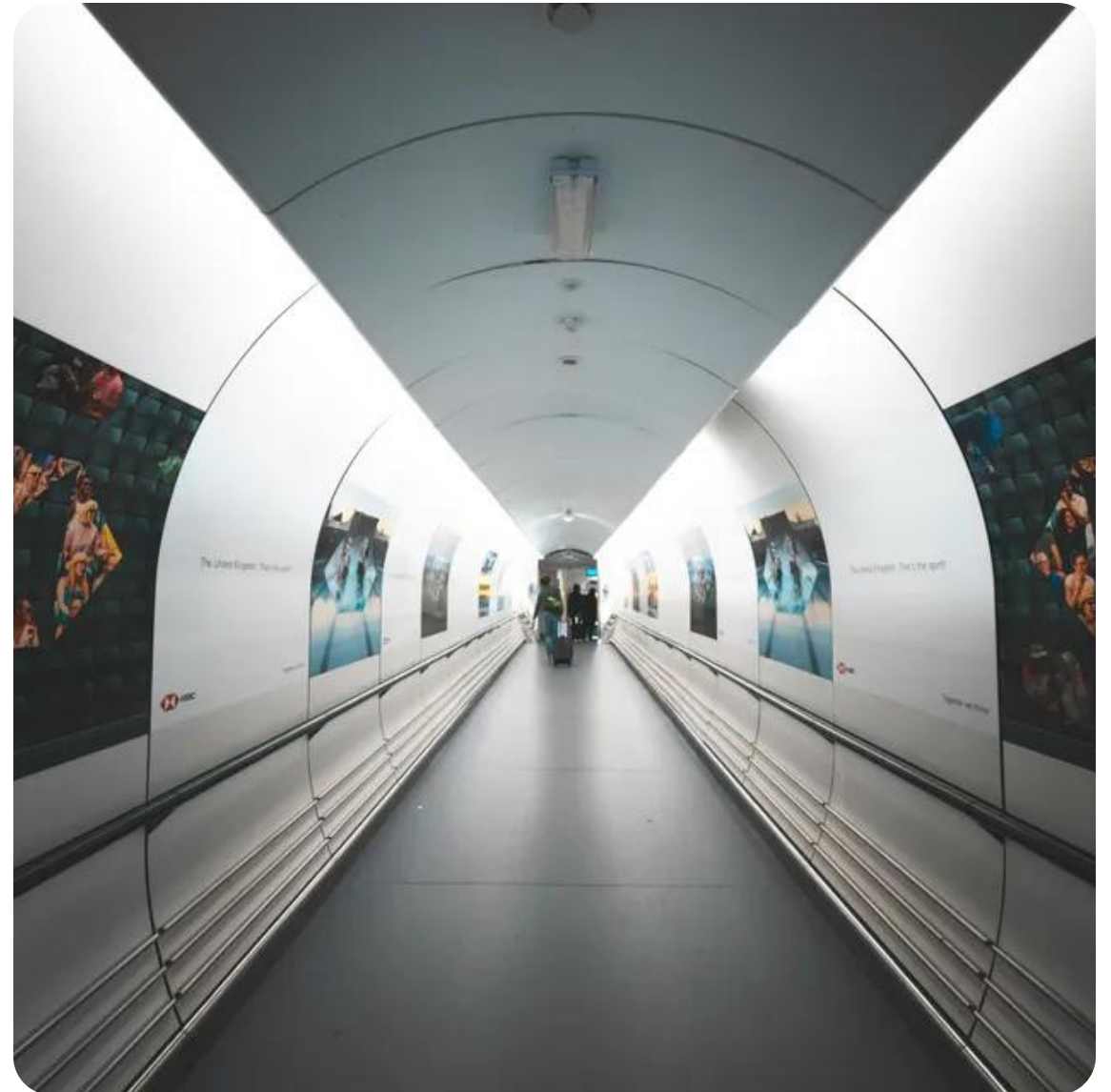
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**Any
questions?**

UK REGULATORY UPDATE: MODERN SLAVERY & THE DYSON CASE

Lightning Session

Robert Kovacs
Partner
Withers LLP



GREEN CLAIMS UPDATE

Lightning Session

Alice McDonnell
Managing Associate
Stephenson
Harwood





LEGAL + ESG

8 July 2025

GREEN CLAIMS UPDATE

*Enforcement trends – Navigating
greenwashing risk*





Green Claims Update

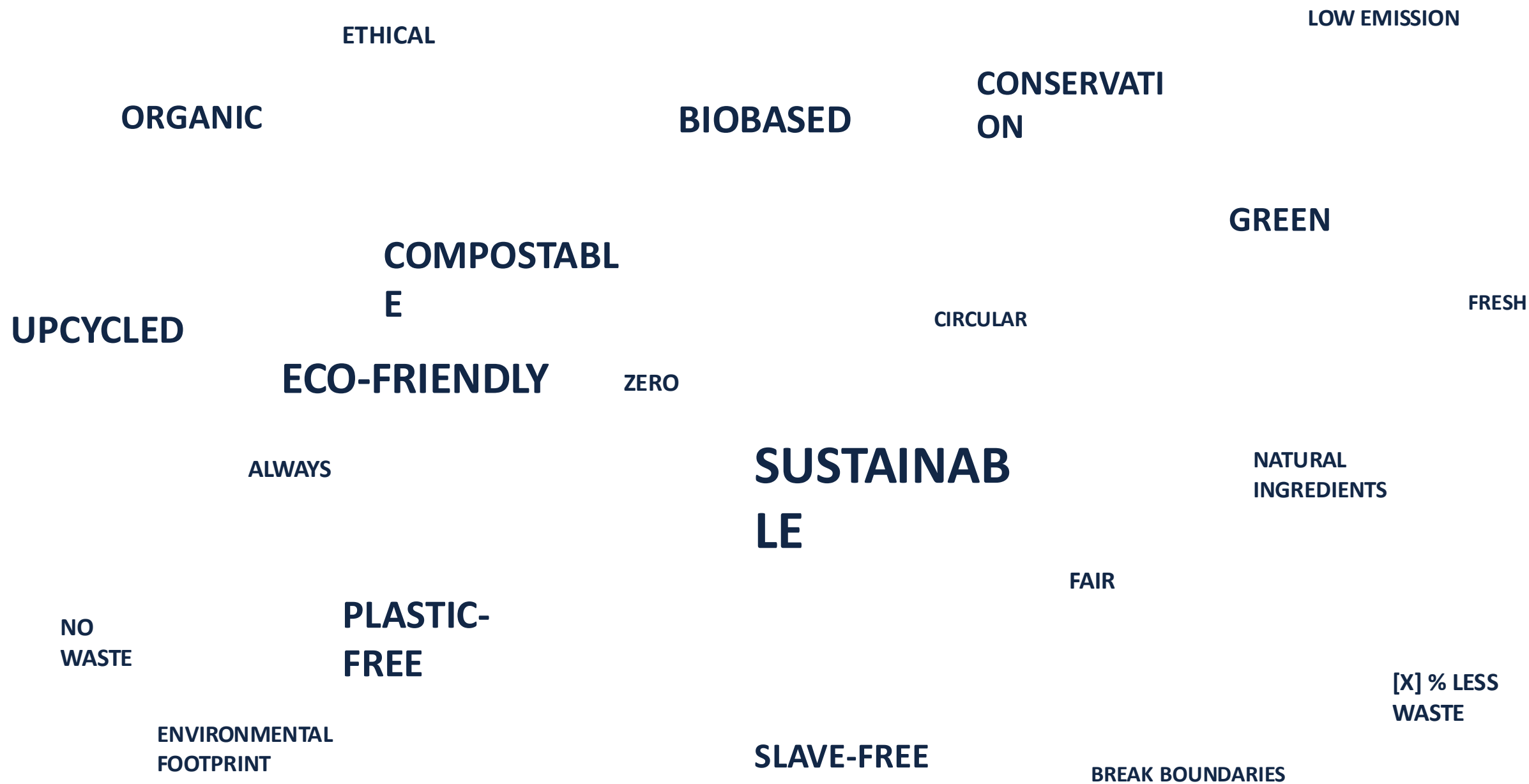
GREENWASHING DISPUTES

Misrepresentation claims



There is no statutory or case law definition of "greenwashing" under English law. Defined in the European Commission's proposal for a Green Claims Directive as "the practice of making unclear or not well-substantiated environmental claims to consumers"

Substantial uptick

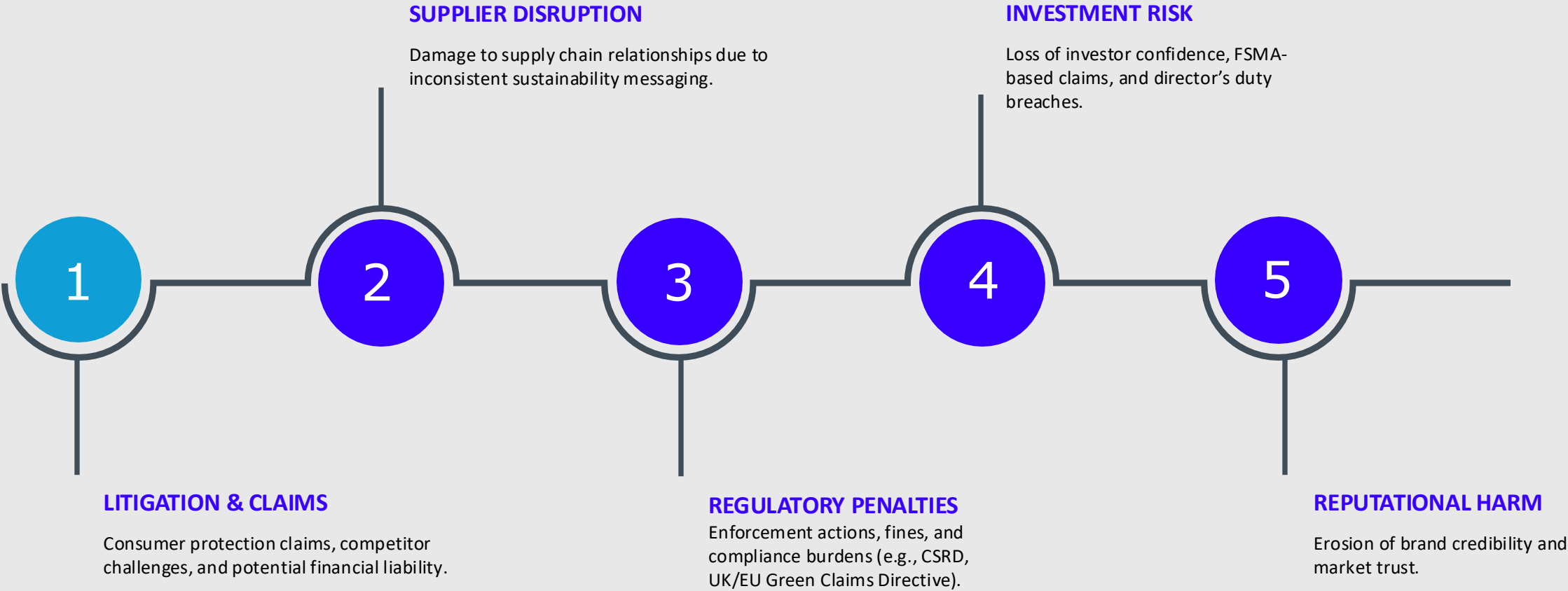


EXAMPLES OF GREENWASHING

1. **Vague claims** – broad and undefined terms such as “green” or “eco” without explaining the specific **environmental** benefits
2. **Irrelevant claims** – Emphasizing a minor **environmentally** friendly aspect of a product that doesn’t make a real impact
3. **False labels** – using logos or labels that appear **eco-friendly** but lack official certification or standard
4. **Hidden trade-offs** – promoting one **green** aspect of a product while downplaying or ignoring its environmental downsides
5. **Exaggerated claims** – Overstating the **environmental** benefits of a product or service

KEY RISKS: HOW GREENWASHING CAN EXPOSE BUSINESS

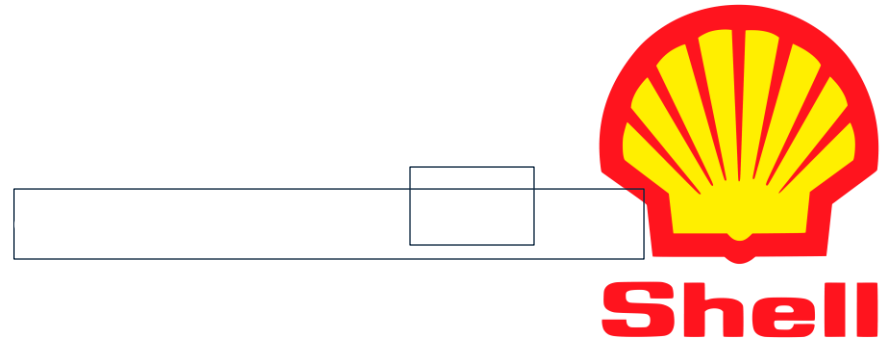
Each stakeholder group brings different risks, including:





Green Claims Update

DOMESTIC AND FOREIGN JURISDICTIONS AND FORUMS - FALLING FOUL OF THE RULES





Green Claims Update

UK REGULATORY OVERVIEW



Regulators expect:

- + Truthful, evidence-backed statements
- + Transparency across all communication – consumer and investor-facing



Green Claims Update

CMA

Green Claims Code 2021

- 1. Truthful & accurate**
- 2. Clear & unambiguous**
- 3. Not misleading by omission**
- 4. Fair in comparisons**
- 5. Substantiated with credible data**
- 6. Based on full life-cycle impacts**



Green Claims Update

CMA

- + Digital Markets, Competition and Consumers Act 2024**
- + Landmark legislation**
- + Staged introduction**
- + From 6 April 2025 - New enhanced powers – including the power to issue fines equal to 10% of a company's turnover (including company directors)**

- + “Complying with consumer law when making environmental claims in the fashion retail sector”**

CMA Publication – Guidance to the Fashion Industry 18 September 2024



Green Claims Update

CMA – INVESTIGATIONS AND ENFORCEMENT



ASOS / Asda / Boohoo

Undertakings secured – March 2024

“Following our action, the millions of people who shop with these well-known businesses can now have confidence in the green claims they see.

This also marks a turning point for the industry. The commitments set a benchmark for how fashion retailers should be marketing their products, and we expect the sector as a whole – from high street to designer brands – to take note and review their own practices.”

