

# Doing business sustainably

Environmental, Social and Governance (ESG)



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In a relatively short space of time, ESG factors have moved from being a niche concern to a strategic board level priority across all sectors and jurisdictions. No matter if you are a financial institution, an energy company, or a tech start-up – all companies with a future must now focus on ESG as a business imperative.

The market driven response to an increased awareness of ESG issues has led to regulation impacting all types of organisations. With a current focus on climate change, central banks, regulators and policy makers across the world have been responding to the consequent financial stability risk with unprecedented levels of standards, regulation, and legislation. The impact of this represents wholesale economy change, with the purpose being two-fold: (1) ensuring the stability of the financial system (managing risk) while (2) encouraging capital allocations towards sustainable investments to support the low carbon transition (positive change).

Whilst the impact of ESG regulation is undisputable, the current and future business and investment environment provides for new opportunities. We are currently experiencing a fundamental and global shift in the positioning of all products and services of all businesses. CMS's global scale, sectoral focus and client base gives us a unique perspective to advise organisations and their boards on issues that will define their success in being ready for the changes brought about by ESG factors. Our dedicated ESG practice brings together experts from across our firm to help clients navigate this future facing and constantly evolving area of law.





## ***Sustainability as an opportunity***

While our insight helps you audit ESG risks, it also helps you focus on new opportunities and markets in this area while securing a more sustainable future for us all. Whether you are looking at how you run your own

business sustainably, adapting your products and services or taking advantage of new market opportunities, CMS has experts with the right expertise.



## ***Encountering Regulation***

A cross-practice team of regulatory specialists monitors key guidance, consultations and regulations across multiple jurisdictions to ensure an organisation is anticipating, not just

responding to, the legislative landscape around ESG. With new regulatory obligations for many, preparation and an eye to the future is key.



## ***Risk, resilience and reputation***

Companies are under increasing pressure to conduct their business in a more ethical, sustainable and climate friendly way. Failure to comply with ESG criteria can have significant legal, reputational and financial consequences

and CMS can advise on what the risks are, and how to mitigate them. It's not just about compliance – sustainable organisations are also likely to be more resilient to future disruption.





# Case studies

## ***Leveraging the power of green bonds***

In February 2021, the Development Bank of Southern Africa (DBSA), successfully issued the first green bond in its Green Bond Framework.

The EUR 200m bond was issued through a private placement with the French development finance institution, Agence Française de Développement (AFD). The DBSA green bond issuance will be applied to projects that contribute to climate mitigation and/or adaptation, that are aligned to South Africa's National Development Plan' (NDP) objective of an "environmentally sustainable and equitable transition to a low carbon economy" and that are aligned to the Sustainable Development Goals. This is a sizeable and highly innovative matter with significant corporate law elements.

Green bonds aim to raise funds for environmentally aligned sustainable development projects and could thus play an important role in aiding the African continent in the mitigation of, and adaptation to, climate change risks. Our work on green bonds, green funds and sustainable finance disclosure requirements is market leading and is helping to shape the response of institutions to these business critical requirements, and helping to export the leading experience of Europe to the USA, Asia and Africa.



With more and more green bonds and sustainability-linked bonds being issued around the world, sustainable finance actively contributes to the transition to a low-carbon economy.

*Marc-Étienne Sébire, Partner at CMS*



Sustainable finance is an area of strength for the firm, including work on green funds, green bonds and sustainable finance disclosure requirements.

*Legal 500, Global Green Guide 2022*



## ***The smartest building in the world: The Edge in Amsterdam***

The Edge Amsterdam-West is a large office building under construction in Amsterdam.

The office complex uses smart technology to create adaptable and intelligent work spaces that use significantly less electricity than comparable buildings. It has been labeled 'the smartest building in the world' by the media given its green credentials and use of technology. CMS advised Korean investor Hana Alternative Asset Management (HAAM) on the EUR 250m acquisition and development of Edge-Amsterdam West. A full service team combined its sector and technical experts to deliver a one-stop-shop for all their legal needs. This included:



