

Environmental, Social and Governance (ESG)

As investors and other stakeholders increasingly factor ESG criteria into their decision-making, mandatory and voluntary environmental, social and governance efforts have become a significant focus for companies. Skadden takes a cross-disciplinary approach, drawing on attorneys from varied practice groups and offices who share their robust knowledge of this evolving field with clients seeking advice on ESG-related issues.

While global standards surrounding ESG have not been set, our attorneys closely follow the shifting landscape, as well as how this diverse, growing and increasingly important element of modern business will factor into transactions, long-term strategies,

and business operations and public disclosures.

Our team monitors rapidly changing ESG trends and advises companies on implementing a variety of ESG measures to enhance the long-term success of their businesses. We work with our clients to determine how ESG initiatives can positively impact their organizations — from increasing workforce diversity to strengthening corporate governance and improving environmental sustainability — and counsel on the risks and effects these may have on a company's business outlook, as well as on its investors, customers, employees and communities.

We represent a variety of clients on ESG matters, including boards of directors, management and other stakeholders, financial institutions, private equity firms, technology and manufacturing entities, and public and private companies. Areas on which we have advised include:

- Regulatory reporting and compliance, including disclosure requirements imposed by the EU, such as the Sustainable Finance Disclosure Regulation, the SEC and stock exchanges.
- Stakeholder analysis and ESG engagement.
- Investor reporting and activism.
- Transaction due diligence and disclosure.
- Cybersecurity and data resilience.
- Engagement with ratings agencies.

- Litigation, including advising on and defending against civil and criminal claims brought by non-governmental organizations, as well as in human rights arbitration.
- Investigations brought by legislative bodies, including U.S. congressional hearings and executive accountability hearings before U.K. parliamentary committees.

More specifically, our work in each area has focused on:

Environmental

- Climate change risk disclosure.
- Sustainable finance, including green bonds.
- Green IPOs and equity offerings.
- Green fund investments.
- Greenwashing and related regulatory disclosure.
- Investigations and enforcement actions brought by the Environment Agency U.K., the European Environment Agency and the United States Environmental Protection Agency.

Social

- Human capital management disclosure.
- Diversity, equity and inclusion in management and boards.
- Employee representation, including employee representative bodies.
- Equal pay audits and compliance with equal pay legislation, including reporting and strategies to reduce/eliminate the gender pay gap.

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- Supply chain matters, including compliance with the U.K. Modern Slavery Act.
 - Workplace conditions.
 - Remuneration structures (for executives and employees) and employee share plans.
 - Social bonds.

Governance

- Executive compensation linked to ESG metrics.
- Compliance frameworks and regulatory risk management.
- Reporting frameworks and whistleblowing investigations.
- Crisis management, continuity and reputational risk management.
- Board oversight of ESG.
- Other investigations and enforcement.
- Shareholder proposals on ESG matters.
- Investor, proxy advisory firm and other stakeholder engagement on ESG matters.
- Shareholder activism and proxy fights relating to ESG matters.