Sarah Cardell CEO of CMA



Green Claims Update

ASA

- + Rapid adaptation – AI tools to monitor and detect misleading advertising**
- + Aiming to scan 50 million ads a year by 2025**
- + Collaboration with other agencies**





ASA – INVESTIGATIONS AND SANCTIONS

Only takes a small number of complainants to trigger an ASA investigation

Range of sanctions – naming and shaming / removal of ads / social media action / ASA ads / referrals to Trading Standards and other bodies including the CMS / referral to trade associations





ASA

RECENT RULINGS

- + Virgin ruling – When is Sustainable Aviation Fuel not sustainable?
- + Wizz Air
- + Ethihad Lufthansa and Air France KLM



- + Easigrass (Distribution) Limited



- + Hurtigruten Expeditions

- + eDreams



- + Lloyds Bank



- + Floor Design t/a Flooring by Nature

- + Wessex Water Services Limited



**STEPHENSON
HARWOOD**



FCA - MANDATORY DISCLOSURE

+ Non-Listed Companies

- + Eligible companies and LLPs have had to comply with climate related regulated disclosure for accounting periods since 6 April 2022 in their annual strategic reports - Companies (Strategic Report) (Climate-Related Financial Disclosure Regulations 2022 and Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022

+ Premium and standard listed companies

- + TCFD “comply or explain” reporting is mandatory under changes made by the FCA to the Listing Rules. Again, similar provisions to the disclosure requirements under the CA 2006
- + Similar disclosure obligations to the Companies Act disclosures



FCA - MANDATORY DISCLOSURE

+ Asset Managers

- + Policy Statement PS21/24 on enhancing climate-related disclosures by asset managers and asset owners introduced mandatory climate related disclosure requirements for asset managers, life insurers and FCA-regulated pension providers consistent with the TCFD
- + For managers with more than GBP 50 billion, the rules have been in force since 1 January 2022;
- + For managers with more than GBP 5 billion, the rules came into force on 1 January 2023
- + Disclosures include
 - + Product level reporting – core set of disclosures including scope 1, 2 and 3 greenhouse gas emissions and total carbon emissions in relation to the firm's products and portfolio; and
 - + Entity level reporting – annual TCFD report
- + Enforcement – the FCA can take enforcement action against companies that fail to comply with TCFD-aligned disclosures.



FCA

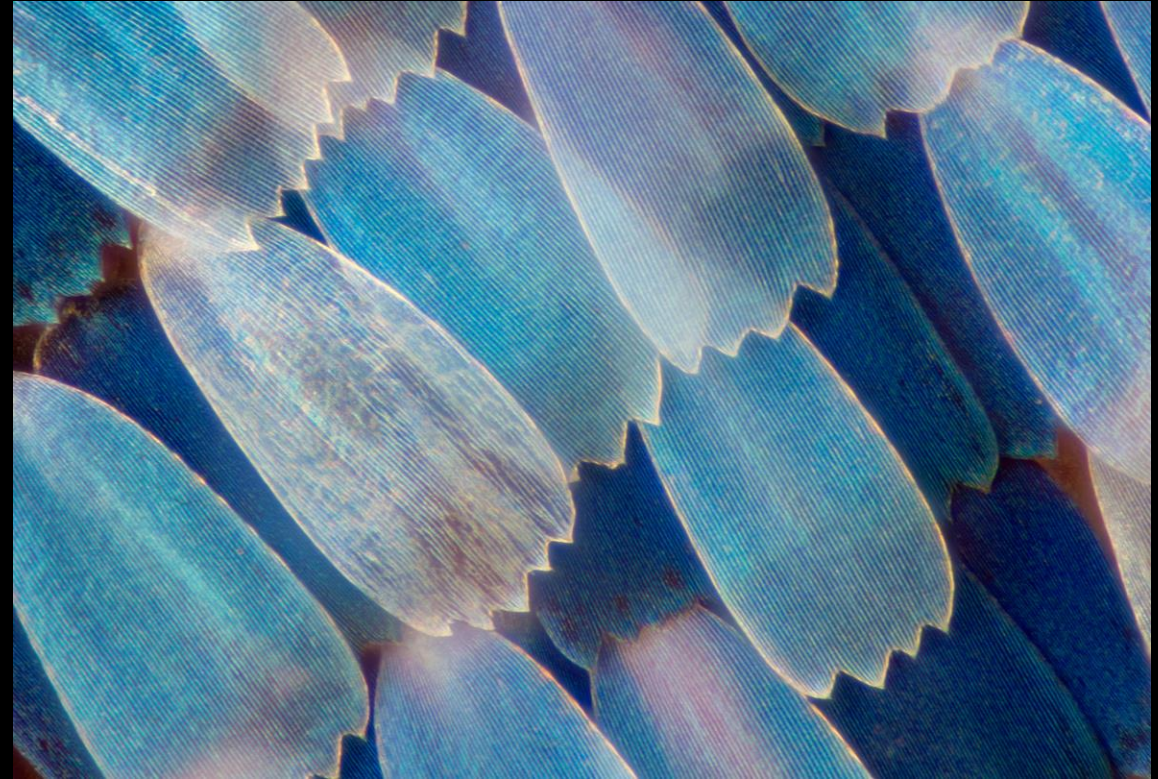
- + Sustainable Disclosure Requirements
- + Anti-greenwashing rule – in effect from 31 May 2024 (contained in the ESG module of the FCA's Handbook)
- + Finalised Guidance published 1 April 2024 (FG24/3)
- + Applies to all FCA authorised firms that either communicate with clients in the UK in relation to products or services or which communicate or approve financial promotions to persons in the UK
- + Any reference to the sustainability characteristics of a product or service must be consistent with those characteristics and must be fair, clear and not misleading
- + Enforcements may be criminal or civil (breach of principles)
- + Expect enforcements in 2 to 3 years time from coming into force – circa. mid 2026-2027.

EU PERSPECTIVE



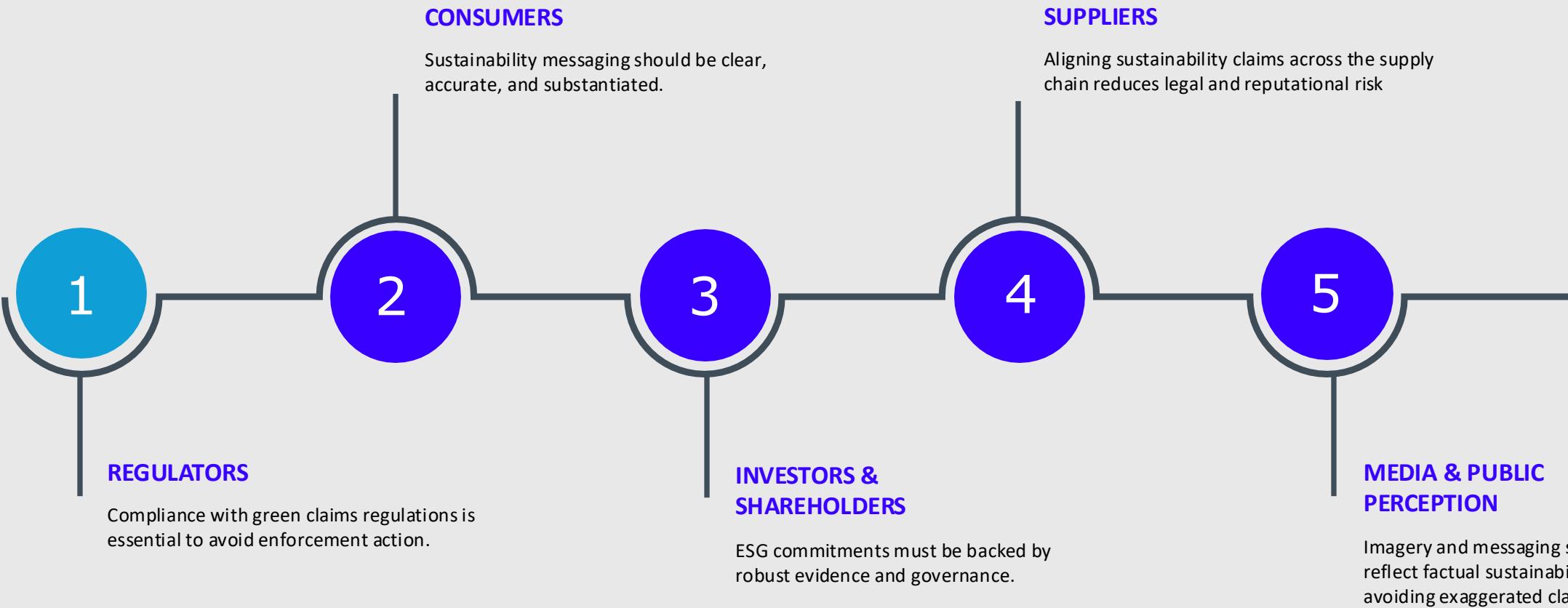
KEY DEVELOPMENTS:

- + UCPD amendments (2024): bans vague green claims
- + Green Claims Directive – future uncertain following withdrawal by the European Commission on 20 June 2025



KEY TAKEAWAYS & BEST PRACTICES

Understanding and mitigating your greenwashing risk means thinking about how your advertising and statements you make in marketing and corporate material (at all levels) may be understood by each of your stakeholders.



The four “S”s

STATEMENT S

- + Be specific
- + Fact check
- + Gather evidence
- + Use caution with of third-party statistics

STRATEGY

- + Develop an ESG protocol
- + Document everything
- + Adapt as needed

SUPPLIERS

- + Information gather
- + Business intelligence

ESSENTIAL

- + Stay up to date with mandatory reporting requirements
- + Ensure you comply!

