





Environmental law update Summer 2017

John Mitchell

Partner , Regulatory Risk and Compliance

Energy costs

- Government has announced a scheme to reduce high energy using industries £100m
- Scheme works by exemption from part of CfD scheme
- Effect will be to shift the £100m to other energy users

Growth duty

- Growth duty came into force on 29 March 2017
- Duty is triggered whenever a regulator is delivering protections set out in relevant legislation
- Virtually all functions are included
- Obliges regulators to have regard to the desirability of promoting economic growth
- Local authorities and fire and rescue authorities are exempted
- Guidance has been published to enable regulators to comply

Air quality – Client Earth claim

- Government has been ordered to file a third plan
- Tried to delay it due to the election
- Forced to publish and consult on it
- Has been badly received by most NGOs
- CIEH described it as:
 - “A plan for a plan”
 - “Wholly inadequate ... hasty, ill-prepared and piecemeal

Continuing Brexit fallout

- Microbeads ban
 - Proposed ban from June 2018 likely to be delayed
- Water abstraction reform
 - Put on hold in March, due to legislative pressure on Defra
- 25 year environment plan
 - ??

The Great Repeal Bill

- Part 1 – repeal of the European Communities Act 1972
 - This will include ending the role of the CJEU
- Part II – re-enactment into UK law of all directly applicable EU legislation
- Part III – powers to government to use secondary legislation to “correct the statute book wherever necessary”
- Labour Party manifesto
 - EU Rights and Protections Bill
 - Will retain all EU-derived laws “that are of benefit”

Eye watering fines

- Thames Water - £20m
 - Little Marlow: £8m
 - Aylesbury: £9m
 - Henley: £1m
 - 3 others: £1.75m
- Tesco - £8m
 - Health and safety offence: £5m
 - Environmental offence: £3m

Local oil prospecting defeat

- Planning application for drilling at Markwells Wood in the National Park
- Within the outer source protection zone for Bedhampton and Havant springs
- Vigorously opposed
- Application was withdrawn at the beginning of May

Vacuum cleaner wars

- Energy performance tests for vacuum cleaners
- Under EU rules, measurements are carried out when the bag is empty
- Energy consumption increases as the bag fills with dust
- Dyson claimed its bagless cleaners were being discriminated against
- CJEU ruled that the tests should reflect normal conditions of use



CSR on a Shoe String

John Buckley

Managing Director

Carbon Footprint Ltd

What's coming...

- What is CSR?
- Why CSR?
- Who is doing well?
- Who has had Poor CSR?
- How to get started?
- Low cost CSR giving
- Get business benefit

What is CSR?



We all know what the words mean – but what is it really ...and what isn't it?

CSR is more than giving to a local charity



- Selection of suppliers
- Understanding your supply chain
- Treatment of suppliers
- Treatment of employees
- Treatment of customers
- Local community
- Local environment
- Global environment



Why CSR?

- Brand Enhancement - Reputation
- Market Differentiation – Attract Customers
- Enhanced Customer Loyalty
- Employee Satisfaction – Attract and keep staff
- Because (some of you) have to
 - new EU Sustainability reporting, CDP supply chain
- Because it makes good business sense



“Shareholders realise companies that perform better on CSR issues also perform better financially”

Prof Paul Burn:



University of Bedfordshire

How Big Companies Rate...

Rank	Company	2016 RepTrak® score
1	Lego	82.0
2	Ikea	80.9
3	Microsoft	78.6
4	John Lewis Partnership	78.0
5	Rolls-Royce Aerospace	77.9
6	BMW Group	77.8
7	The Estée Lauder Companies	77.7
8	Sony	77.4
9	Intel	77.2
10	The Walt Disney Company	77.2



Source:

UK CSR RepTrak® 2016 Ranking – based on 50,000 interviews with the UK General Public

Poor CSR damages brands and even market value



A purple-tinted portrait of Warren Buffett, wearing glasses and smiling, serves as the background for the quote.

***It takes 20 years to build
A reputation and five
minutes to ruin it.
If you think about that
you'll do things
differently.***

-Warren Buffett

Things that any organisation can do to get their CSR off on the right track...



