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Sustainability Quarterly

**SUSTAINABILITY
IN OUR SECTORS**



Interview with...

Ramez Al-Khayyat,
Vice Chairman & Group CEO of
Power International Holding

Power to the people

Sustainability Quarterly talks to HFW
charity partner Renewable World

Lawyers for Net Zero

Interview with Adam Woodhall, Mark
Maurice-Jones & Edward Bridge

JUNE 2022

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SUSTAINABILITY
IN OUR SECTORS



HFW is a leading global law firm with deep, sector-focused expertise, that is committed to promoting sustainability in its sectors.

Welcome to the latest HFW Sustainability Quarterly.

A little over a year ago we brought you the very first edition of Sustainability Quarterly. Since then it's been a period of challenges and opportunities, of landmark regulation and an era-defining COP, as well as a real gear change in commitment from both private and public organisations to mitigating the effects of climate change. On a personal note, this April I was pleased to be appointed Global Senior Partner and, in this capacity, and also in my ongoing role as Sustainability Partner, I look forward to continuing to advance HFW's sustainability agenda.

We are delighted to bring you the latest issue of our regular sustainability focussed magazine which, as always, explores recent innovation, brings you insight into industry-shaping progress, and examines the most recent legislation. We feature a fascinating interview with our charity partner Renewable World, where we found out more about the transformative work they are doing in some of the world's most vulnerable communities, and hear how renewable energy has the power to change all our lives for the better. At HFW we feel privileged to be able to continue to support the incredible work they're doing in Nepal and Kenya.

Our client interview for this issue is with Ramez Al-Khayyat, Vice Chairman and Group CEO of Power International Holding, one of Qatar's fastest growing conglomerate businesses. Given that Qatar will play host to this year's FIFA World Cup, it is particularly interesting to hear the role sustainability plays in both his company and the region more widely.

We love to hear from you, so if you have feedback about this edition, or further questions about our sustainability expertise, please contact me, or one of the Group Leads or Legal Services Heads.

GILES KAVANAGH
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Human rights at sea**
HFW advised on a new Geneva
Declaration designed to
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rights of the global maritime
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If you would like to share feedback on this publication, or be involved in future editions, please contact the editor:



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Legal Updates

Edited by Bree Haigh, HFW Professional Support Lawyer, Australia

Australian court overturns climate change duty of care

The Full Federal Court of Australia has ruled that the Minister for the Environment does not owe Australian children a duty of care to protect them from the health impacts of climate change when exercising statutory powers relating to approval of resource projects. Whilst the decision in *Minister for the Environment v Sharma* was unanimous, varied reasoning was provided, including that it was inappropriate for the judiciary to answer questions of climate change policy and the case would result in an 'indeterminate liability' as it relates to a large class of people and to future harm from multiple events linked to climate change. It is unclear how this decision will impact climate litigation in Australia, including *Pabai Pabai v Commonwealth of Australia* filed in the Federal Court in October 2021. The representative action, brought on behalf of Torres Strait Islander descendants against the Australian government, alleges a breach of duty of care to protect them, their culture and environment from the harms caused by climate change. Interest now turns to whether the court will consider the limited class of persons and current impact of climate change identified sufficient to overcome the issue of 'indeterminate liability'. Read more [here](#).



JO GARLAND
Partner

Is global climate change the new standard for US oil and gas permits?

In a decision with potential significant long-term impacts, a United States District Court vacated the results of Lease Sale 257. Lease 257 comprised 80 million acres on the Outer Continental Shelf in the Gulf of Mexico and would

have been the largest offshore oil and gas lease sale in U.S. history. In *Friends of the Earth v Haaland*, the Court cancelled the sale due to failure to consider climate change as part of an environmental review. This decision may impact the procedural requirements and scope of analysis required for leasing of oil and gas fields. The holding could be extended to require global climate change to be considered when assessing the environmental impact of all oil and gas activities. Read more [here](#).



MELANIE FRIDGANT
Associate

Spotlight on the Carbon Market in Hong Kong

The drive to achieving carbon neutrality continues in Hong Kong, with the **first carbon futures ETF** listing on the Hong Kong Exchanges and Clearing Limited (HKEX) market in March 2022. Deepening regional collaboration, HKEX **signed a Memorandum of Understanding (MOU)** with the China Emissions Exchange (Guangzhou) (CEEX). Through this MOU, HKEX and CEEX will work together on the development of a voluntary carbon emission reduction programme in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) to support sustainable growth in the GBA and actively explore new opportunities for the carbon market and carbon financing. Mainland China has launched regional carbon market pilots in eight cities and provinces including Guangdong and Shenzhen.