PM NETWORKING COFFEE BREAK



Finalists for the Paul Watchman Young Lawyer Award

Carla Parsons

Principal Associate,
Daughter of
Professor Paul
Watchman

Mills & Reeve

Ming Zee Tee

Associate

A&O Shearman

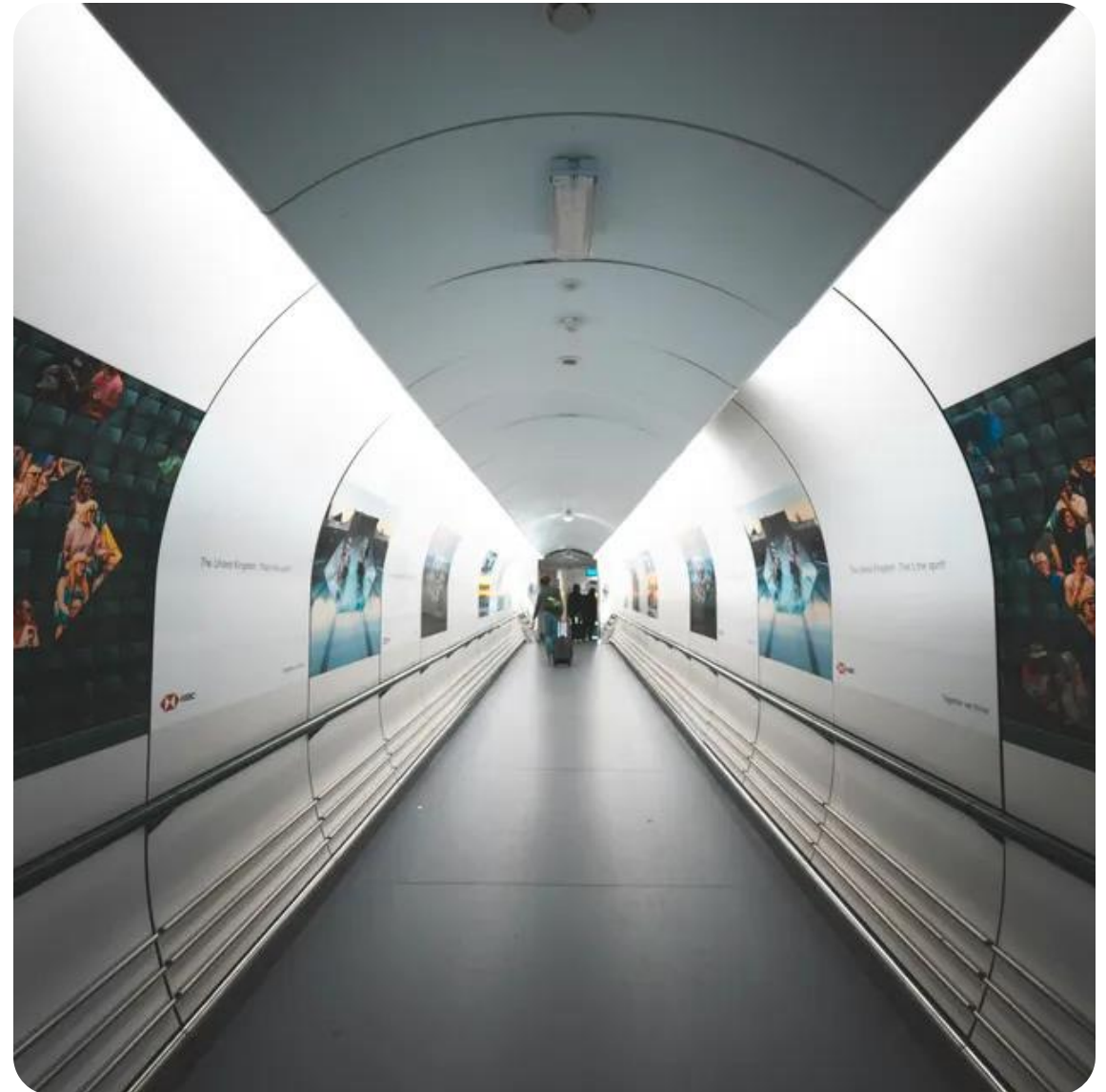
Co-Founder and Advisory
Board Member

Legal Voices for the Future

Christina Chambers

Associate in Mishcon
Purpose

Mishcon de Reya



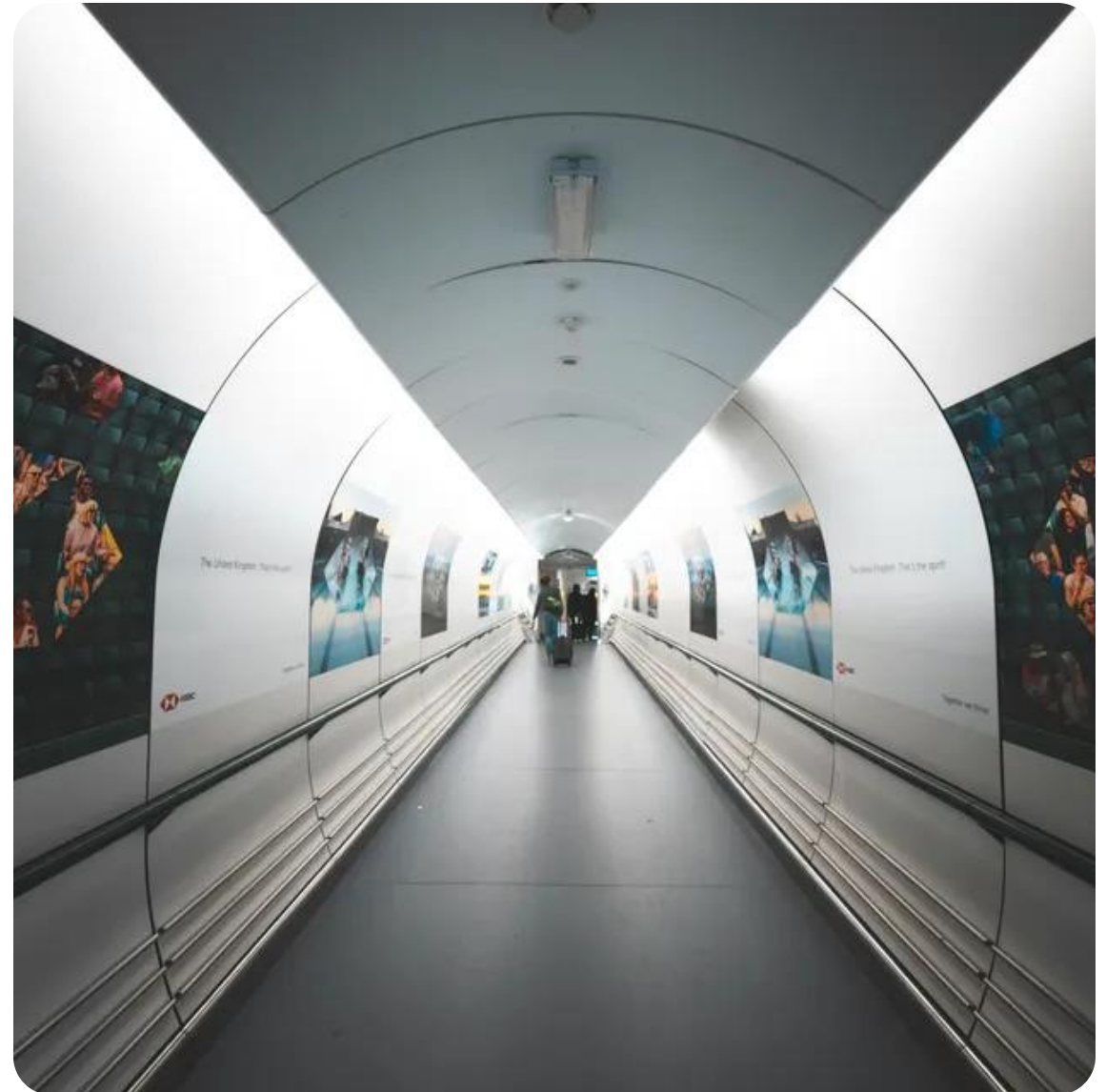
Ethics and the Rule of Law: Where Do We Go from Here?

David Alfrey
Partner
**Addleshaw
Goddard**

Bennett Freeman
Associate Fellow
Chatham House

Pamela Cone
CEO
Amity Advisory

Dustin Benton
Managing Director
Forefront Advisors





What are your Key Take-Aways from today's sessions?



What topics were missing? What should we be sure to cover next year?



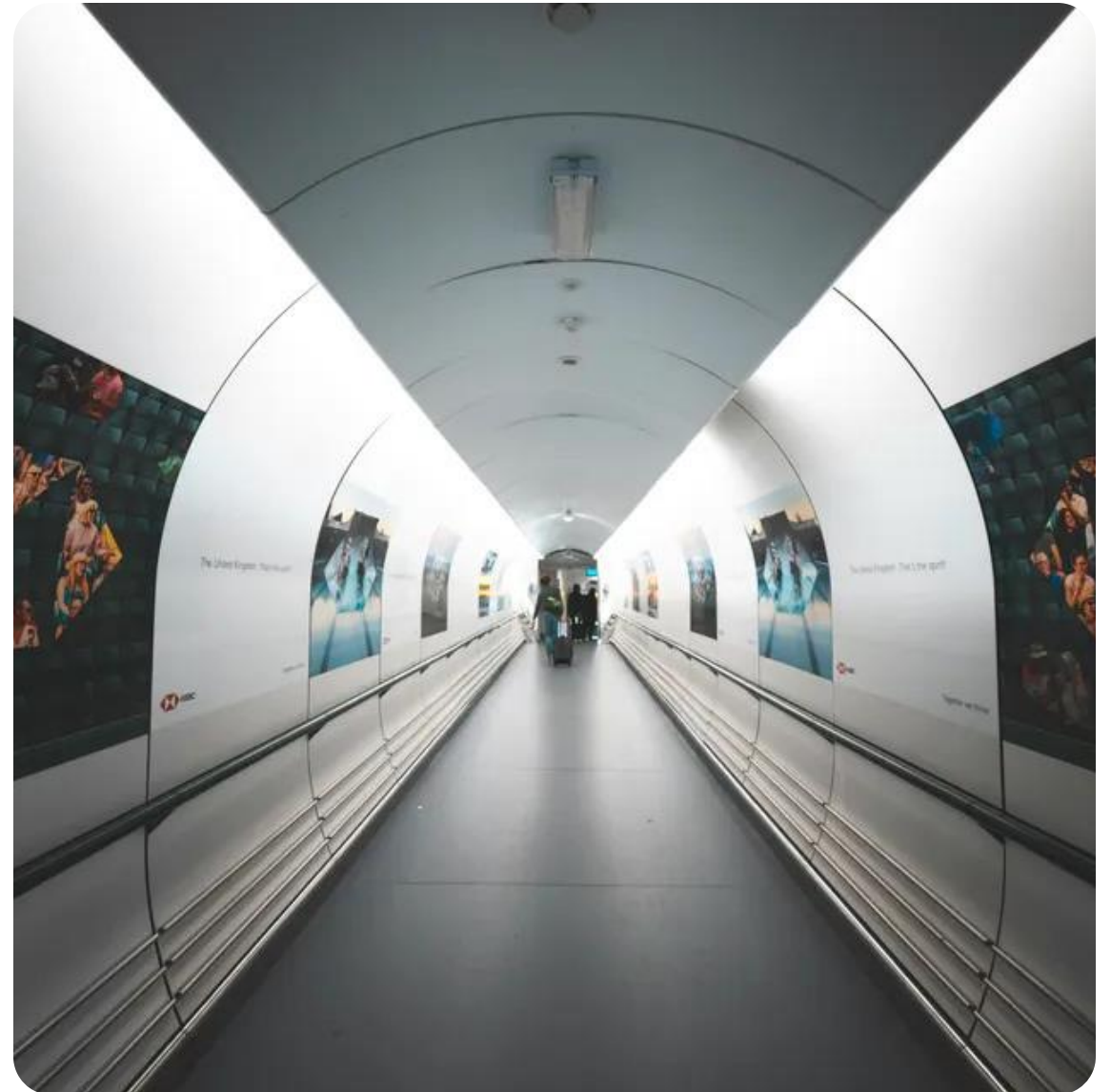
What is the role of the Legal Profession in advancing society toward a more just, equitable and sustainable world?



Do you believe the legal profession is doing enough to uphold the Rule of Law around the globe?

CHAIRPERSON'S Closing Remarks

David Alfrey
Partner
Addleshaw Goddard



LEGAL ESG: London | Day 1: ESG Client Advisory

COMING SOON FROM INSIDEPRACTICE:

LONDON // 8/9 // 07 // 2025



Use the code **ESGLONDON** - save 30% on your registration

NETWORKING RECEPTION / LEGAL ESG AWARDS



INSIDE PRACTICE PRESENTS:

LEGAL ESG: LONDON

LONDON // 8/9 // 07 // 2025

DAY TWO



SUPPORTING PARTNERS:



LEGAL ESG



EVENT RESOURCES





What is your role in ESG?



What is your age range?



What do you believe are the Top 3 challenges facing society today?



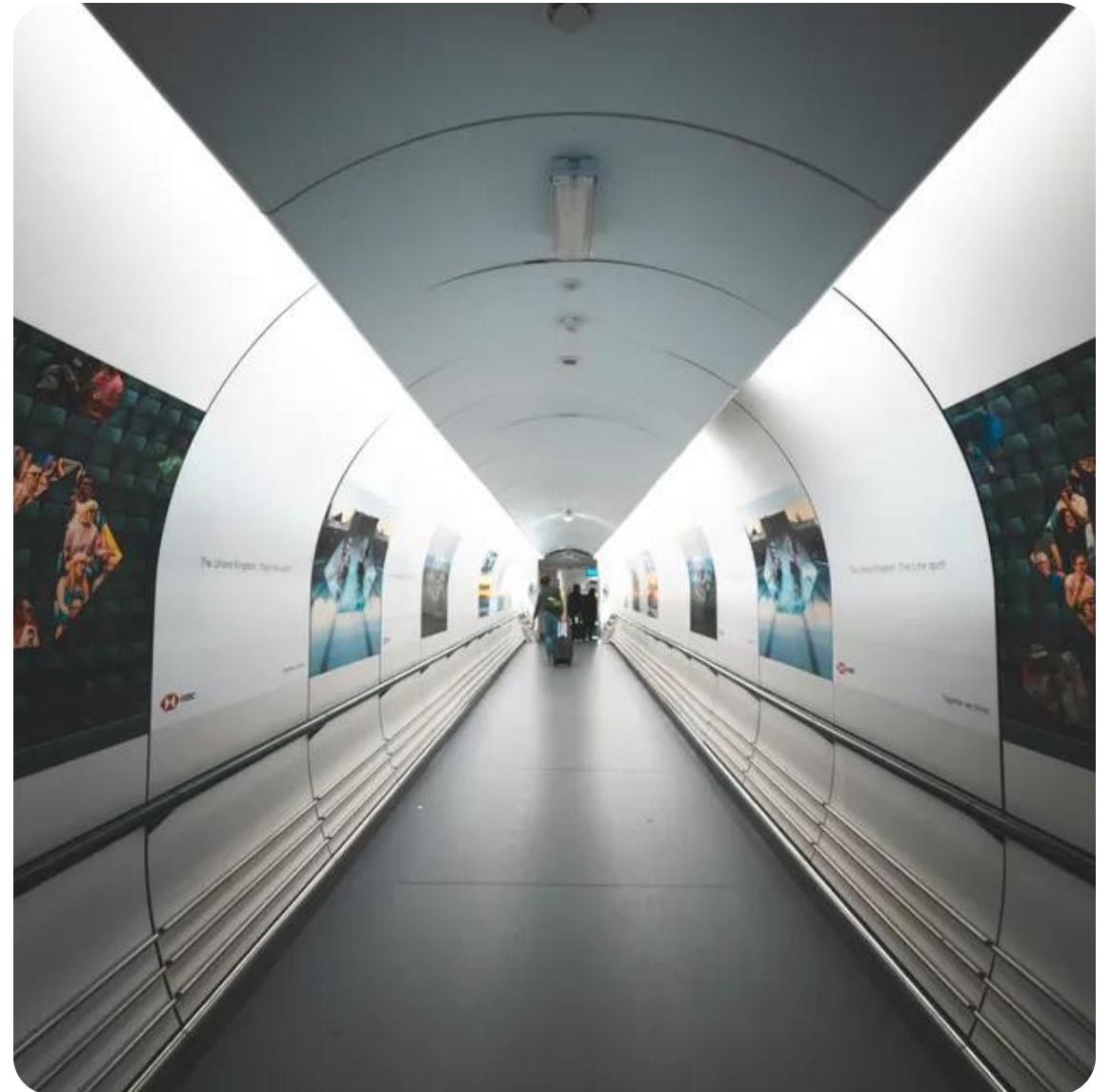
What is top of your agenda to discuss today?

Welcome & Opening Remarks: Conference Chairperson

Mary Peterson

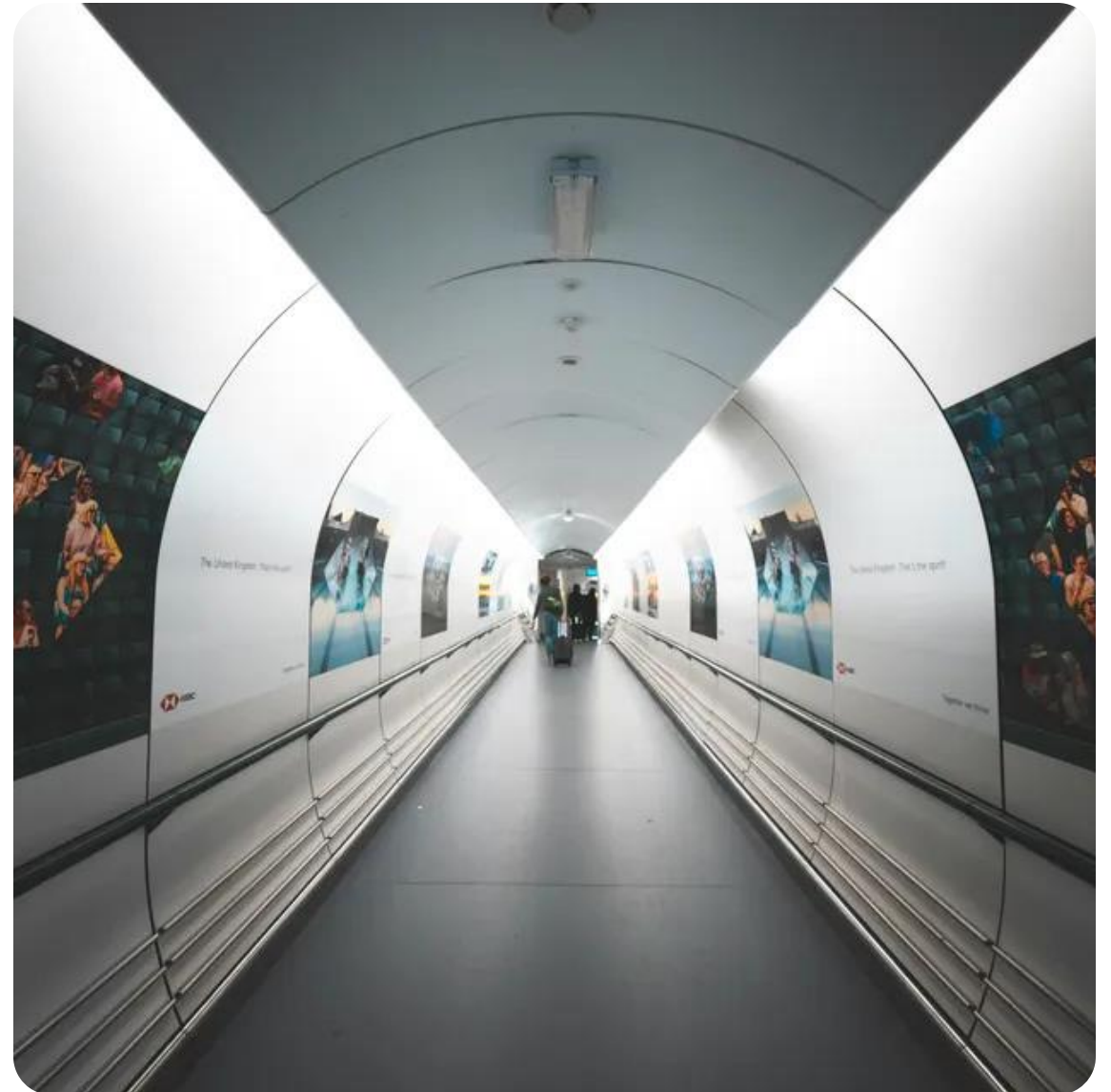
Head of Responsible Business

Addleshaw Goddard



BEYOND COMPLIANCE: Why **ESG** Engagement Fails Without Inclusion, Language, and Law