property law



financing



planning and zoning



insurance



intellectual property law



acting as notary for completion



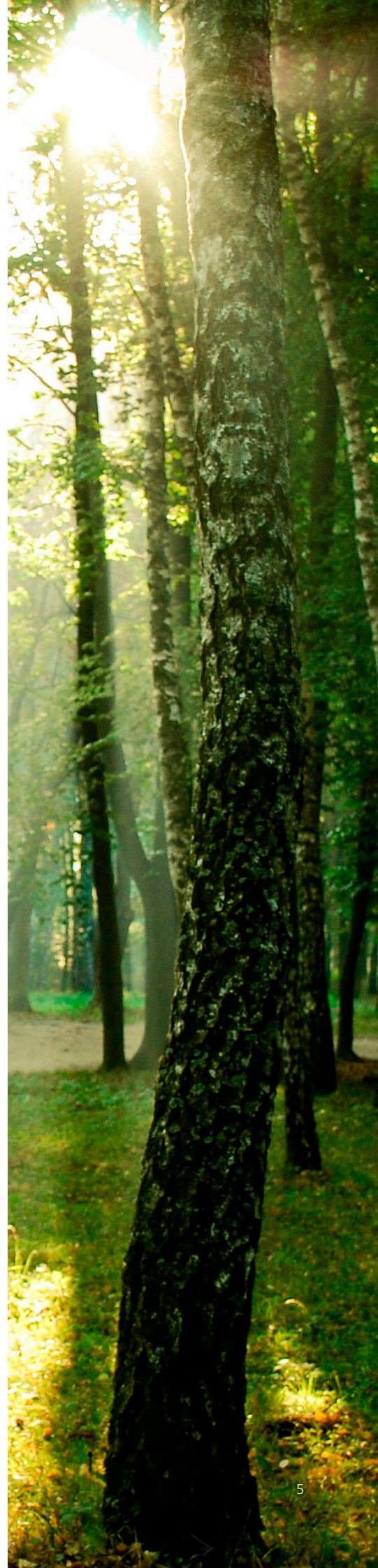
lease law



development/  
construction law



energy law



# CMS at a glance



They're especially good at multidisciplinary matters where different partners have to work together on different projects, and they do this seamlessly.

*Chambers Europe 2021*



## Top Tier in:

### » Retail Funds (UK)

*Chambers Global 2022*

### » Energy & Projects

*Europe-wide, Chambers Europe 2022*

### » Employment

*Europe-wide, Chambers Europe 2022*

### » TMT: Media

*Europe-wide, Chambers Europe 2022*

### » Real Estate Investments Funds

*UK, Legal 500*

## Tier 2 in:

### » Real Estate

*Europe-wide, Chambers Europe 2022*



The firm also stands out for its excellent network of offices throughout continental Europe, which is strengthened by its presence in Asia, Africa and Latin America.

*Insurance sector, Chambers Global 2021*



## Recommended Firm

*Legal 500, Global Green Guide 2022*



Excellent multi-jurisdictional regulatory knowledge which they deliver in a very user-friendly manner to clients.

*Investment Funds & Asset Management, Chambers 2021*



Their outstanding ability to understand the client's business and address risks before the client knows those risks even exist.

*Chambers Europe 2022*

**CMS ARE DEVOTED TO HIGH-QUALITY WORK AND CAN PROVIDE LEVERAGE THROUGH THEIR INTERNATIONAL PRESENCE. CHAMBERS GLOBAL 2022**

# Highlights of our experience



## ***Environmental***

### **UK's first zero-carbon industrial cluster**

on the UK's most advanced carbon capture project in the UK's first zero-carbon industrial cluster. BP, Eni, Equinor, Shell and Total have formed a consortium and assumed leadership of the Net Zero Teesside Project.

### **Aviva Investors**

on the launch of Aviva Investors' GBP 425m flagship climate transition fund investing into climate transition focused real estate, infrastructure and forestry assets in the UK and Europe, through a range of specialist Luxembourg funds.

### **Volkswagen**

on the establishment of a joint venture with Enel X, Enel Group's advanced energy solutions division, to build an extensive e-mobility charging network in Italy. The joint venture will build and operate a high-power charging network in Italy between 2021 and 2025.

### **Mowi ASA**

a world-leading Norwegian food company in the seafood sector with a new EUR 1.8 billion sustainability-linked facility.



## ***Social***

### **Ion Beam Applications**

represented this leading worldwide manufacturer of complex medical systems aimed at fighting cancer on a public procurement tender regarding maintenance service.

### **Primark**

on the establishment of its business across the CEE region (establishing working regulations and policies, drafting employment contracts, setting up recruitment and payroll processes, data protection, and on all day-to-day employment issue).

### **Royal Library**

on the procurement of a collective national library system for all libraries in the Netherlands, which included setting up a foundation and drafting agreements.

### **The World Bank**

on the existing legal framework in Bolivia regarding digital identity.



## ***Governance***

### **An internationally leading supplier of integral lighting solutions**

on posting workers to multiple jurisdictions and creating a matrix indicating risks related to regulations governing expatriate issues.

### **International manufacturer**

on Greenhouse gas (GHG) and non-financial reporting obligations at EU and UK levels. Advice included Article 8 of the Energy Efficiency Directive, ESOS and CRC.

### **A leading global airline**

on a compliance assessment project of organisational structures around the globe.

### **An Australian medical device company**

on anti-bribery and regulatory risks advice across multiple jurisdictions in Europe and Asia.