The Green and Sustainable Finance Cross-Agency Steering Group (CASG) Carbon Market Workstream published a **preliminary feasibility assessment** on carbon market opportunities for Hong Kong on 30 March 2022. This considers Hong Kong's position to develop carbon market opportunities

and regulatory steps on market structure. Action points for the CASG Steering Group include working with authorities and stakeholders on the creation of the GBA Unified Carbon Market and investigating opportunities to link international investors with this unified market. CASG intends to strengthen cooperation with the Guangzhou Futures Exchange on carbon market development.



SIAN KNIGHT
Professional Support Lawyer

Inclusion of domestic shipping in the UK's Emissions Trading Scheme (ETS)

On 25 March 2022, the UK government launched a consultation on developing the UK Emissions Trading Scheme (ETS), including its expansion to cover domestic (not international) maritime "by the mid-2020s". Three options for the inclusion of domestic maritime have been suggested: (i) inclusion on a 'vessel activity' basis, with allowances obtained and surrendered by "ship owners or operators" for journeys which start and finish in a port located in the UK; (ii) inclusion on a 'fuel supplied' basis, effectively involving an additional tax payable by bunker suppliers on bunkers sold within the UK; and (iii) a hybrid of the two dependant on applicable vessel size. The consultation runs until 17 June 2022, and any organisation or individual is able to respond. Read more [here](#).



JOSEPH MALPAS
Associate

Sustainability Developments in Agriculture

Emissions from Agriculture make up 29% of the world's greenhouse gas emissions. Industry-wide change and adaptation is necessary, if the world is to meet the net-zero objectives set out in the Paris Agreement. A large proportion of these emissions are derived from fertilizers and transportation. Developments in renewable energy technologies (RETs) will be key in addressing these aspects; green ammonia, for example, is considered central to decarbonising the agriculture industry, through carbon neutral fertilisers and shipping fuels. In addition to the critical development of RETs, governments and industry are collaborating to introduce policies and programs to improve sustainability. Read more [here](#).



KATE FISHER
Senior Associate

UK derivative action against directors alleging failure to prepare for net zero

ClientEarth, an environmental law charity, is pursuing derivative litigation against the directors of Shell. Currently at pre-action stage, ClientEarth alleges that the board's strategy regarding climate change and the net zero transition are not aligned with the Paris Agreement, risking Shell's long-term value. Consequently, it is argued that the company will face stranded assets, write downs, legal/compliance issues, and overlooks opportunities and advantages. It is alleged that this breaches s172 of the Companies Act 2006, placing a duty on directors to act in a way that best promotes the success of the company for the

benefit of its members as a whole, and s174 requiring the exercise of reasonable care, skill and diligence by directors in discharging their duties. ClientEarth seeks to bring derivative proceedings, where shareholders pursue a cause of action vested in the company, and if a claim is issued, it will be necessary for ClientEarth to obtain the court's permission to continue with it. Shell has indicated that its emission-reduction plans are industry leading and addressing a challenge as big as climate change requires government-led policies, rather than litigation. This is the first such action, and developments will be of interest to the energy sector and beyond.



KATE AYRES
Professional Support Lawyer





Interview with

Ramez Al-Khayyat

Vice Chairman & Group CEO of Power International Holding



POWER INTERNATIONAL
- HOLDING -

Ramez Al-Khayyat is Vice Chairman and Group CEO of Power International Holding, one of Qatar's fastest growing conglomerate businesses, operating across a diverse range of sectors including real estate, hospitality and healthcare. With the eyes of the world on Qatar in 2022, Ramez describes how sustainability sits at the heart of his business.

What is Power International Holding doing to play its part in helping to tackle climate change?

We embrace the responsibility we have to lead from the front in putting sustainability at the heart of the Qatar economy. As one of Qatar's largest diversified companies operating across five sectors, Power International Holding has the scale and innovation capacity to make a real difference in delivering tangible outcomes in sustainable development.

The company has adopted internationally accepted best practices to measure and report our sustainability activities. In 2021, we became a member of the United Nations Global Compact, the world's largest corporate sustainability initiative and we are now benchmarking our performance against the GRI Standards and Communication on Progress to the UNGC's Ten Principles.