Gihan Hyde
CEO
CommUnique



SUPPLY CHAIN ENGAGEMENT:

Clients' Expectations of Service Providers / Engaging the Firm's Own Suppliers

**Alexandra Holsgrove
Jones**

Partner, Knowledge -
ESG
TLT

Max Finney

Senior
Sustainability
Manager
Shoosmiths

Victor Riega

Responsible Business
Manager

Rathbones Plc

Kevin Victory

Head of Supply Chain &
Technology Sustainability

Lloyds Banking Group



AM NETWORKING COFFEE BREAK



Client–Law Firm Collaboration on Sustainability

Peter Cox

European Motor Claims
Procurement Manager

QBE Insurance

Joanna Lloyd-Davies

Head of Sustainability,
International

QBE Insurance

Kate Hursthouse

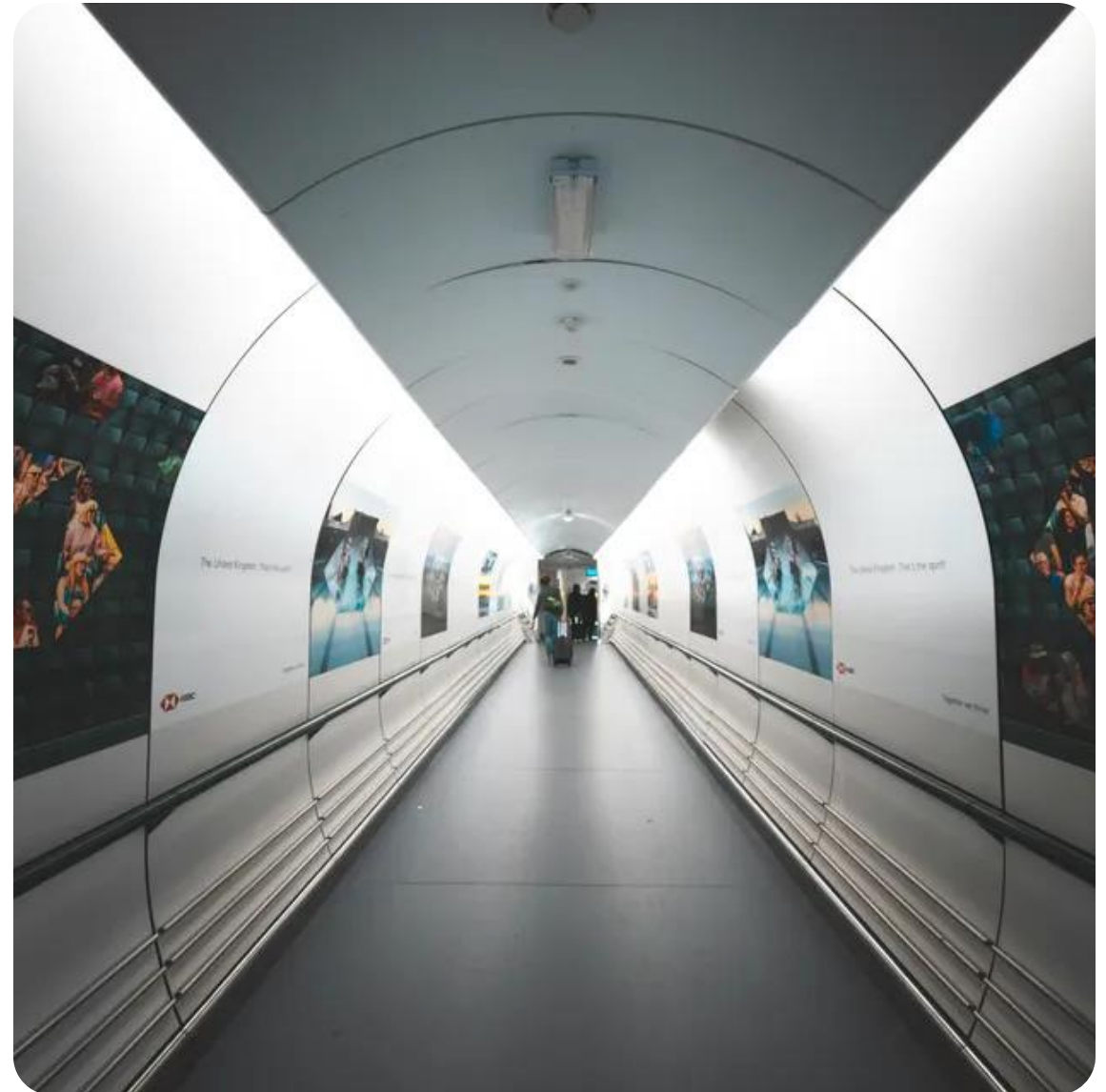
Head of Responsible
Business

Kennedys

Katie Rogers

Programme
Manager

Heart of the City



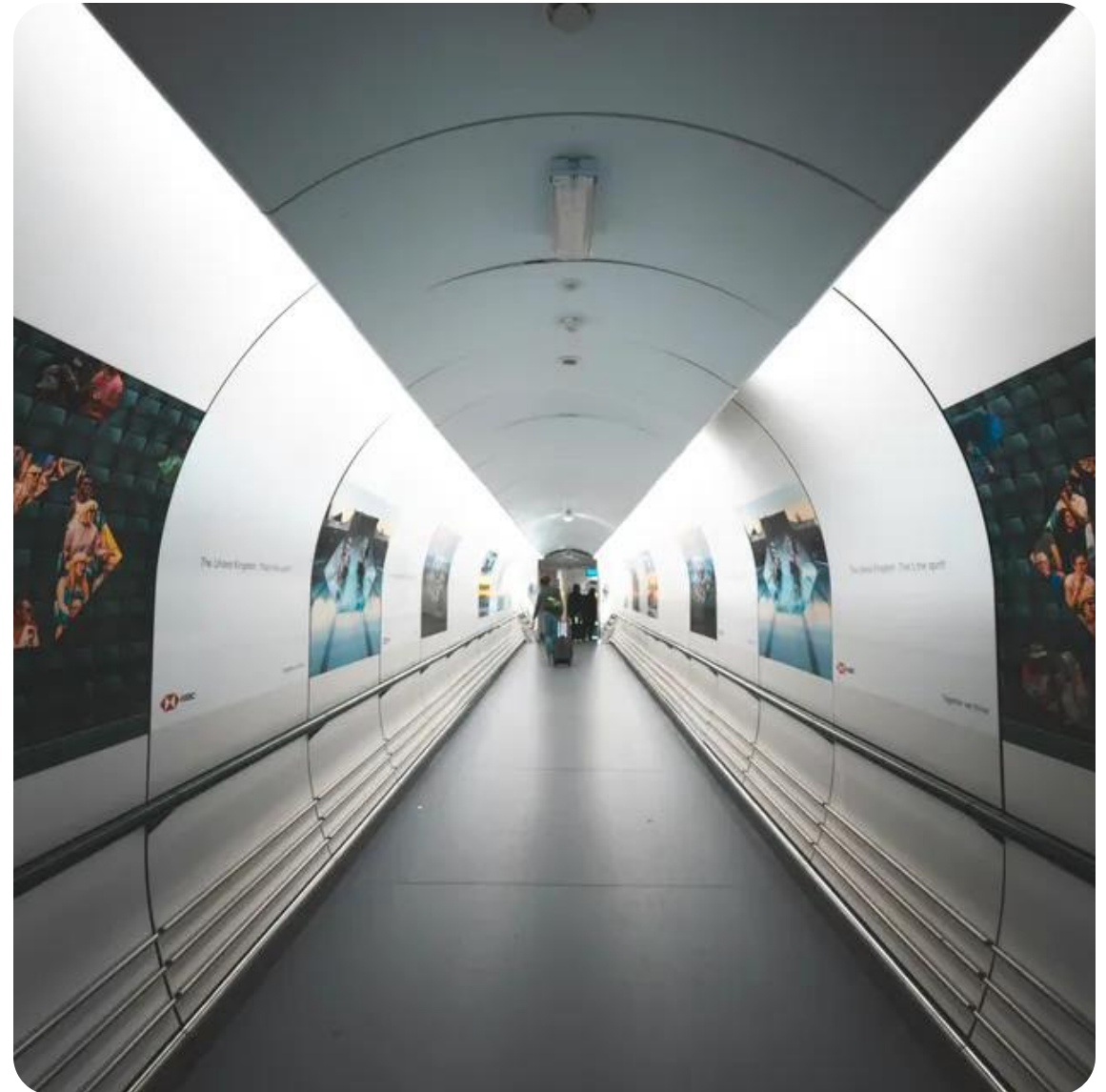
The Path to Net Zero: How Are Law Firms Making Progress?

Paddy Linighan
Chief Sustainability
Officer
Clyde & Co

Aragon St Charles
Global ESG Officer
Dentons

Louise Needham
Environmental &
Sustainability
Manager
Irwin Mitchell

Kat Thorne
Responsible Business
- Environment Lead
**Eversheds
Sutherland**

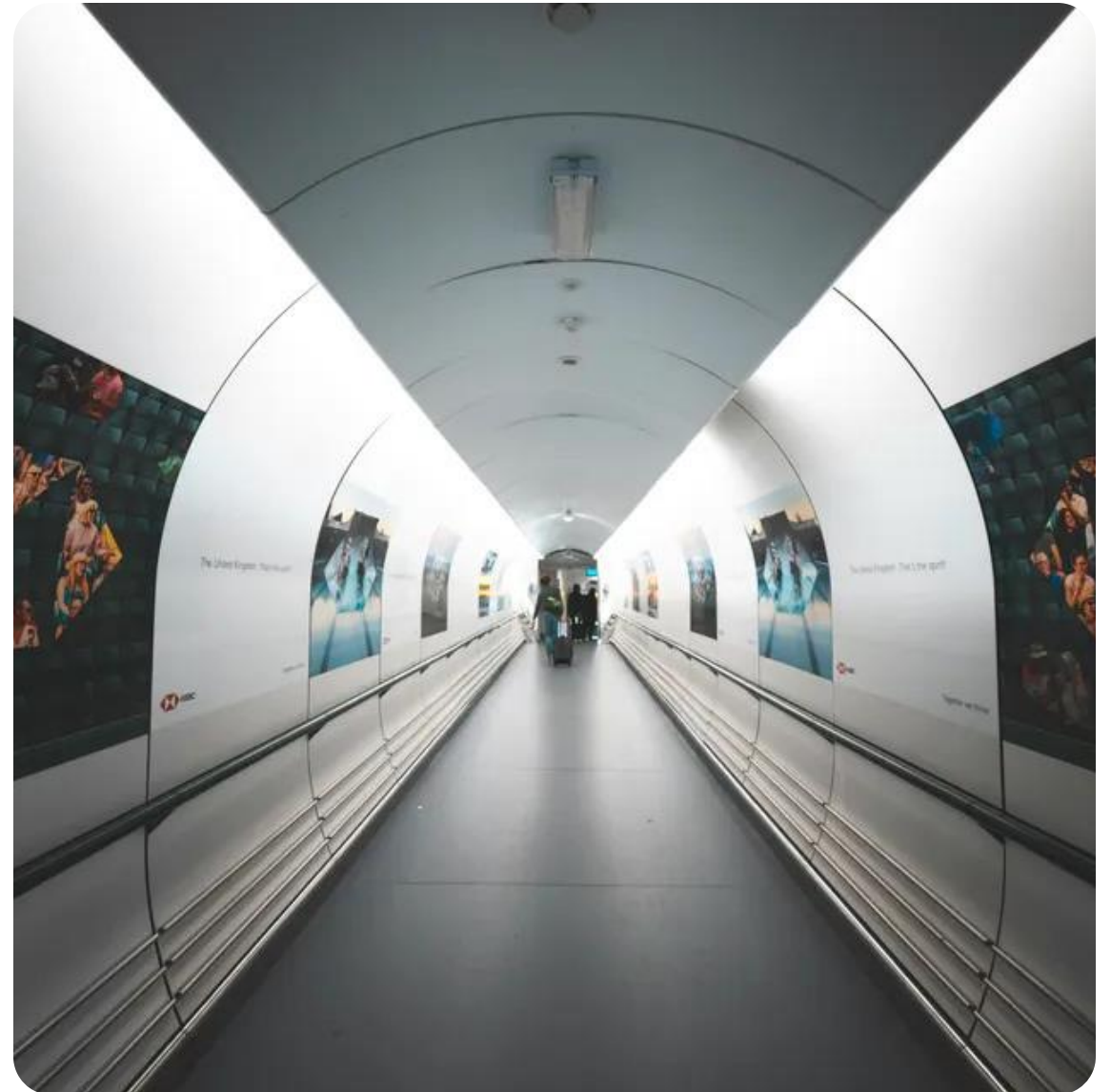


NETWORKING LUNCH

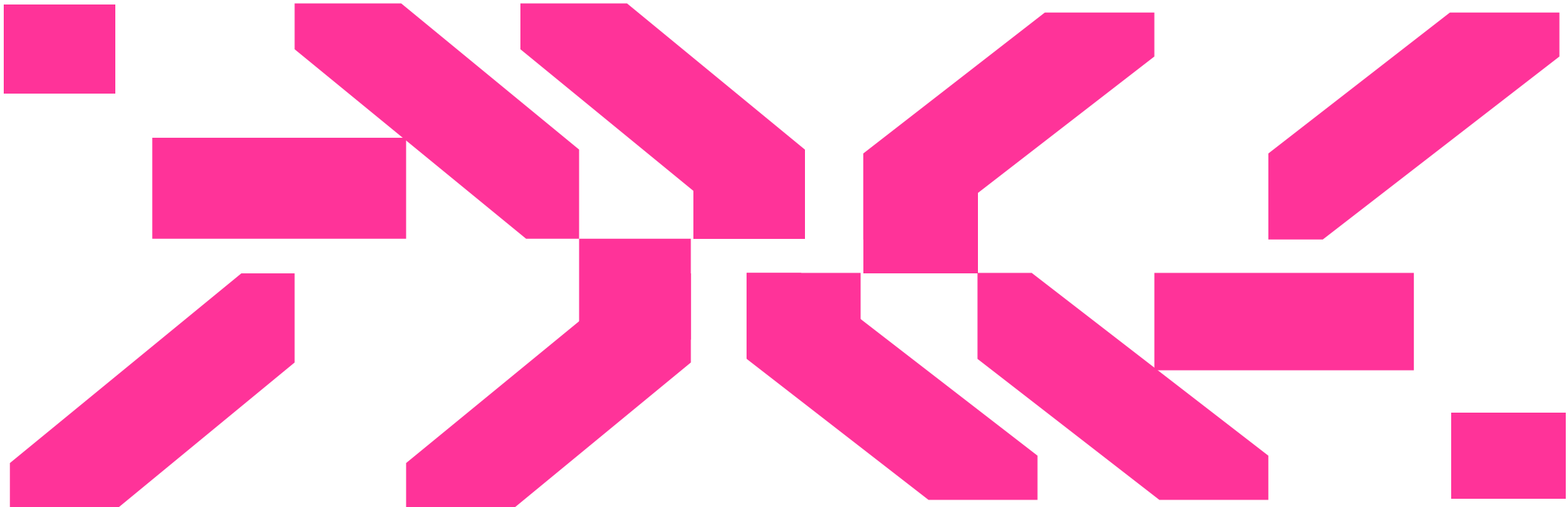


ESG and DEI: Strategies for Communications and Commitment

Debra Sobel
Founder & Lead Consultant
The Purpose Hub



ESG & DEI: Strategies for Communications and Commitment



US law firms
quietly scrub DEI
references from
websites to
appease Trump

Companies must
guard against
over-promoting
their ESG
credentials, GCs
warn

Donald Trump's
US diversity
crackdown reaches
UK: Law firms
adjust policies

Gender gap in law
at risk of widening
amid diversity
pullback

ESG: clients push
law firms on
commitments

Law firm White &
Case scraps global
diversity pledge
amid US legal
pressure

“GCs are being pushed into a paradox: stay silent and risk irrelevance or speak out and risk backlash.”

