

Accelerate ESG

An update on environmental, social and governance matters

Akin Gump
STRAUSS HAUER & FELD LLP

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Welcome to Accelerate ESG.

We chose this title because it captures the quickening pace of environmental, social and governance (ESG), and its boundless reach throughout the global business world.

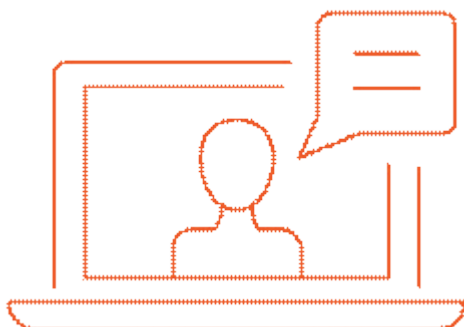
The fundamental principles of ESG are not new; however, the tenor and demand for market actors to take seriously and factor ESG considerations into all aspects of economic activity have indeed changed and increased dramatically. Companies and investment vehicles around the world are under pressure never before seen from the whole of their stakeholder bases to demonstrate their commitment to factoring ESG considerations into their long-term strategic decision-making processes and using their platforms to advance ESG principles to support long-term, sustainable growth strategies.

Akin Gump is proud to have a rich history of helping our clients implement principles of social responsibility into their business strategy and operations. Of course, as the drumbeat for ESG gets louder, we are working with clients across industries and borders to help drive their missions forward and keep ahead of this tidal wave of pressure.

We are pleased to launch this newsletter, which delves into some of the emerging themes and considerations in the world of ESG. We also invite you to join us on September 29 for a half-day virtual global summit on a variety of ESG developments impacting investors and companies worldwide.

– [Kerry Berchem](#), [Amy Kennedy](#), [Stacey Mitchell](#) & [Richard Rabin](#), Co-Leaders, [ESG Practice](#)

EVENTS



Save The Date

Wednesday, September 29, 2021

Webinar

Please join us for our global virtual conference covering hot topics and issues across the ESG landscape. A mix of ESG market participants and Akin Gump lawyers and advisors will discuss topics including achieving net zero, the intersection of ESG and shareholder activism, the international framework for ESG investment, and an update from Washington, DC on regulatory and policy developments impacting ESG.

If you are interested in attending ESG-

SPOTLIGHT ON

The SEC Is Focused on ESG – What You Need to Know

In an age of significant polarization, we all can agree on at least one thing: ESG considerations are now a topic among all actors within the global political economy. Companies factor ESG into strategic and operational decision-making; investors are demanding products, disclosures and data that reflect ESG-related considerations; and, importantly, regulatory authorities are on record with respect to examining ESG issues as they assess how new or updated regulations should account for ESG in terms of disclosure and other regulatory frameworks.

In particular, the United States Securities and Exchange Commission (SEC) has signaled very clearly that it is concentrating on a wide variety of ESG-related issues, having recently launched an ESG-focused web page and announcing that ESG issues are expected to be a point of emphasis for 2021 examinations. Relatedly, at the Conference on Market Regulation, SEC Chair Gary Gensler discussed the SEC's ongoing efforts to develop a robust reporting framework for ESG issues and it has been widely reported that SEC staff and other federal lawmakers are particularly focused on developing more qualitative and quantitative disclosure requirements for climate-related issues. During the first half of 2021, Akin Gump has written and published extensively regarding the SEC's developing focus on ESG-related matters.

READ MORE: THE SEC'S DEVELOPING FOCUS ON ESG-RELATED MATTERS

[What You Need to Know About ESG Transparency \(Podcast\)](#)

[The SEC's Latest Risk Alert Puts ESG Investing in the Crosshairs](#)

[Commissioner Peirce Implores the SEC to Rethink ESG Metrics](#)

[SEC Set the Stage for Potential ESG Reporting Requirements](#)

[There's a New ESG Sheriff in Town at the SEC](#)

[Biden's "Money Cop" to Shine a Light on ESG Disclosure as SEC Requirements—and a Potential Universal Reporting Framework—Appear Imminent](#)