Our 2022-23 sustainability strategy, 'Act Today for A Better Tomorrow', provides the roadmap for all our activities. A core focus is ensuring the climate change resilience of the entire company and its supply chain operations, including adopting a range of climate-related targets under Sustainable Development Goals' Goal 13 on Climate Action. As part of this, we are consistently identifying ways of reducing our greenhouse gas emissions by using energy differently and more efficiently and supporting Qatar's ongoing transformation into a low-carbon economy. Crucially, we are underpinning this work by helping bring about behaviour change at a cultural level among our colleagues and partners, by promoting climate-conscious behaviour and by building capacity for climate action into our ways of working.

How is your strategy aligned to Qatar's National Vision 2030?

Our focus on sustainability is designed to dovetail closely with the work being undertaken at a national level in Qatar. Qatar is very clear on its objectives and responsibilities in respect of ensuring the long-term sustainability of our country's rapidly growing and diversifying the economy. As laid out in the country's National Vision 2030, Qatar is dedicated to "meeting the needs of this generation without compromising the needs of future generations". Indeed, the four pillars of Qatar's National Vision 2030 – ensuring human development, social development, economic development and environmental development – in many ways represents the blueprint for our own sustainability vision.

Of course, the eyes of the world will be fixed firmly on Qatar this coming November. The sustainability strategy underpinning this year's FIFA World Cup Qatar 2022 will deliver the first carbon-neutral tournament in the competition's history. This is a landmark achievement that sends a very clear signal to the global community about Qatar's commitment to sustainable development – not just for major events like the World Cup, but in our day-to-day lives and business operations.

What do you see coming in the next few years for Power International Holding in the sustainability space?

Our focus is on extending and deepening our sustainable practices and performance into every corner of the business and our value chains. In particular, we have plans to drive greater efficiencies in our waste management operations, not least in reducing food and plastic waste in our hospitality businesses, while also reducing and reusing construction

waste in our sites and reducing paper in our operations. We believe that our sustainability strategy can actually be an engine of business growth, in which we can help promote economic development across our communities by creating a wide range of new sustainability-related jobs.

We will also focus on further enhancing personal wellbeing and social development by improving the quality of life of our employees and their families, backed by increasing diversity and inclusion across all our companies. We have made significant progress in key respects, including our signing of the United Nations Women's Empowerment Principles, supported by our ongoing campaign around 'Break the Bias' in tackling gender bias in the workplace. While much has been achieved, we shall always strive to go further.

Qatar is fast becoming a global hub of tourism, not least with respect to our vibrant food, entertainment, and cultural sectors. Power International Holding has a huge role to play in driving that growth, not least in the food and beverage space, where our subsidiary Aura Group has put Qatar firmly on the international food map. We remain relentless in ensuring the global community sees Qatar not only as an attractive destination for investment with a proven track record for excellence and lifestyle quality, but as a growing leader in sustainable thinking and development.

Find out more about Power International Holding [here](#).





Power to the People

Sustainability Quarterly talks to HFW charity partner Renewable World about how the organisation is helping the world's poorest people transform their lives through improved access to clean energy, developing sustainable livelihoods and tackling climate change

It was during one of Renewable World's community impact meetings in Nepal that a woman stood up to address the room. 'I have a voice now. I have influence,' she began. She went on to describe how, at the outset of the project just 13 months before, she had owned two goats. After getting ready access to water, she started to grow crops to sell at market and was able to borrow 100 rupees from the local cooperatives that had been recently established. This was enough investment for her to buy another goat. She now owned 16 goats and had created for herself a far more resilient and sustainable life. What is more, along with new economic opportunities, the journey had given her the confidence to speak in front of the largely male gathering. 'She was empowered as a woman, and as a member of that society,' explains Renewable World's CEO Phil Brown.

It's a story which perfectly exemplifies Renewable World's long-term mission, which is to tackle poverty through renewable energy projects whilst reducing the effects of climate change. Today the organisation's vision to create a sustainable and fairer world where clean energy accessible to all is being delivered through projects in some of the most difficult to access, 'last mile' communities in Nepal and Kenya.

High Energy

The organisation pioneers innovative technologies such as systems which use solar energy to lift water up mountains so that women don't have

to spend entire days transporting it for cooking, washing and drinking. Irrigation to provide water for consumption, portable biogas digesters, microgrids, hydraulic ram pumps and clean cooking facilities are all transforming lives. They place great importance on the sustainability and scalability of their interventions. Renewable World is quick to point out that they have a 'hand up, not hand out' approach to their work, which means that the organisation empowers communities to procure and maintain the technologies, develop governance and tariff structures, and contribute both finances and labour. By packaging this with investment and commitments from government and sometimes the private sector, Renewable World aims to create the partnerships and accountabilities needed to sustain and grow their projects for the long-term.