The Lawyer

/ Clients are watching

/ Talent is listening

/ Reputation is earned - then litigated

"A compelling narrative can do more than report progress: it can help **advance initiatives, reinforce business priorities, and engage a broader range of stakeholders.**

When done well, it can help **embed sustainability more deeply into the business, differentiate the brand, and reach new audience segments."**

Harvard Law School, June 2025

How do we navigate this?/

Think about purpose
Authenticity not optics
Embed into DNA

Deep listening
Reduce risk
Define meaning

Risk free language
Credible comms
Relevant / resonant

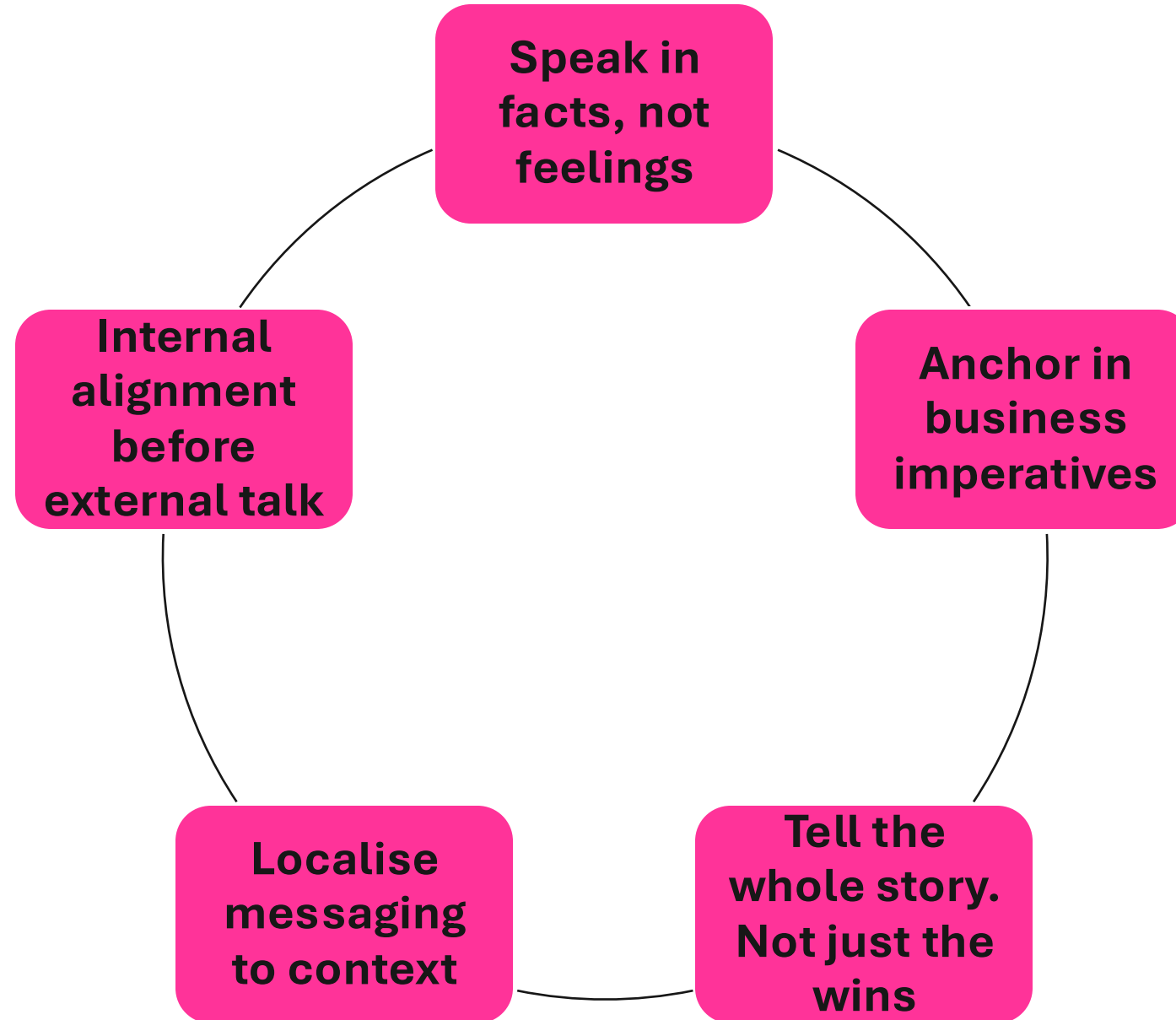
Strategy and integration

**Frameworks and
infrastructure**

**Robust, cohesive
messaging**

Five Communications Principles /

**The
Purpose
Hub /**



Communicating with integrity checklist

Do's

Anchor in purpose

Lead with transparency

Use credible data

Make it human and relatable

Clear language and messaging.
Avoid hyperbole

Set clear boundaries on claims

Focus on 'how' not just 'what'

Use balanced storytelling

Tailor to your audience

Dont's

Linked to compliance only

Hiding challenges

Lack of proof

Complex wording or acronyms

Vagueness or misleading statements with
no context

Unmeasurable or unverifiable claims

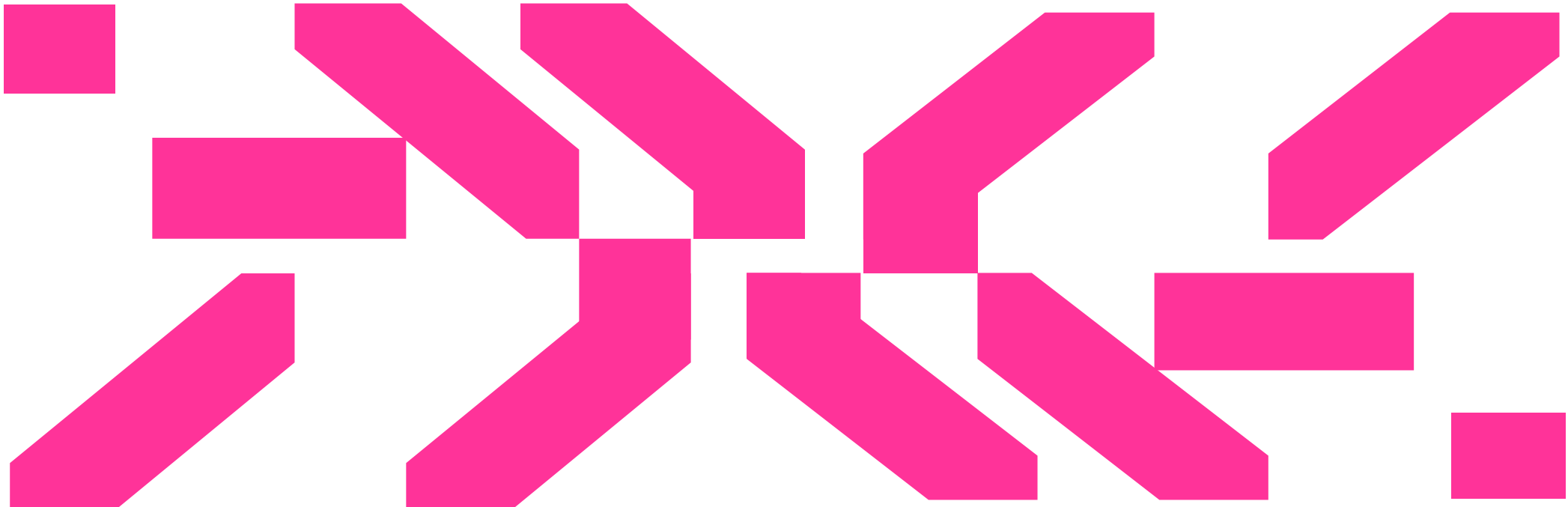
Headlines only, no process

Just report the good / overuse of green
imagery

Generalised communications

“Sustainability isn’t an initiative. It’s not marketing or PR. It’s an important, constant communication about what matters, why we exist, and how we make a difference for people and planet.”

Any questions?
debra@thepurposehub.com



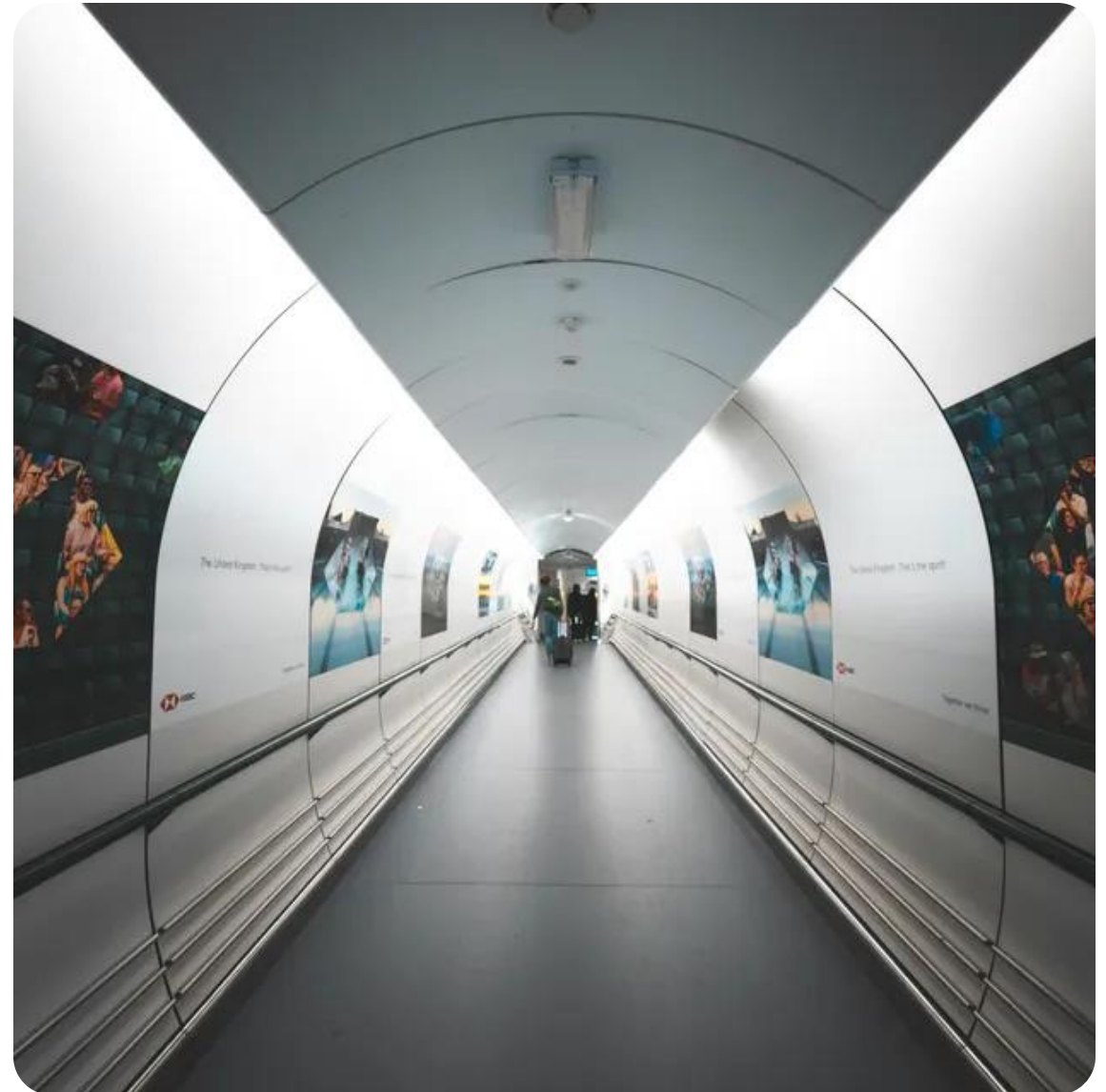
Health and Wellbeing in the Legal Profession

Claire Williamson
Director
Leading Minds Global

Jennifer Dyson-Batliwalla
Global Wellbeing and
Executive Coach
Kennedys

Kate Fergusson
Director of Responsible
Business and
Sustainability
Irwin Mitchell

Chris Owen
Member
International Bar Association



IBA Professional Wellbeing Commission



Legal Educators: supporting legal education providers to integrate wellbeing into their curricula.



