

Legal advice for an ethical brand – Why ESG should keep you up at night

2022 ACC EUROPE ANNUAL CONFERENCE

22-24 May
Madrid, Spain

Nicolas Taylor

JLL & JLL Legal, Ethics & Compliance team



- JLL (Jones Lang LaSalle Incorporated)
 - NYSE, Fortune 500, Ethisphere®World's Most Ethical Companies®
 - Leading professional services firm that specializes in real estate and investment management
 - 2021 revenues \$19.4bn, 80 countries, 100 000 employees
 - JLL shapes the future of real estate for a better world
- Legal Ethics & Compliance team
 - 240 professionals globally, 70 in EMEA
- ESG working group
 - 30 lawyers
 - 3 subgroups
 - Client & Workplace – carbon zero
 - People – inclusion
 - Governance

JLL global sustainability strategy



Our purpose: We shape the future of real estate for a better world



Climate action

We take urgent climate action that accelerates the transition to net zero, enhances performance, mitigates risks and helps shape a better world

Targets:

- Achieve net zero carbon emissions across scopes 1, 2 and 3 by 2040
- Remove single-use plastics
- Institute water management plans in all high water-stress areas
- Support transition to a circular economy through piloting zero waste fitouts



Healthy spaces

We create safe and healthy spaces that promote productivity, wellbeing and sustainability

Targets:

- Improve the wellbeing of the JLL team
- Reduce JLL's Accident Severity Rate and achieve an above industry safety culture score
- Upskill sustainability competencies
- Green and diversify our supply chain globally



Inclusive places

We provide fair and inclusive places that create positive social impact and equal opportunities

Targets:

- Achieve best-in-class inclusion
- Balance the gender of leadership
- Expand contribution of employee time in the community
- Donate at least 1% of pre-tax profit to charity annually
- Align 75% of community activities to JLL's six priorities

How we deliver impact



Being a responsible business



Harnessing the power of our people



Driving change through client solutions

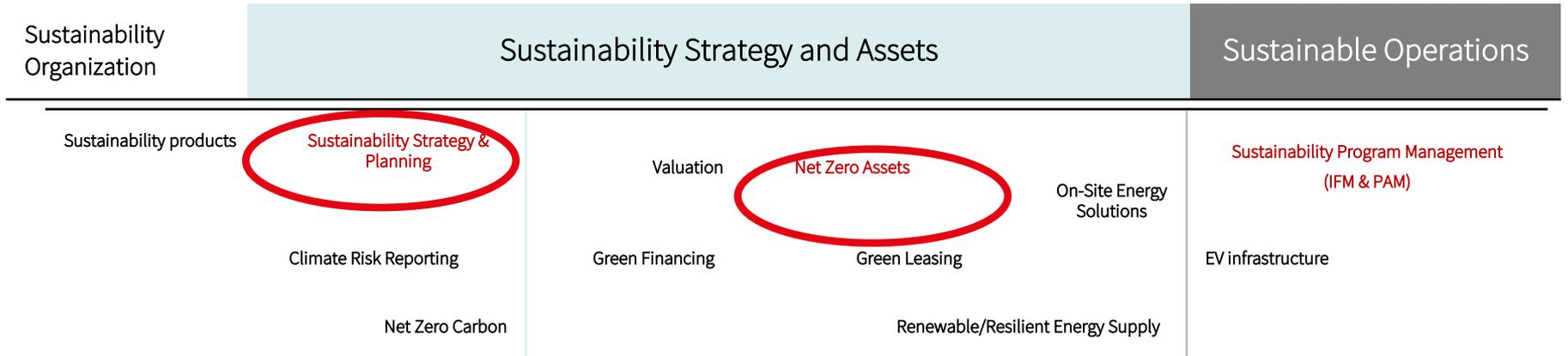
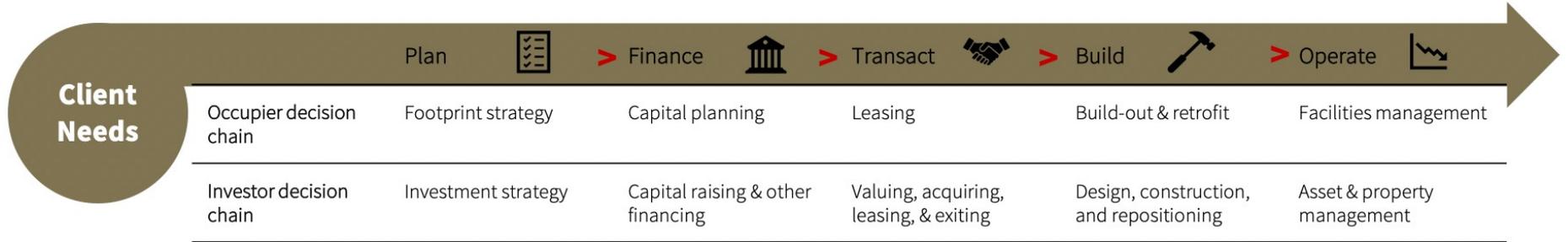