'Clean energy is pivotal to development,' Brown says, going on to explain that while renewable energy projects directly boost incomes through pumping for irrigation and powering new businesses for example, the indirect benefits can be just as transformational. 'If you haven't got energy then when it's dark children can't study. Vaccines won't stay chilled. It is energy to provide all these different elements that people need to live healthy, happy, and over time, better and more resilient lives.'

The results over the past ten years are tangible and dramatic, with families in Kenya experiencing an increased

annual income of nearly 20% from new business and farming opportunities brought about by reliable access to electricity. In addition, households connected to Kenyan microgrids have cut monthly energy expenses by half when comparing their new solar consumption bills to equal amounts of kerosene and petrol usage, while women and girls in Nepal have saved over 3 hours per day collecting water. Some of the country's remote hillside villages have also seen a 70% increase in annual household incomes from new farming opportunities.

Working together

Part of building a fairer society in some of Nepal and Kenya's most vulnerable communities is bringing equity to women. Marie Hounslow, Renewable World's Director of Fundraising & Communications points out that globally 200 million hours per day are spent by women fetching and carrying water. 'That's a real waste of resources. It's tiring, dangerous and quite frankly a complete and utter waste of time and talent. It's an absolute disgrace that in this day and age, there are two and a half billion people who don't have access to clean sources of energy to cook with. Of course, that impacts women and children the most.'

With funding support from corporates, local and international government and from the energy sector itself, Renewable World has been able to implement SolarMUS technology to address this problem. This system uses energy from the sun to pump water



from a distant source to storage tanks capable of holding three days' worth of water placed strategically above a community, ensuring a reliable supply year-round. Gravity means the water is piped back down the hill to tap stands outside homes, schools and clinics.

It was this solutions-driven, global approach that Diana France, chair of the firm's Community Investment Committee, recognised as aligning perfectly with HFW's business and energy and resources and construction practice groups. As the firm's charity partner, HFW today not only provides pro bono advice to Renewable World on a variety of international issues but has helped fundraise through events on an ongoing basis.

'We've been on a journey together to understand the support we can give,' says France. 'It's something that we're very proud of because we just love the charity, and what they're doing. Being alongside them is a great privilege and joy for us.' Hounslow describes the past six years HFW and Renewable World have been working together as having surpassed 'her wildest dreams'. The value, she says, is having 'a really rounded and mature corporate partnership that I can use to demonstrate to others.'

As pioneering technologies develop and shift to mainstream use, the onus now is piloting new innovations and bringing about wider environmental and social impact through improved access to energy. 'Using energy to improve livelihood is at the core of what we do,' says Brown, 'and we aim to embed climate change adaptation and mitigation throughout our work'.

While Renewable World is already doing incredible things, they are ambitious about scaling their impact through new and existing partnerships. The Renewable World team is keen to start conversations with businesses across all sectors about how they can partner to effect real progress. With the Intergovernmental Panel on Climate Change describing it as 'now or never' to limit global warming, Renewable World's mission has never been more critical. As Brown points out, 'clean energy truly has the power to transform lives and help create a more sustainable future for every one of us.'

You can find out more about Renewable World [here](#).

Or get in touch directly with Phil Brown via email [here](#).



Globally...

1 in 3

people don't have access to clean cooking facilities

1 in 9

people don't have access to electricity

1 in 10

don't have access to clean water

By delivering renewable energy technology Renewable World has reached...

66,570

people

7,490

households

102

communities





Energy transition and commodity markets

Accelerating supply of critical minerals



The most recent ICCP report, together with geopolitical events, have brought renewed international focus on the crucial role of energy transition in meeting net zero emissions targets by the middle of this century.

As stakeholders navigate the transition to renewable energy and invest in energy generation and storage technologies, supply chains for the critical minerals required to manufacture these technologies are being pushed to the limit. Front of mind is how supply will meet the extraordinary, unprecedented demand. This is, quite literally, a trillion-dollar question and one that Australia will play a large role in answering.