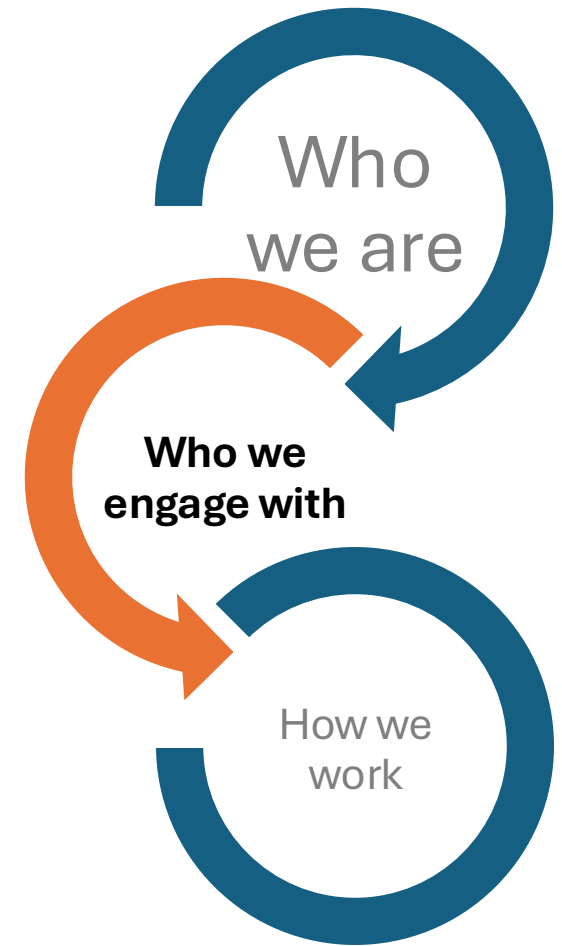
Legal Businesses: supporting leaders to adopt wellbeing best practices in their workplaces.



The Judiciary: supporting the development of best practices for judicial wellbeing.




Bars and Regulators: supporting policy makers to promote professional wellbeing at the systemic level.



The Professional Wellbeing Commission's Wellbeing Report 2024 – Key Themes


A largely **reactive** approach to managing workplace wellbeing


An excessive focus on **individual resilience** as opposed to seeing wellbeing as a **group phenomenon**


A lack of investment in **managerial support** in promoting workplace wellbeing

A New Approach to tackling the Wellbeing Crisis

- Understanding the **links between workplace wellbeing and key business outcomes** (recruitment, retention and performance)
- Understanding the **drivers of workplace wellbeing** (includes developing a sense of trust, inclusion and belonging)
- Understanding that the **quality and effectiveness of managerial support** is dependent on training, access to resources and recognition

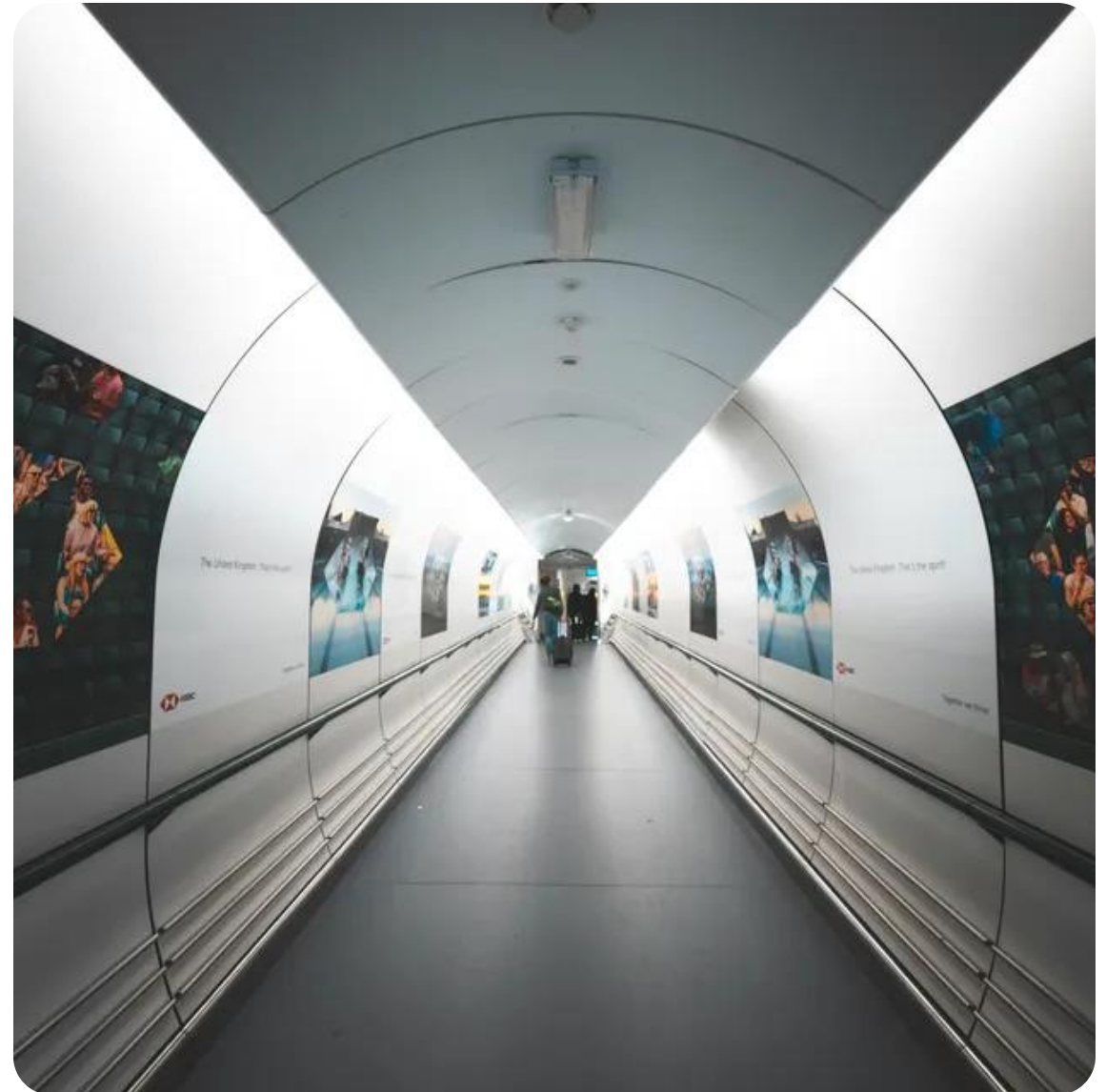
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Irwin Mitchell

Chris Owen
Member
International Bar Association



Latest research: Law firm stakeholder views on responsible business

Lisa Hart-Shepherd

CEO

Lamp House Strategy

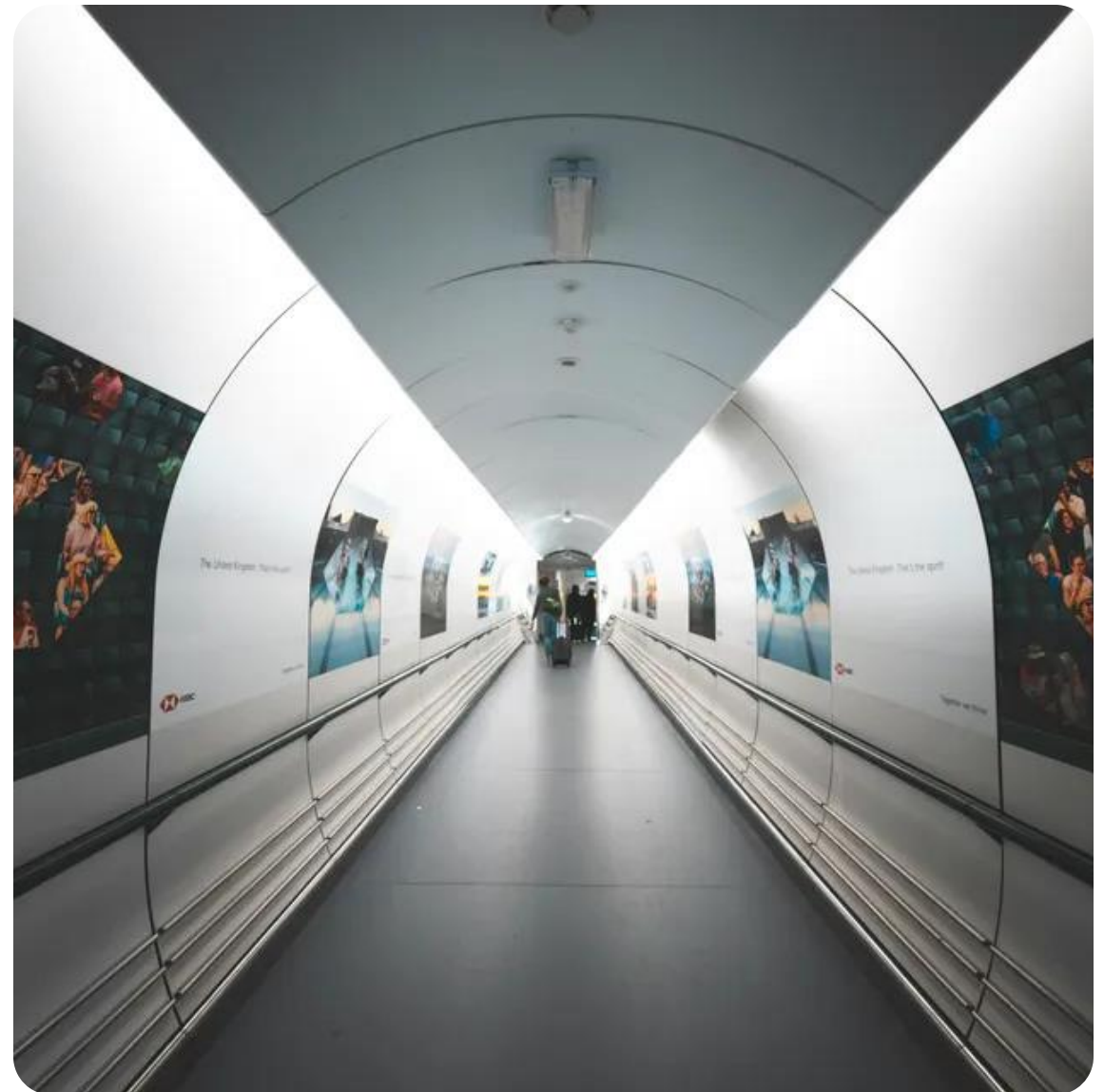
Chief Product Innovation Officer

Chambers and Partners

Jo Summers

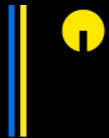
Chief Client Officer

Lamp House Strategy



In partnership with

Chambers
AND PARTNERS



What we will cover

1. Client attitudes to DEI
2. Talent attitudes to responsible business
3. Research schedule and how to get involved

Responsible Business: Client Attitudes

Huge range of attitudes towards DEI across 3,000 clients

"We do not believe in the DEI religion.
We support meritocracy as the
ethos of our organization...
You should remove this question."

"DEI and wokeness do not factor into our
choice in legal representation."

"DEI is the biggest hoax ever invented.
When I purchase legal services, I want
competence and expertise to handle my
matter. I do not care one iota about a
person's skin color, ethnicity, gender, or
who they are sexually attracted to.
All the rest is irrelevant."



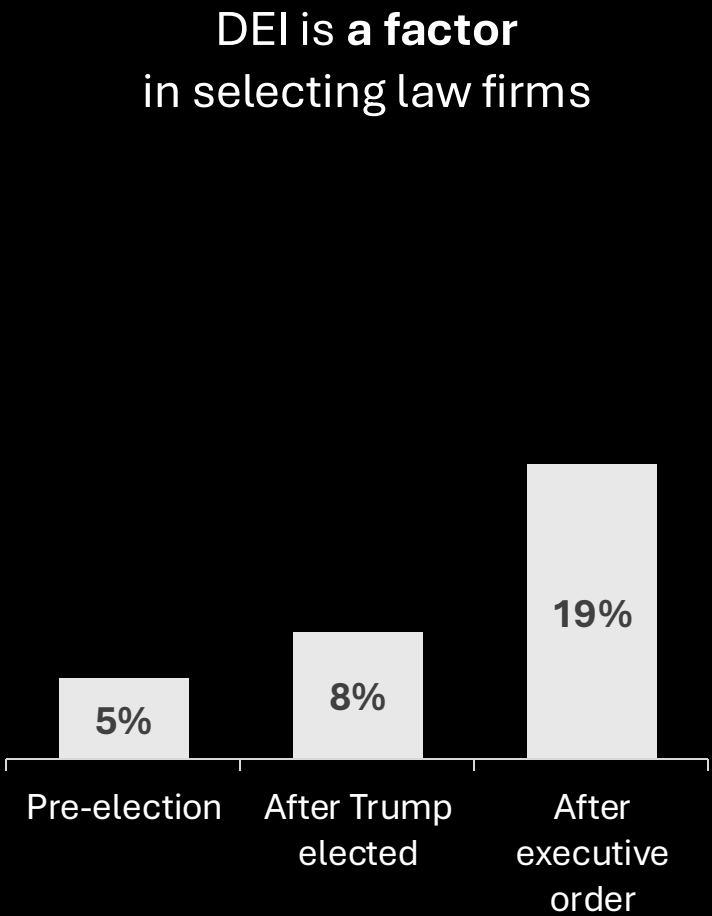
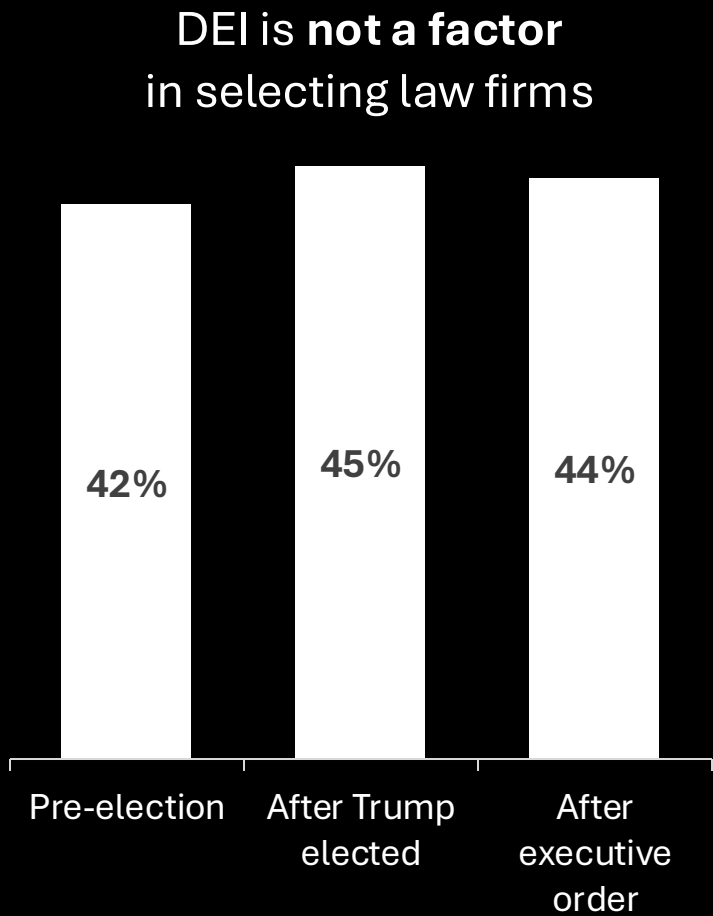
"Diversity is important for getting a full
picture of an issue and bringing different
viewpoints to the tasks. They have a very
diverse team that always makes me confident
that we're getting the best of the best."