Advocating for a better real estate sector

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Addressing client value chain across asset life cycle



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ACC Europe ESG work group:

Mark Maurice -Jones and Yves Heijmans

Contact: europe@accglobal.com

Esteban Mezzano

*General Counsel Operations & Sustainability
Nestlé Headquarters (Switzerland)*

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Nestlé at a glance in 2021

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Providing
safe, quality
nutrition
over more than
155 YEARS

2 000 +
BRANDS
worldwide

Around
276 000
employees

Number
of countries
we sell in
186

354
FACTORIES
in 79 countries

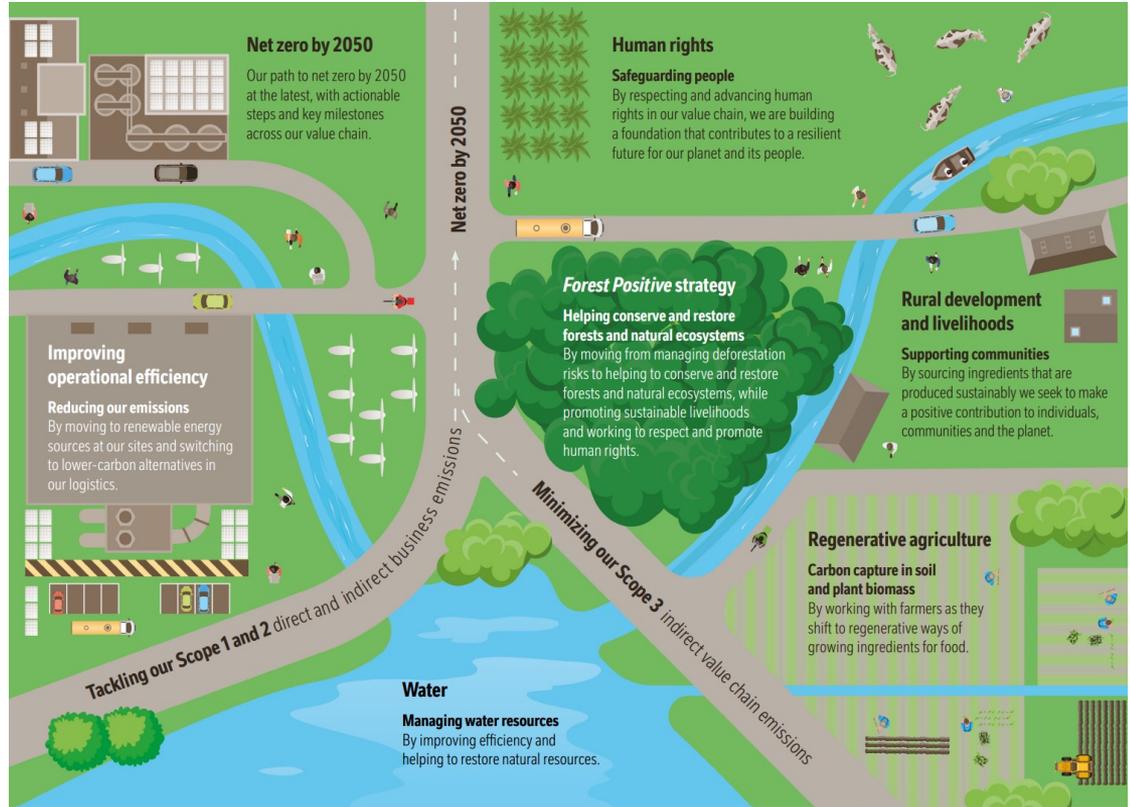
CHF 87.1
BILLION
Group sales
in 2021

1 BILLION
NESTLÉ
PRODUCTS
SOLD
EVERY DAY

Nestlé approach:

Creating Shared Value

Benefitting people,
nature and the
climate through
systems thinking



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Stephan Lührmann O. Partner CMS Carey & Allende (Chile)

Head of ESG Practice Chile

Head of Dispute Resolution (regulatory, environmental) Practice, Chile

Member of ESG Task Force / Head of ESG LatAm Group

CMS Task Force

International presence: UK, Germany, France, Norway, Bosnia and Herzegovina, Chile, Colombia, Croatia, Hungary, Luxembourg, Austria, Netherlands, Poland, Portugal, Serbia, South Africa, Spain, Romania, Turkey, Italy, Switzerland

Sector-Focused ESG Advice

Doing Business sustainably

Exchanging know-how and ideas on ESG Topics

Contact: stephan.luhrmann@cms-ca.com

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ESG Steering Committee



Joachim Kaetzler
Banking & Finance; Compliance
Frankfurt



Laura Houët
Banking & Finance; Funds
London



Döne Yalçın
Corporate/M&A
Istanbul



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Tax; Private Clients
Stuttgart



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Environment
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Serbia

Ivana Blagojević

South Africa

Pieter van Welzen

Spain

Ignacio Grangel

Romania

Ana Radnev

Turkey

Alaz Eker Undar
Döne Yalçın

Italy

Dietmar Zischg

Switzerland

Marquard Christen

Sector-focused ESG advice

At CMS, our approach is integrated and multidisciplinary

Environmental	Green lending, bonds and loans	Energy transition	Renewable energy	E-Funds	E-mobility	Biodiversity	Climate change
Social	Social lending, bonds and loans	Fair labour conditions	Supply chain management & <i>modern slavery</i>	Diversity & Inclusion	Fair taxation	Fair pricing	
Governance	Corporate governance	Integrity and compliance management	Anti-corruption	Whistleblowing	Corporate transparency and ownership	ESG reporting and disclosure	Director's duties and ethics

Doing business sustainably



Sustainability as an opportunity

We are currently experiencing a fundamental and global shift in the positioning of all products and services of all businesses. While our insight helps clients audit ESG risks, it also helps them focus on **new opportunities and markets** in this area while **securing a more sustainable future** for us all.

Whether clients are looking at how they run their own business sustainably, adapting their products and services or taking advantage of new market opportunities, CMS has experts with the right expertise.



Encountering Regulation

The market driven response to an increased awareness of ESG issues has led to **regulation impacting all types of organisations**. Our 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. Our dedicated ESG practice brings together experts from across our firm to help clients navigate this future facing and constantly evolving area of law.



Risk, resilience and reputation

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. 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**.

Selected ESG Experience

Green bonds

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). CMS represented the AFD.

E-mobility

CMS advised 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.

SFDR, EU Taxonomy and CSRD

CMS advised a global oil & gas client on the indirect impact to their business of ESG regulations on financial institutions, including the European Union's Sustainable Finance Disclosure Regulation, the EU taxonomy and Corporate Sustainability Reporting Directive

Smartest building in the world

CMS advised Korean investor Hana Alternative Asset Management (HAAM) on the EUR 250m acquisition and development of Edge Amsterdam West. It has been labelled 'the smartest building in the world' by the media given it's green credentials and use of technology.

Sustainability-linked facility

CMS advised Mowi ASA, a world-leading Norwegian food company in the seafood sector with a new EUR 1.8 billion sustainability-linked facility. The facility agreement contains a sustainability-linked margin adjustment which will further promote Mowi's sustainability strategy, The Blue Revolution Plan.