Global demand for critical minerals required for the development, construction and operation of renewable energy technologies is set to increase significantly. Lithium, graphite, cobalt, nickel, titanium, and rare earth elements are among the most essential minerals required. The International Energy Association (IEA) considers that demand for critical minerals will increase by up to 6 times by 2040.¹ The IEA also predicts that while revenue from coal production is currently ten times larger than that from critical minerals, that position would be reversed well before 2040 in climate-driven scenarios.²

There exists obvious potential for geopolitics to cause disruption in critical mineral supply chains, a risk magnified by the comparative concentration of critical mineral production in relatively few countries; it is estimated that 75% of the most in-demand critical minerals are produced by just three countries, including China and The Democratic Republic of Congo.³

To mitigate against the risks of mineral security posed by potential trade sanctions and future world events, it will be necessary to increase geodiversity in the value chains of these commodities. The significant challenge posed by lead times involved in production from new sites cannot be understated; the front-end project development and construction involved in mining critical energy minerals takes, on average, 16.5 years to complete before extraction can begin⁴. These lead times pose a substantial obstacle to net-zero targets.

Australia is well-placed to develop both a competitive advantage and a significant source of income from the export market for critical minerals. The Commonwealth Scientific and Industrial Research Organisation (CSIRO) has released the Critical Energy Minerals Roadmap (the "Roadmap"),⁵ which provides a scientific basis for investment. It estimates that the metal value of the energy transition's top technologies will exceed AUD\$5 trillion globally by 2050.⁶

"Global demand for critical minerals required for the development, construction and operation of renewable energy technologies is set to increase significantly."

With its abundance of critical mineral stores and comparatively high compliance with ESG regulations, Australia is uniquely positioned to harness the opportunities within these growth markets. Australia is already the world's second largest producer of rare earth elements. It holds potential to produce nickel, copper, aluminium, lithium, manganese and magnesium, has the world's largest resources of titanium, and ranks in the top 5 for resources of cobalt, lithium, manganese. There is additional possibility to discover further mineral stores in Australia; established mining regions cover just 20% of the country, leaving 80% largely "under-explored".⁷

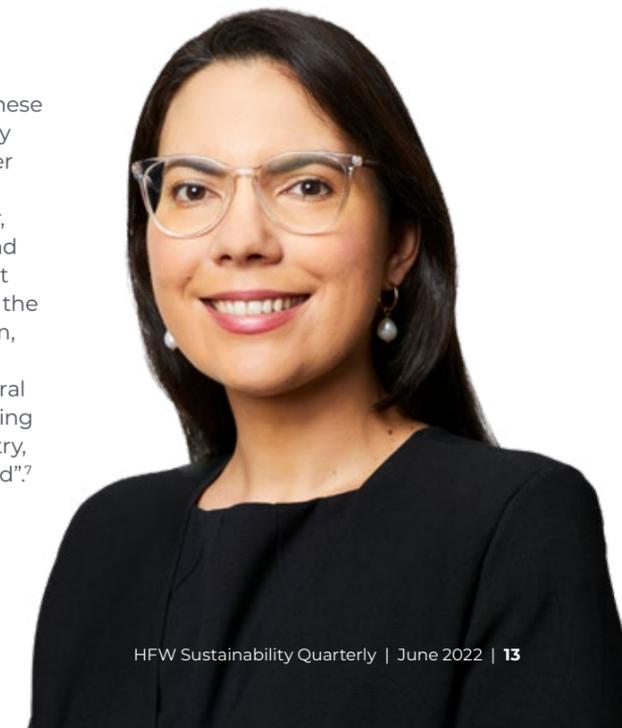
The supply of critical minerals will be a driving force in energy transition. The challenges posed by security of value chains and long lead times to new project delivery are real, but not insurmountable, and provide genuine opportunity to engage with and capitalise on the critical mineral growth markets.

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Footnotes

- <https://www.iea.org/news/clean-energy-demand-for-critical-minerals-set-to-soar-as-the-world-pursues-net-zero-goals>
- Executive summary – The Role of Critical Minerals in Clean Energy Transitions – Analysis - IEA
- The state of play – The Role of Critical Minerals in Clean Energy Transitions – Analysis - IEA
- Executive summary – The Role of Critical Minerals in Clean Energy Transitions – Analysis - IEA
- <https://www.csiro.au/en/news/news-releases/2021/csiro-research-highlights-australias-minerals-key-to-its-renewable-energy-powerhouse-potential>
- <https://www.csiro.au/en/news/news-releases/2021/csiro-research-highlights-australias-minerals-key-to-its-renewable-energy-powerhouse-potential>
- <https://www.industry.gov.au/policies-and-initiatives/critical-minerals-facilitation-office/investing-in-critical-minerals-in-australia>