"We are committed to DEI in all
our business relationships."

"DEI metrics played a role in our decision to
work with this firm, especially as a global
multi-lingual company. The attorneys we
worked with had an excellent understanding
of diverse topics and international laws,
can speak multiple relevant languages..."

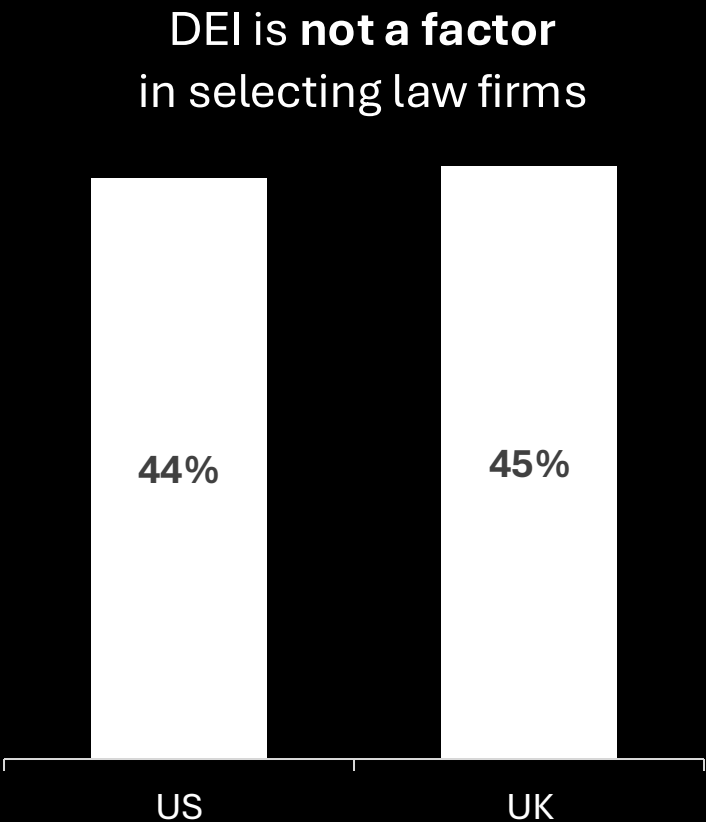
US Clients: Attitudes towards DEI have shifted in the US

Clients interviewed by Chambers – US 2,648 (1,459 pre-election, 788 after Trump elected, 401 after executive order)



Post executive orders, clients have similar views in US and UK

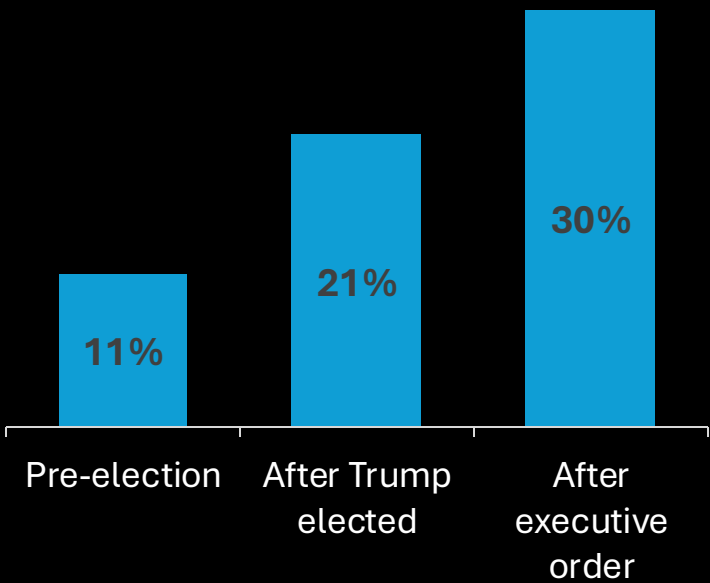
Clients interviewed by Chambers - 401 US / 497 UK



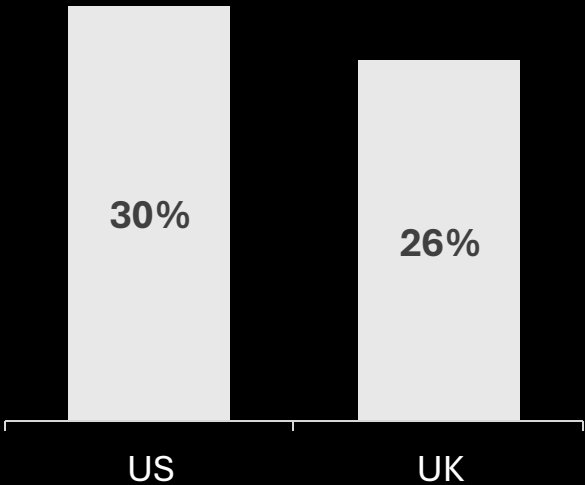
Clients increasingly likely to call out law firms positively for DEI

Clients interviewed by Chambers – US 2,648 (1,459 pre-election, 788 after Trump elected, 401 after executive order), UK 497

Firms perform well on DEI
US over time



After executive order
US versus UK

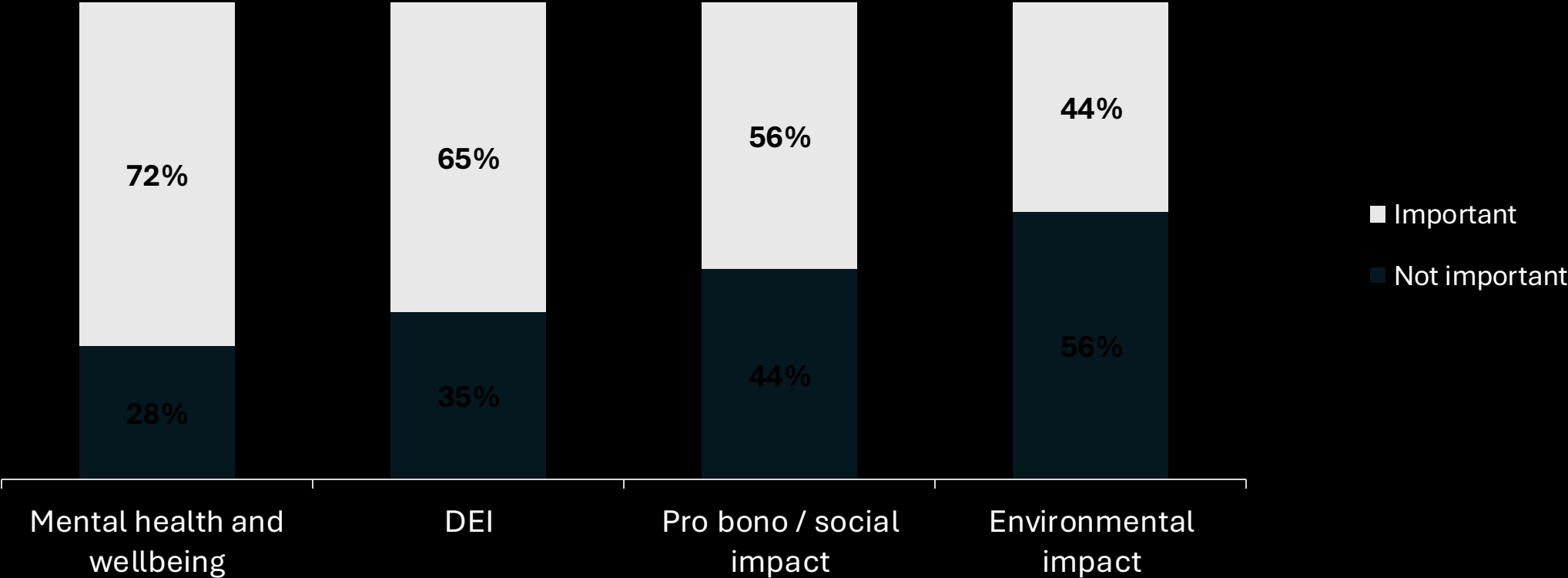


Responsible Business: Talent Attitudes

UK Talent: Mental Health, DEI and Pro bono most important to address

1,000 Associates and Trainees

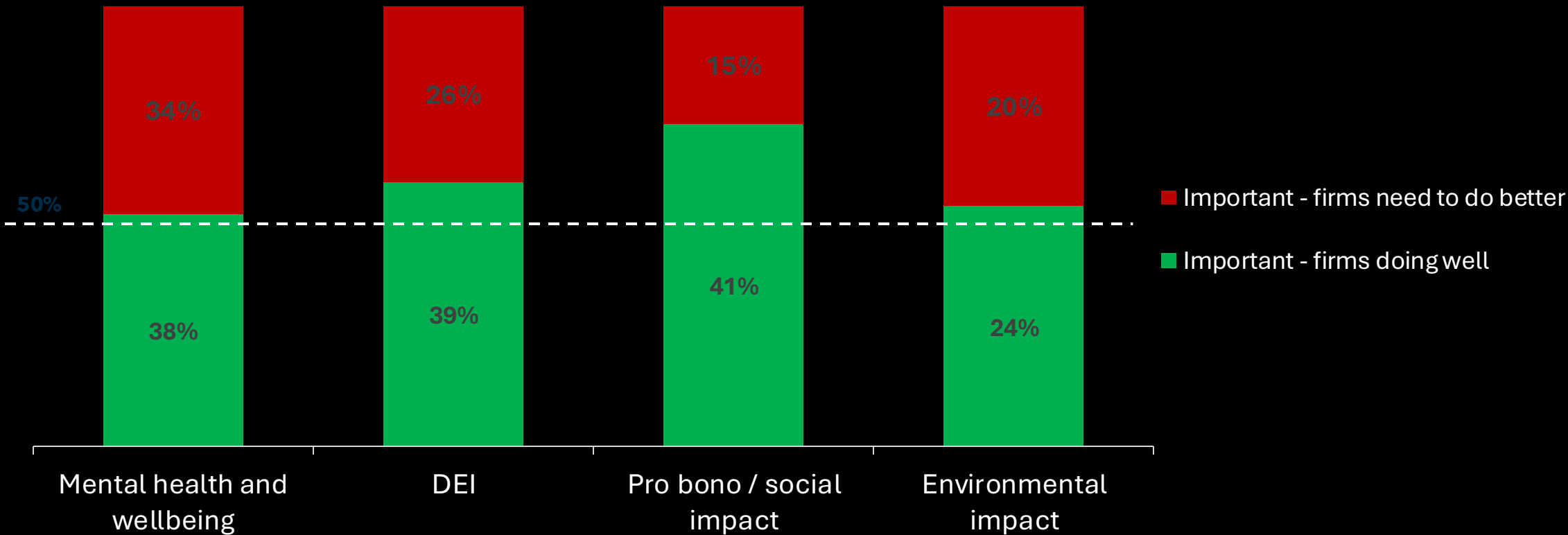
Are these areas important for law firms to address?



UK Talent: Room for improvement across all initiatives

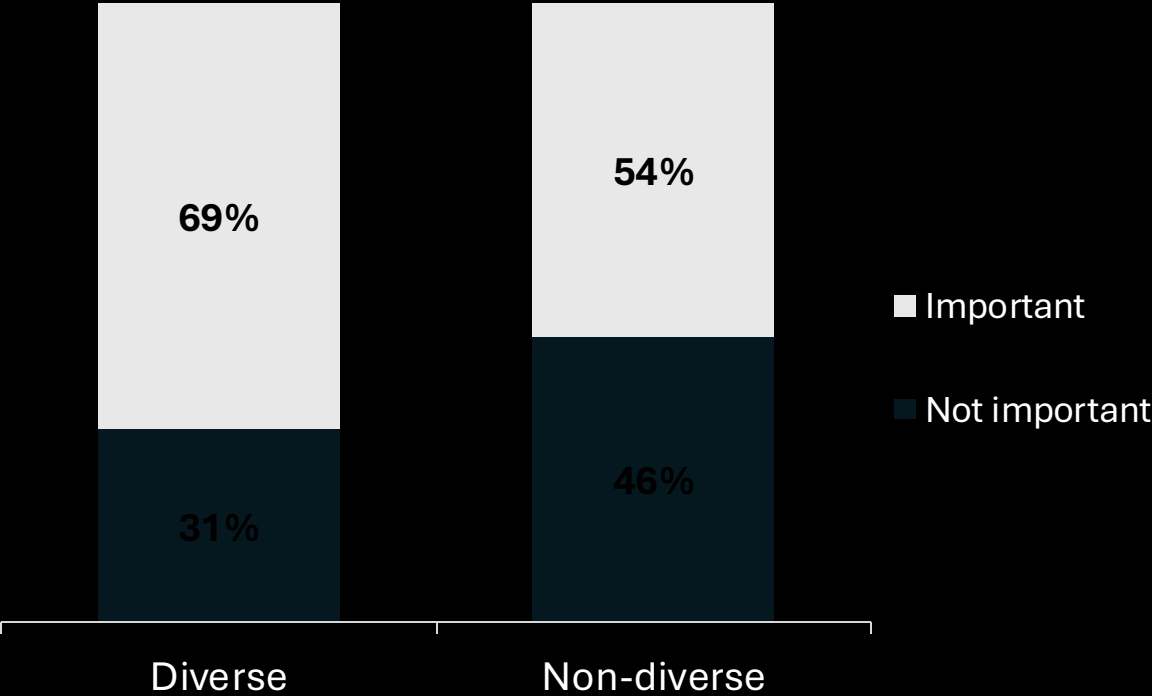
1,000 Associates and Trainees

Are firms doing enough?