Labelling, plastics and packaging

CMS advised a global consumer products producer in relation to labelling, plastics and packaging.

Climate transition fund

CMS advised 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.

European Green Deal

CMS is currently advising on an ongoing basis a global e-commerce company on all developments associated with the European Green Deal.

Social and governance issues

CMS advised an international leading supplier of integral lighting solutions on posting workers to multiple jurisdictions and creating a matrix indicating risks related to regulations governing expatriate issues

Exchanging know-how and ideas on ESG Topics

More often ESG is becoming a statutory requirement. However, it can be difficult to keep track, especially as some regimes are of extraterritorial relevance. In addition to providing legal advice, CMS also monitors current developments in the market very carefully and evaluates future focal points and new trends.

We can offer **individual workshops or webinars** from different departments where we highlight practice-relevant issues from an ESG perspective. Our team of experts can provide you with an overview on brand new legislation at national and European levels as well as what is in the pipeline and how to react in a cost-efficient way.

Climate protection through and with real estate

The new German “traffic-light” coalition leaves no doubt in its coalition agreement that sustainability, and as part of this climate protection, will be reflected in all areas. One area of focus is the real estate sector. The newly created Federal Ministry of Economics and Climate Protection (BMWK) has taken this as an opportunity to begin ambitious work on an immediate climate protection programme with its current climate action status report. As early as 2021, both the energy and the real estate industry had to prepare for far-reaching amendments. We would be happy to keep you up to date on what further steps lie ahead and how they are to be implemented.

ESG & CSR audits as a toolbox for legal sustainability

Is your company audited by external third parties with regard to how ESG and CSR is setup? Maybe this audit is not dealt with by your legal or compliance department, but rather your CR team. Using the example of a selected auditing framework, we can show you how to choose legal topics and how to best prioritise them to improve your rating in the next round.

Sustainable Corporate Governance in the Group What is mandatory, what is optional?

The area of sustainability, in particular Corporate Responsibility (CR) and Environmental Social Governance (ESG), is steadily gaining importance from the perspective of corporate management, shareholders and investors. Legislative activities are increasing both on a national and international level - for decision-makers, this raises the question of what is mandatory and where is there room for discretion. In our webinar, we will address this area of tension on the basis of selected topics.

Smart City

CMS was one of the first law firms to get involved in Smart City, including smart energy and eMobility, from the very beginning, advising some of the leading market players as well as start-ups and investors on pilot projects and new business models. Our interdisciplinary team of lawyers can give you an overview of the current legal framework as well as trends on the way to becoming a “Smart City”: from planning and development to networking and interfaces between the individual sectors involved in such projects.

New legal planning procedures through ESG

Governments in Europe want to simplify real estate, infrastructure and construction projects which have a positive impact on environmental sustainability. Our experts can provide you with an insight on what this means in detail and also shed light on what this means for projects of little positive environmental impact.

The “S” in ESG

In non-labour intensive businesses, the “S” in ESG is often neglected, even though it is an integral part of professional sustainability in any industry. Mostly, it refers to labour relations as well as sustainable procurement practices which need to be embedded into a systematic approach that consists of policies, measures, reporting and KPIs.

In our webinar, our commercial and labour experts provide insight on which topics and themes fall under the “S” in ESG, their relationship and the different perspective as regards mere statutory requirements and practical Do's and Don'ts.

Question:

In your organization, ESG is mostly perceived as:

1. A risk
2. An opportunity

Question:

Who owns ESG in your organization?

1. Legal/Compliance/Ethics
2. CEO
3. COO/Technical
4. Public Affairs/Communications
5. Chief Sustainability Officer or dedicated unit
6. No one

What is the ESG related word that is keeping you awake at night?

[WORD CLOUD]

Question:

What is the main force driving your ESG programs?

1. Regulation
2. Public reputation
3. Shareholders
4. Consumers
5. Others

What "hot topic" is rising on your ESG worry list?

[WORD CLOUD]

Q&A

Question:

Have you changed your personal lifestyle choices for the environment?

1. Yes
2. No
3. Planning to

Get in touch

ACC ESG Task Force

Mark Maurice -Jones Yves Heijmans

europe@accglobal.com