Lawyers for Net Zero

Interview with Adam Woodhall, Chief Executive, Lawyers for Net Zero; and Lawyers for Net Zero Champions: Mark Maurice-Jones, General Counsel Nestle UK&I & Edward Bridge, General Counsel, Zurich Insurance UK

Lawyers for Net Zero is a non-profit initiative that supports in-house counsel to deliver climate action by utilising their unique position in their business. Led by Adam Woodhall, the initiative has attracted 100 in-house lawyers to act as champions and has been shortlisted for the best Sustainability Initiative in The Lawyer Awards 2022.

Adam, how is Lawyers for Net Zero helping deliver rapid climate action?

We are dedicated to supporting the Champions who join our Impact Programme to stay ahead of the ESG curve by helping their organisation guard against greenwashing and achieve legitimate net zero. We call our process “Group-Coaching plus”, as the key are our Champions Groups, which are group coaching sessions with a carefully curated groups of four in-house counsel (our ‘Champions’) run by highly experienced facilitators using the guidance of our Net Zero Action Principles.

The “plus” is that we have numerous other support tools and processes to enable our Champions to focus on taking meaningful action. This provides peer-to-peer accountability, learning, insight, ideation and networking.

We built this process after doing a lot of research in 2020 on the legal sector and concluding that in-house counsel are a hub of information and influence at the centre of business. It’s their job to interface with many different stakeholders including the Board on compliance, risk and reputation, and to horizon scan for future issues and opportunities.

We now have over 100 counsel committed to action, from organisations such as Rolls-Royce, E.ON, GSK, Standard Chartered, NatWest and the two GCs featured in this article from Zurich Insurance and Nestle.

What is the motivation for inhouse counsel taking action on achieving legitimate Net Zero?

It’s because counsel know it’s vital for their organisation and want to do something about climate change on a personal level. There are multiple risks and opportunities that the journey toward net zero opens up. Examples of risks are how over-reliance on carbon offsetting is increasingly frowned upon, and reputational risks from accusations of greenwashing, with many businesses being taken to court by activist organisations or falling foul of government advertising regulations.

What effect has the pandemic had?

The pandemic has demonstrated to people that life, and business, isn’t a steady, progressive process we can predict.

Business, at its core, is all about trying to create predictions and then deliver them. Over the past decades, we’ve had economic shocks, but nothing like the pandemic. Ironically, the climate crisis we find ourselves in is entirely predictable. The science said over 50 years ago that if you start putting CO2 and greenhouse gases into the atmosphere, it will lead to exactly what’s happening.

Unfortunately, the massive risks the science predicted, and is now happening, weren’t deeply comprehended by society. It’s understandable why it feels like a shock to people that we’re now having an increasing number of ‘weird weather’ events, such as intense floods and wildfires, but it’s not actually a surprise.

Science told us what would happen if we let Covid-19 spread unimpeded – so we created systems to slow the spread and stop the worst effects of it. Therefore, we can do the same with greenhouse gases.

Why should businesses take action on climate change?

Businesses must collectively take climate action because otherwise the science tells us we won’t keep a liveable planet. Clever businesspeople are working out how to take significant climate action, improve the bottom line and be future-fit. Where government comes in is by rewarding those companies that are taking climate action. It needs to be a virtuous circle.

Where is climate on the board’s agenda?

It’s rapidly shooting up the agenda. Clearly ESG (environmental, social and governance) has a huge profile, and increasingly now, net zero is coming

centre stage. It’s important to always remember the ‘S’ and the ‘G’, but if we don’t solve the issues around the ‘E’, that will undermine all the good work we are doing on the other two. Taking rapid climate action is therefore increasingly important to clients, suppliers, investors and regulators, and it has now reached the top of the board agenda.

Policy is starting to respond to this. The CMA (Competition and Markets Authority) has launched the Green Claims Code and will start to bring enforcement action against businesses that are found to have made misleading ‘greenwashing’ claims from early 2022. Broad, mandatory climate-risk disclosure rules will be also in place by 2022, with reporting rules being aligned with the Task Force on Climate-Related Financial Disclosures’ (TCFD) recommendations. Additionally, boards are increasingly focusing on good climate governance and ensuring they have all the right skills and experience.