# Embracing change, anticipating disruption



## MyGreenerFootprint

MyGreenerFootprint is a CMS-built app that will help people explore how green their lifestyles are and reduce their impact on the environment. It is a fun way of encouraging changes in behaviour that we can all make at home and in work. It focuses on five areas: Food, Travel, Recycling, Energy, and Things.

For everyone who downloads the app, we will commit to plant a tree in a sustainable reforestation project thanks to our partnership with PrintReleaf.

Built by our own in-house Business Applications team, the app can be downloaded by everyone on the [Apple App store](#).

Small steps make a big difference, so we hope that if all those downloading the app commit to improve their score by 10%, it will play a part in supporting positive action to address climate change.



## RegZone

RegZone provides you with expert analysis and daily news from the fast-changing world of European financial institution regulation. The award-winning platform hosts a substantial online research resource and a flexible email service, tailored to your needs. Access it at [cms-lawnow.com/regzone](https://cms-lawnow.com/regzone)



## ESG Clause Audit

Using the latest AI technology CMS is conducting an audit of its contracts across key sectors and areas of law to identify trends and opportunities for refinement in clauses associated with climate change and ESG. This is helping us build unique insights into the impact of climate change on the regulatory and commercial environment. It also gives us the opportunity to identify areas where contract automation and time saving may be possible to benefit clients. As this project evolves we will be able to share the technology with clients to support them in achieving similar legal efficiencies and insight.



## Sharing Know-How

Our international team uses experience gained around the world to help us develop the best solutions for clients. We regularly share our knowledge on ESG developments and trends, producing thought leadership publications and expert guides, articles and news on key issues and legal changes across a variety of jurisdictions and sectors.



# Market intelligence

We keep a close eye on developments and trends in this ever-changing ESG space.

## CMS Insight



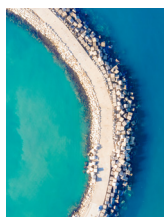
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## Anti-corruption Zone



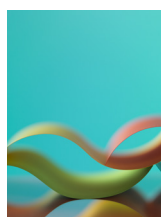
The [Anti-corruption Zone](#) brings together information on bribery, money laundering and prosecution policy, helping businesses to stay ahead of developments in this rapidly evolving area of law.

## COP26 hub



What does the Glasgow Climate Pact mean for businesses? What about the many other initiatives announced at COP26? And what's next, as governments contemplate a crucial decade for climate change? The CMS [COP26 hub](#) brings together analysis and commentary.

## Gender pay gap toolbox



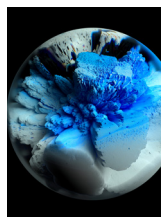
The [Gender Pay Gap toolbox](#) contains guidance, resources and practical tips to help your organisation tackle the complexities of analysing and measuring your gender pay gap.

## Advising the Board on risk issues



[Short focused reports](#) taking a commercial as well as legal view on a comprehensive range of commercial risk issues.

## Keep in touch



Follow us on LinkedIn [CMS ESG](#) where we share our events, publications, news and latest developments on ESG.



# Sustainability at CMS

At CMS, we strive to contribute our share to sustainable business practices, both in our legal advisory, but also in our internal organisation.

## We assume responsibility

We are committed to creating a positive, inspiring and healthy working environment for all our employees. A culture based on openness, tolerance, respect and loyalty, with diverse and committed staff, is at the core of our firm. We promote people and organisations that make an effort towards shaping an inclusive and sustainable society.

## Aligned to the UN Global Goals for Sustainable Development

Underpinning our approach to responsible business, is our support of the **UN Global Goals** – a set of 17 goals for government, business and individuals that address the greatest challenges of our time. By supporting these goals, we are working together with the aim of ending poverty, protecting the planet and enabling prosperity for all.

## THE GLOBAL GOALS

For Sustainable Development



## The UN Global Compact

CMS is a signatory to the UN Global Compact, reinforcing our commitment to implement universal sustainability principles and to support UN goals.

As a signatory of the UN Global Compact, we are part of the world's largest corporate social responsibility initiative and are committed to meeting our business responsibilities in four areas: human rights, labour, environment, and ethics/anti-corruption.

In August 2021, we successfully filed our first report with the UN which tracks the progress we have made in these four areas over the last year.



## The Americas

Bogotá  
Lima  
Mexico City  
Rio de Janeiro  
Santiago de Chile

## Europe

Aberdeen	Edinburgh	Lyon	Sarajevo
Amsterdam	Frankfurt	Madrid	Sheffield
Antwerp	Funchal	Manchester	Skopje
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Bristol	Leipzig	Paris	Utrecht
Brussels	Lisbon	Podgorica	Vienna
Bucharest	Liverpool	Poznan	Warsaw
Budapest	Ljubljana	Prague	Zagreb
Cologne	London	Reading	Zurich
Duesseldorf	Luxembourg	Rome	



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