## ESG ENVIRONMENTAL, SOCIAL AND GOVERNANCE

trenchrossi.com

## ESG - ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sustainable and more responsible corporate practices are directly linked to business performance, value creation and, consequently, investments attraction. For this reason, environmental, social and governance (ESG) issues have played an increasingly important role in the decision-making process of companies and their market positioning.

All signs indicate that companies and corporations that embrace ESG values as an integral part of their daily lives, especially in a world marked by COVID-19, will be better positioned to prosper. ESG and sustainability issues attract better investments, transforming relationships with people.

In this scenario, there are many opportunities but also countless challenges and the nonobservance of social, environmental and corporate responsibility can generate legal consequences, financial loss and reputational damage, as well as confidence loss of consumers and other parties involved in the business.

The multidisciplinary team of Trench Rossi Watanabe's Environmental, Social and Governance (ESG) Group, made up of specialists in all matters related to the theme, has supported and guided our clients to enable them to act in a positive and proactive way in the face of numerous changes and new national and global demands, considering the risks and opportunities in all aspects that make up the ESG policy.

# ASPECTS OF ESG POLICY

- Efficient energy usage;
- Usage of renewable energy sources that emit less greenhouse gases and are less polluting;
- Control of greenhouse gases and climate change effects;
- Implementation of new technologies projects, such as carbon capture and storage waste and effluent management, with responsibilities related to the adoption of the circular economy principles;
- Control, investigation and remediation of air, water and soil pollution;
- Adoption of responsible practices throughout the supply chain, avoiding deforestation and considering animal welfare;
- Preservation of forests and biodiversity;
- Spreading of information on policies and initiatives on environmental education and awareness;
- Definition of materiality matrix in sustainability reports;
- Green and sustainable financing.

- Adoption of diversity and inclusion policies that reject any kind of discrimination;
- Adoption of safe and healthy working conditions;
- Implementation of working standards in supply chains that assure well-being, fair wages and gender equity;
- Protection and defense of human rights;
- Encouraging and broad access to education;
- Developing good relationships with local communities.

- Responsible and transparent policies;
- Corporate governance;
- Ethics and compliance;
- Tax strategy and planning;
- Risk management;
- Executives' compensation;
- Donations and political lobbying;
- Anti-corruption;
- Board structure;
- Protection of shareholders and stakeholders' interests.



Highly respected full-service firm Trench Rossi Watanabe sponsors highly sophisticated matters in the field of ESG, advising clients on the establishment and management of social and sustainable policies, compliance with standards and regulations, and matters of sustainable finance, among others. The firm is strongly endorsed by clients from many industries, like pharmaceutical, oil and gas, and manufacturing, who also acknowledge its strong internal policies, as well as the team's diversity.

#### **Chambers and Partners 2022**



**Renata Amaral** 



Band 1



### **HOW WE CAN HELP**

Our group of professionals focused on ESG act in all legal matters related to corporate responsibility/sustainability, with emphasis on some macro topics:



### **WE ARE READY TO WORK**

#### **ON RISKS**

### **ASSESSMENTS**

- ESG risk analysis;
- Advice on ESG-related process.

## ON DEFINITION OF POLICIES AND PROCEDURES

- Definition of practical operational strategies and structures aligned with the main global ESG standards and guidelines;
- Advice for definition of policies and procedures, considering the purpose and standards of the client's industry;
- Identification and advice on the differences between global standards and local approach required by ESG issues.

## ON MONITORING AND AUDITING

- Advice in order to prepare customized ESG compliance projects;
- Supply chain integrity and accountability analysis;
- Direct action on remediation processes.

## CRISIS MANAGEMENT

- Prepare and implement ESG-related crisis management plans;
- Advise on ways of communication with stakeholders.

### **INVESTIGATIONS**

- Conduct internal investigations;
- Advise on criminal, regulatory and civil risks related to ESG issues;
- Coordinate engagement efforts on regulatory issues.

### DISPUTES/ LITIGATION

Defend different kinds of disputes/litigation, arising from ESG issues and considering the values and purpose of the company.

### **ATTENTION**

- The link between sustainability performance and metrics and financial return brought the ESG discussion to the Board of Directors;
- Stakeholders (employees, investors, shareholders, consumers, and NGOs) are demanding actions and more transparency;
- Through failure to pay attention to and develop ESG processes in companies, directors and administrators may be exposing their shareholders and investors to risks;
- Internal governance changes can be increasingly necessary in order to transform stakeholder contributions into effective corporate policies;
- The legal sphere is seen as an agent of change and risk mitigation, having an increasingly strategic role in the application of ESG policies.

## **CONTACTS**



**Renata Amaral** Partner renata.amaral@trenchrossi.com



Giovani Tomasoni Partner giovani.tomasoni@trenchrossi.com



Leticia Ribeiro Partner leticia.ribeiro@trenchrossi.com



**Mauricio Pacheco** Partner mauricio.pacheco@trenchrossi.com



Heloísa Uelze Partner heloisa.uelze@trenchrossi.com



Alexandre Salomao Jabra Associate alexandre.jabra@trenchrossi.com



**Manuela Demarche** Associate manuela.demarche@trenchrossi.com