The General Counsel who are taking leadership on driving the E of ESG are therefore those who are thriving both now and in the future.

Mark, how can lawyers help clients to take action on climate change?

When it comes to climate change companies need to plan for the long term and not just look for short term gains. Lawyers are well positioned make sure this happens through their expertise in identifying and dealing with risk and in seeing trends in the evolution of legislation (such as regulations around greenwashing) which can impact the business. There is an opportunity for lawyers not just to react to the immediate issues impacting their businesses but to



“When it comes to climate change companies need to plan for the long term and not just look for short term gains.”





“There are lots of announcements made by companies in all sectors on climate-change targets and commitments. But, ultimately, you can only be judged on what you plan to deliver and what you do, in fact, deliver.”

act more proactively in advocating for smart climate change policy and regulation through interactions with trade associations and authorities.

What are the risks and opportunities linked to the growing burden of climate regulation?

Society is increasingly demanding that companies take a long term, ethical and sustainable approach to how they run their businesses. Those companies that are unable to meet those demands are likely to be punished and will increasingly face fines, law-suits, regulatory exposure, reputational impact and operating costs. Ultimately if companies fail to meet the expectations of their stakeholders their ability to operate will be threatened. On the other hand those companies that demonstrate a long term, sustainable commitment in how they conduct business are likely to see improved market penetration and competitiveness.

Ed, why are you a change agent for Net Zero?

There are two ways you can look at this. First, many lawyers will see this as an ethical issue and will want to do the right thing. That's always going to be on a scale – some people feel very strongly; others are more in the middle and may see it as less of an ethical issue. Second, there is the practical issue that, to be an effective lawyer and general counsel in any line of business, you need to have the requisite skills and knowledge that enable you to be relevant to the challenges ahead. Climate change is the seminal issue of the next 20 – 30 years. It's going to impact the way we live, the way we do business, how we do our jobs. If you don't have a clear view on how you will contribute to and support your business or clients pivoting then I don't think you'll be relevant.

When going through periods of change, you need people in that change agent role. This is such a big change, it's going to be integral to everything the company does. You can't just give it to one person, it must be something everyone is involved in. There needs to be a coherent plan, decision-making framework and governance that backs it up.

Why does it help to understand how others are dealing with climate change?

Our customers – we're the biggest commercial insurer in the UK – are dealing with the realities of changing their business models and it's integral to our ability to effectively support them and write insurance policies. It helps us understand what the emerging expectations and standards are – we're all feeling our way on this, and one challenge is that we don't have the experience of what risks there are in new and emerging areas of the green or carbon-neutral economy.

You also need to understand where your competitors are – in our case, other insurers – for two reasons. First, because we're competing to support our customers as they transition their business model. Second, because we all have our own plans to decarbonise our direct and indirect emissions and it helps to understand how others are rising to the challenge. I think it is helpful to have an external network to understand how your peers in other companies and firms are dealing with this. What are the key risks? What do you need to be thinking about? How do you influence on this, and where can you, as a general counsel, provide additional support and leadership?

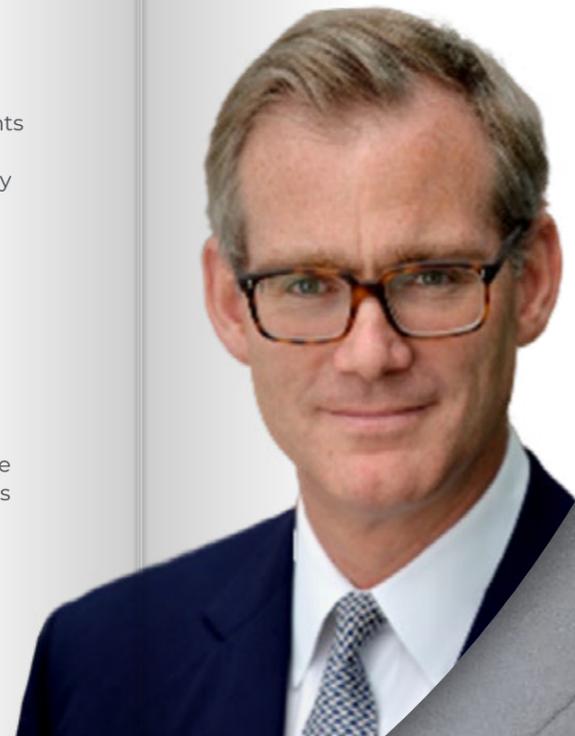
How do you show authenticity as a business?