FOCUS: UNITED STATES

As is the case overseas, market actors in the U.S. tend to focus on environmental (or climate) issues when it comes to ESG considerations. All aspects of the economy are tuned to addressing climate change and efforts to mitigate the impact climate change is expected to have on industry and society writ large. We've written extensively on these issues, particularly with respect to changes that may be expected with regard to existing

climate-related disclosure regimes:

- [Recent ESG-Developments Affecting The Energy Industry](#)
- [One Step Closer to SEC Climate Disclosure Requirements](#)
- [The Dawn of a New Era: Climate Risk Disclosure Rules Take Another Step Forward](#)
- [SEC Issues Call for Public Comments on Climate-Related Disclosures](#)
- [SEC Continues Focus on Climate and ESG Related Issues, Announces New Climate and ESG Task Force](#)

On the social front, market actors appear to be focused squarely on the management of “human capital” and updating disclosure frameworks in order to capture meaningful and measurable metrics with respect to diversity and inclusion. The ways in which companies manage relationships with their workforces and the broader communities in which such companies operate continue to evolve as companies integrate social factors into measuring financial performance and attempts to achieve long-term, sustainable growth. As companies confront these issues, demands for updated reporting and disclosure requirements will surely expand, too.

- [New SEC ESG Disclosure Rules to Extend to Climate, Human Capital and More](#)
- [Nasdaq Seeks to Improve Board Diversity with Proposed New Rules](#)

Good corporate governance practices continue to be a “focal point” for companies (both public and private), investors, trading platforms and regulatory authorities. Shareholder activists scored what have been characterized as meaningful victories this past proxy season and we fully expect such activists to continue using ESG issues as the narrative to push for change in terms of how companies reflect ESG in their strategic and operational decisions. More than ever, companies will need to proactively prepare to address the concerns of these activists by developing clear policies and procedures that incorporate ESG priorities into their governance frameworks.

- [BlackRock and State Street Proxy Voting Guidelines Update](#)
- [Top 10 Topics for Directors in 2021: A Brave New World - Stakeholder Governance](#)

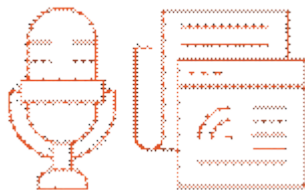
FOCUS: INTERNATIONAL

By almost all accounts, Europe is at the forefront in terms of considering ESG factors in connection with making strategic business and investment decisions, in the board room and across all aspects of the regulatory environment. Broadly speaking, ESG is a focal point of almost all financial and regulatory decisions that are being made by market actors in the European Union and the United Kingdom. Europe continues to set the pace in terms of thinking about ESG considerations holistically across all industries and we have shared our insights extensively during the first half of 2021.

- [UK Proposes New Climate-related Disclosure Rules for Asset Managers](#)
- [New UK Climate Disclosure Rules](#)
- [UK's Post Brexit Emissions Trading Scheme Goes Live](#)
- [How ESG is Impacting the European Leveraged Finance Markets](#)
- [Green and Sustainability-Linked Private Placements by EU and UK Issuers](#)
- [UK Extends Mandatory TCFD Climate Disclosures Beyond Premium Listed Companies to All Large Companies and LLPs](#)
- [European Regulators Publish Revised Secondary Rules and Templates for Environmental-Related Sustainability Disclosures](#)
- [European Regulators Confirm Approach to SFDR Compliance from 10 March 2021](#)
- [SFDR - Revised Secondary ESG Disclosure Measures](#)
- [ESG Disclosure Article by Ezra Zahabi, Andrea Gonzaga Published by Thomson Reuters Regulatory Intelligence](#)

- [ESG Disclosures: Guiding Principles and Best Practices for Investment Managers](#)
- [Ezra Zahabi Talks ESG Investment Regulations in the EU with CCBJ](#)
- [Amy Kennedy Co-Authors ELFA Guide on ESG Disclosures in Leveraged Finance Transactions](#)
- [European Regulators Seek Clarification on the Application of the Sustainable Finance Disclosure Regulation](#)

PODCASTS AND OTHER MEDIA



- Podcast: [Sustainable Finance Disclosure Regulation for Beginners](#)
- Podcast: [Taxonomy Regulation for Beginners](#)
- Podcast: [What You Need to Know About ESG Transparency](#)
- Podcast: [An ESG Roadmap for Business](#)
- Webinar: [Emergence of ESG Transparency – US and EU Developments](#)

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