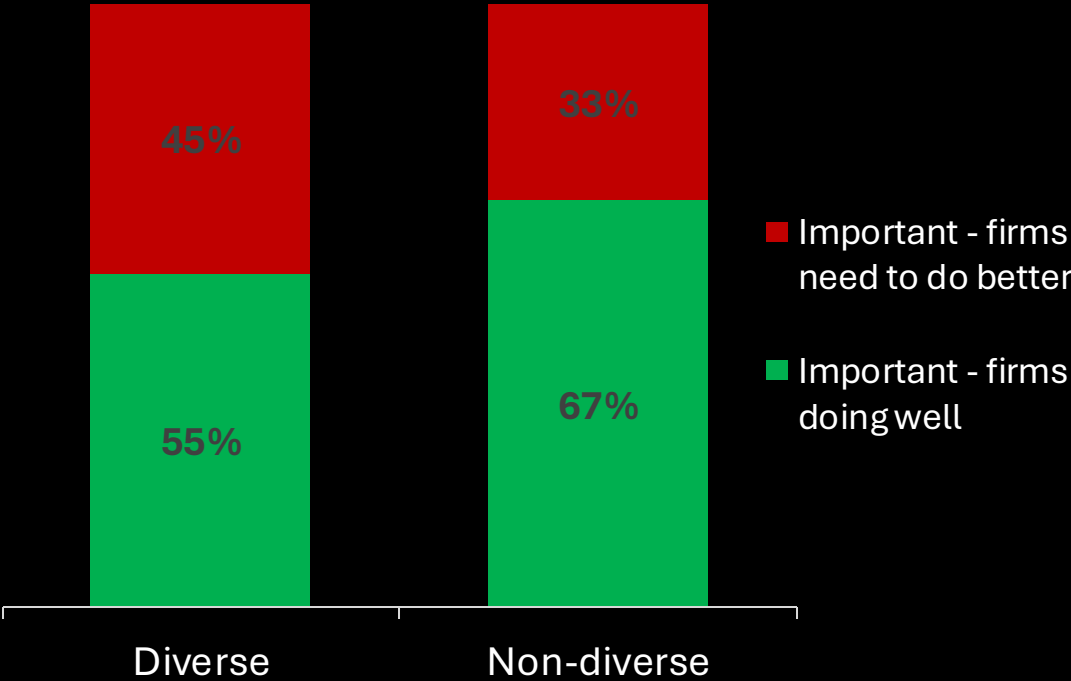


UK Talent: Diverse talent think there is more to be done

Are these areas important for law firms to address?

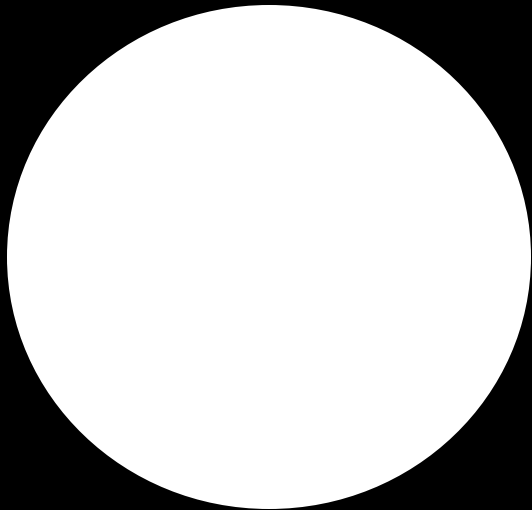


Are firms doing enough?



UK Talent: Most popular suggestions for improvement

Mental health



DEI



**More diverse
recruitment**

**Pro bono /
social impact**



**Do more /
count
towards
targets**

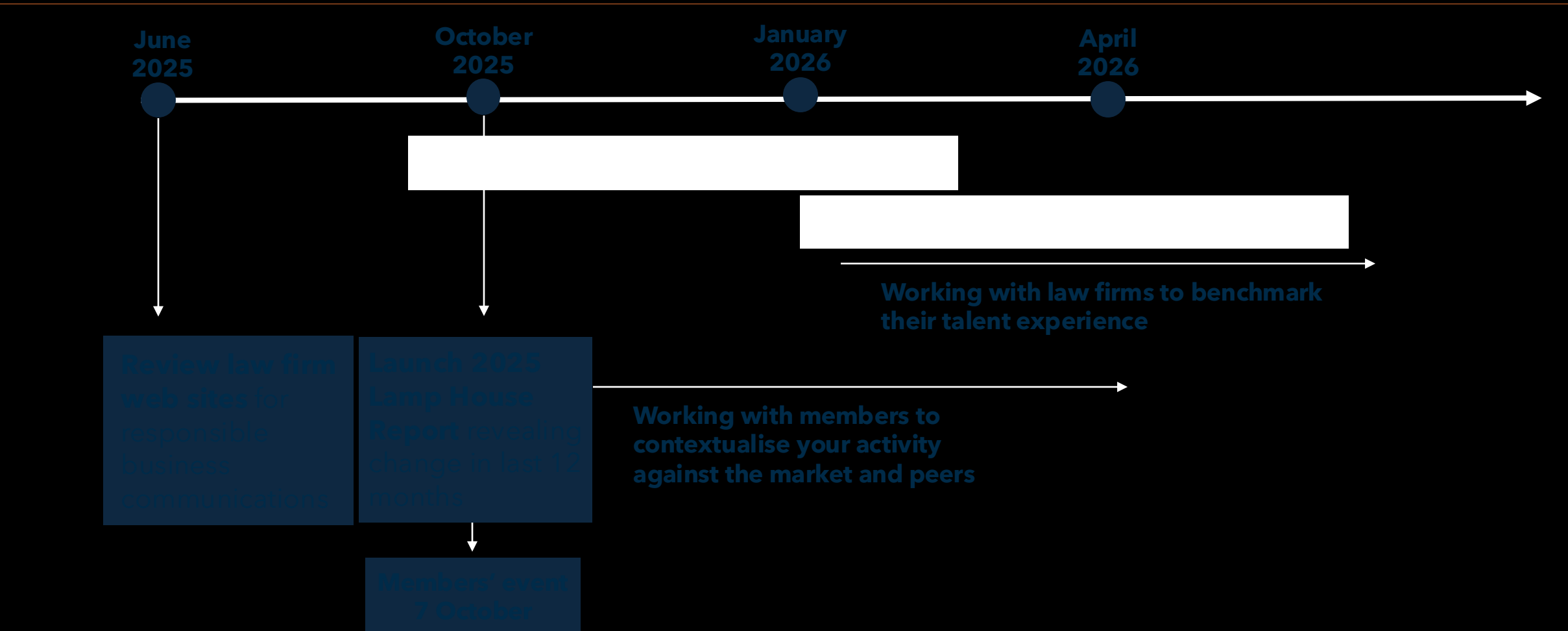
Environment



**Waste
reduction**

Research schedule and how to get involved

Benchmarking law firms - 2025 Research Schedule



PM NETWORKING COFFEE BREAK



Panel of Law Firm CSOs / Responsible Business Leaders: Sharing Best Practices and Next Steps

Mary Peterson

Head of Responsible
Business

Addleshaw Goddard

Max Finney

Senior Sustainability
Manager

Shoosmiths

Kate Hursthouse

Head of Responsible Business

Kennedys

Aragon St Charles

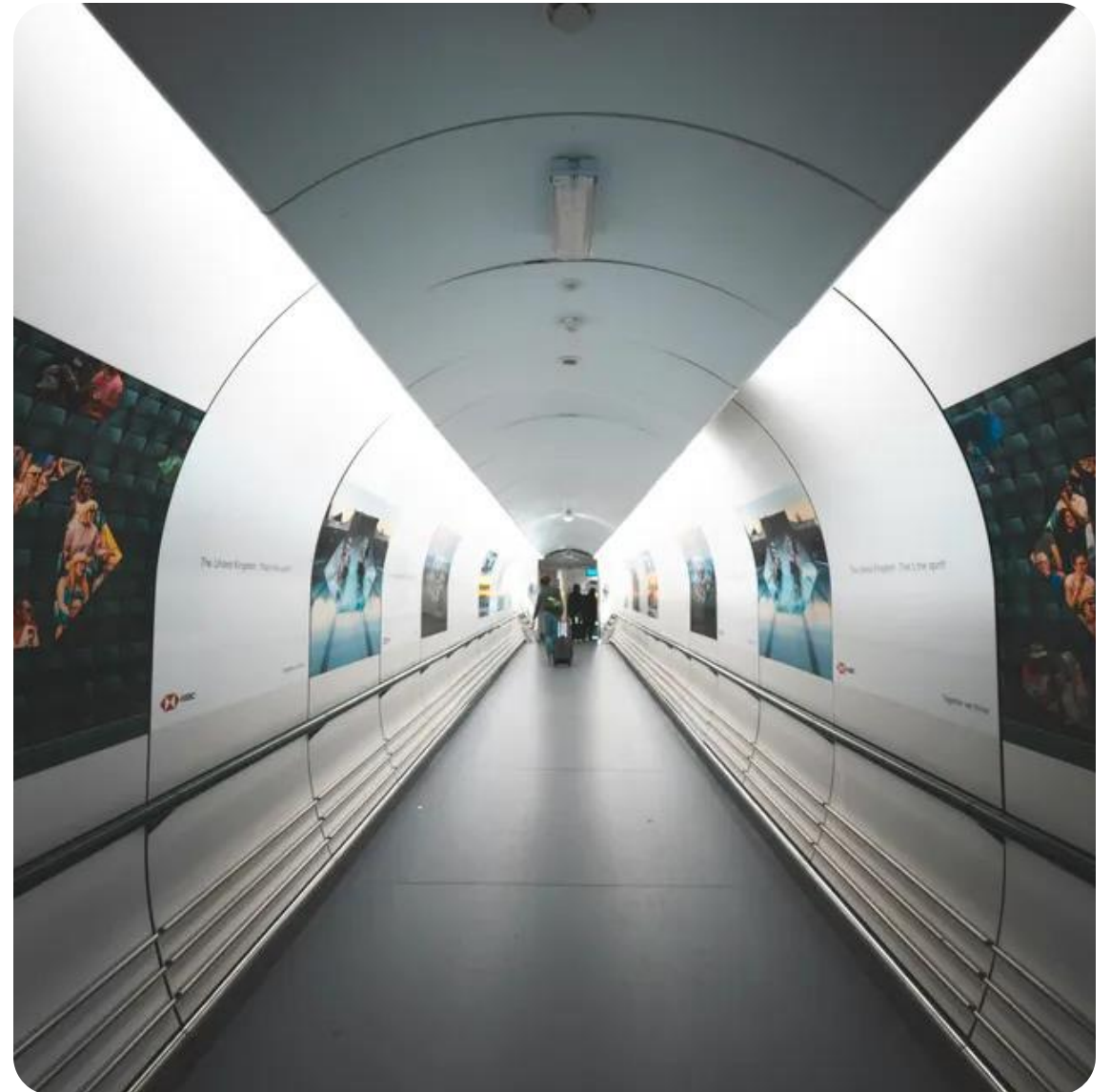
Global ESG Officer

Dentons

Paddy Linighan

Chief Sustainability
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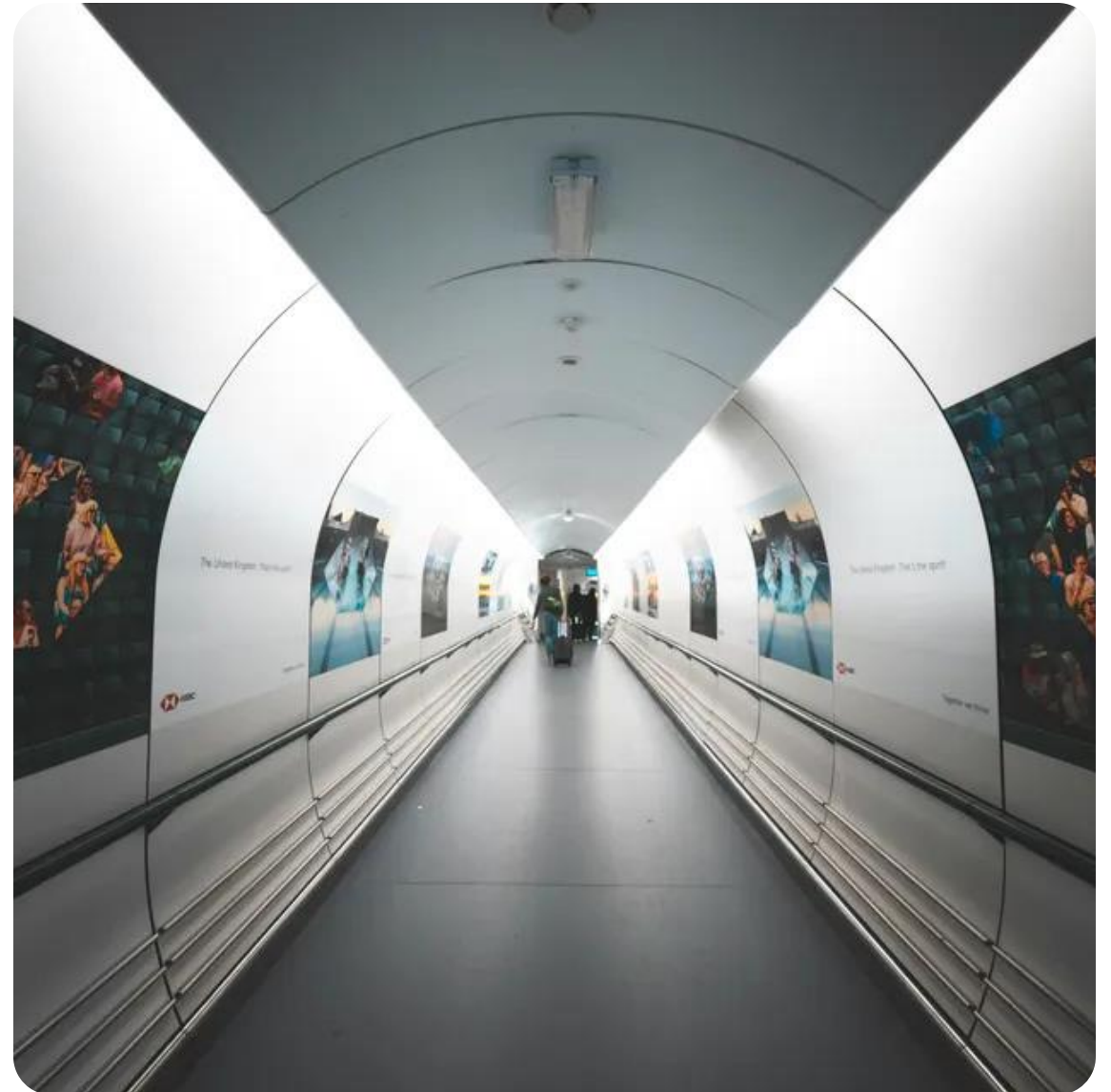
What are your Key Take-Aways from today's sessions?



What topics were missing? What should we be sure to cover next year?

Chairperson's Closing Remarks

Mary Peterson
Head of Responsible Business
Addleshaw Goddard



DRINKS / NETWORKING RECEPTION



THANK YOU

Our supporting partners:



Tell Us What
You Think

Thank you to our speaking faculty, and those who have helped develop the agenda, themes, and discussion topics for lending their time and expertise to this program

For more information on our full range of programming, publications and thought leadership, please visit www.insidepractice.com

LEGAL ESG: London | **Day 2:** In Practice

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