There's a wider issue here around how you effectively make change and avoid pledge wars. There are lots of announcements made by companies in all sectors on climate-change targets and commitments. But, ultimately, you can only be judged on what you plan to deliver and what you do, in fact, deliver. If you plan to deliver something, there has to be a credible plan. If you've pledged to do something but there's no credible plan, that's going to be challenging, and for many businesses there may start to be more significant consequences, including regulatory and under listing rules. There's a reputational impact if companies don't do what they say they will do. And commercially it's not a very good idea. Customers won't accept it, the markets aren't going to continue the way they are.

How is Zurich taking positive action on climate change?

We were one of the first insurers to step up and commit to being a net-zero insurer by 2050. We're a leading member of the Net-Zero Insurance Alliance, which was convened by the United Nations. That has been accompanied by recent commitments and plans to reduce our direct and indirect carbon footprint. We recently pledged to cut by 70% our carbon emissions in relation to corporate travel. As a global company, that will have a significant impact on how we do business. We've also made commitments to stop writing new geothermal coal cover, and we're working with our customers as they transition to provide products and services that enable them to manage climate change, and to ensure there's adequate cover for green energy.

Find out more about Lawyers for Net Zero [here](#).



Decarbonisation and Sustainability Challenges for the Aviation sector

Thursday 16 June 2022 | 9AM BST

Guest speaker: Sebastian Mikosz, Environment and Sustainability Senior Vice President at International Air Transport Association (IATA).

Host: Giles Kavanagh, Global Senior Partner, HFW

As the aviation industry commits to Net-Zero Carbon Emissions by 2050, there's a clear consensus that success is only achievable through the collective efforts of every participant within the aviation ecosystem - from engine manufacturers, fuel majors and airlines - to policy makers like governments and industry bodies. Join us as we discuss the path to achieving the airline industry's commitment to net zero carbon emissions by 2050, key issues before the ICAO 41st Assembly and the challenge of single use plastics for aviation.

Register [here](#).



Geneva Declaration: Human rights at sea

HFW advised on a new Geneva Declaration designed to define and defend the human rights of the global maritime population and those crossing the world's oceans and seas.

HFW carried out a review of the Declaration on behalf of UK-based NGO Human Rights at Sea (HRAS), which produced the proposed international convention following three years of research and drafting by a team of experts in public, international, humanitarian and refugee law.

The firm's team was led by Alex Kemp in London and also included Sarah Chua in Singapore.

Alex Kemp, Partner, HFW:

"HFW is incredibly proud to have assisted HRAS on this vitally important issue. The Geneva Declaration is a major milestone in the fight to end human rights abuses at sea. We would encourage organisations around the world to support the Declaration in any way that they can, so that the lives of seafarers, who play such a crucial role to everyone's day-to-day lives, are protected by law."

The Declaration targets human rights abuses stemming from piracy, criminal violence, breaches of maritime labour rights, seafarer abandonment, slavery, trafficking, child labour, and failures in equality and inclusion.

It applies to seafarers, fishers, workers in offshore oil and gas, and the tourism industry and extends to passengers, scientists, state officials on naval and coast guard vessels, migrants and refugees, and people involved in unlawful activities.

The Declaration is structured around the understanding that the protection of human rights at sea rests on four fundamental principles:

1. Human rights at sea are universal; they apply at sea, as they do on land.
2. All persons at sea, without any distinction, are entitled to their human rights.
3. There are no maritime specific reasons for denying human rights at sea.
4. All human rights established under both treaty and customary international law must be respected at sea.

David Hammond, CEO, HRAS:

"We are incredibly grateful to the drafting team and the law firms who have supported the development of the Declaration. This is the first time that the human rights of all people at sea have been codified in one document. For far too long, the sea has been a space where those who want to abuse the human rights of people are allowed to do so freely and without consequence. The Declaration will help to stop that. We look forward to advocating for its adoption by states over the coming months."

To find out more about the Declaration, [click here](#). We work with clients around the world to enable sustainable practices and help drive meaningful and lasting change.

SUSTAINABILITY
IN OUR SECTORS



HFW Sustainability Expert Map

Our lawyers have expertise in a broad range of sustainability-related issues across our sectors, including energy transition, finance, infrastructure and construction, regulation, and transport.

To find an HFW sustainability expert by region or specialism, visit our new [online map](#).



Region



Specialism



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