- Produce and communicate your CSR policy, some examples of what to include:
 - Health & Safety
 - Business Ethics
 - Anti Corruption policy
 - Slavery
 - Child Labour
 - Diversity and equal opportunities
 - Environment, including reducing energy, carbon, water and waste

Low Cost Activities

- Support your local community e.g.
 - Giving time – Staff Volunteering
 - Work with schools
 - Sponsor worthwhile activities and events
 - Charitable giving
- Global Activities
 - Offset your carbon emissions
 - Support communities in your supply chain regions (especially in developing countries)



Types of local projects you can easily support



- Tree planting



Corporate Tree Planting Event
at a school near Heathrow



Community and Energy Projects if you have a slightly bigger budget



- E.g. Donate a Solar Panel System to a local school
 - It keeps giving for the next 25 years



Or maybe support community projects around the world that also reduce carbon emissions



Big up what you do!

- People, businesses and the public sector want to buy from companies with strong CSR credentials.
- Communicate
 - Tenders
 - Website & social media
 - Marketing
 - CDP (formerly Carbon Disclosure Project)
 - GRI (Global Reporting Initiative)
 - Industrial schemes (e.g. Considerate Constructors Scheme)



To summarise

- CSR is important for all organisations
- CSR is more than just giving to charity
- CSR is about taking responsibility for the Ethics in your organisations
- You don't need a big budget to have a respected CSR programme

Thank you 😊



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A purpose beyond profit



@CMPPProject1

CMPP

Business to community

Fundraising

- 32 companies
- 4 organised events
- £42,000 raised
- 26 projects funded

Employee Volunteering

- 12 give and gain days
- 2000 volunteers
- Diverse skills base
- £12,000 materials



BMW Group UK

- Positive PR
- Cost effective Team building
- Health and wellbeing
- Company ethos and values



Source Supplies

- Source Academy
- Business development
- Community Awards
- Stand out from competitors
- Local lad genuinely wanting to give back to his (and his children's) community



TAG Farnborough Airport

- Expansion
- Environmental
- Community conversation
- Brand
- Positive PR
- Tenders
- Team building



FBP

- Culture for tenants
- Organised Events and activities
- Team building
- Value added – extra service
- Wellbeing
- Positive PR



The Sixth Form College Farnborough

- Student volunteering
- Work experience
- Business relations
- Sponsorship
- Team building
- Progression



Fluor

- Inspire next generation of employees
- Workforce shortage
- Positive PR
- Give back locally
- Graduate “challenge”
- Senior leadership networking



Making a world of difference together



@CMPPProject1

CMPP



DeLaRue



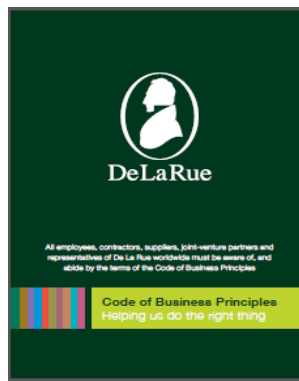
De La Rue –
Sustainable
Development



Code of Business Principles – doing the right thing

- The Code of Business Principles outlines De La Rue's core commitments, what they mean and how they should be implemented at all levels within the company.
- The Code applies to employees as well as all contractors, suppliers, joint-venture partners and representatives of De La Rue worldwide who should all be made aware of the Code and the key areas that it covers.
- The Code booklet contains more information, and is provided for further information – please keep it and refer to it.

Please support De La Rue by doing the right thing.



Our Code of Business Principles:

Health, safety and the environment

Fairness and respect

Records and reports

Conflicts of interest

Protecting personal information

Competition and anti-trust laws

Bribery and corruption

Gifts and hospitality

Insider trading and confidential information

Anyone who raises a concern in good faith will be fully supported

ETHICS CHAMPIONS – THE ROLE

The Ethics Champion's role is to:

- Keep the Code of Business Principles (CBP) high-profile on the site
 - Support the CBP Steering Group activities
 - Ensure that posters are put up, other materials circulated as required
- Act as an advisory contact point for CBP matters
 - Answer CBP queries/point people in the right direction
 - Handle queries/concerns in appropriate manner
- Champion the need to do the right thing
 - Demonstrate thorough understanding of CBP and 'live the Code'
- Communicate in local languages where required



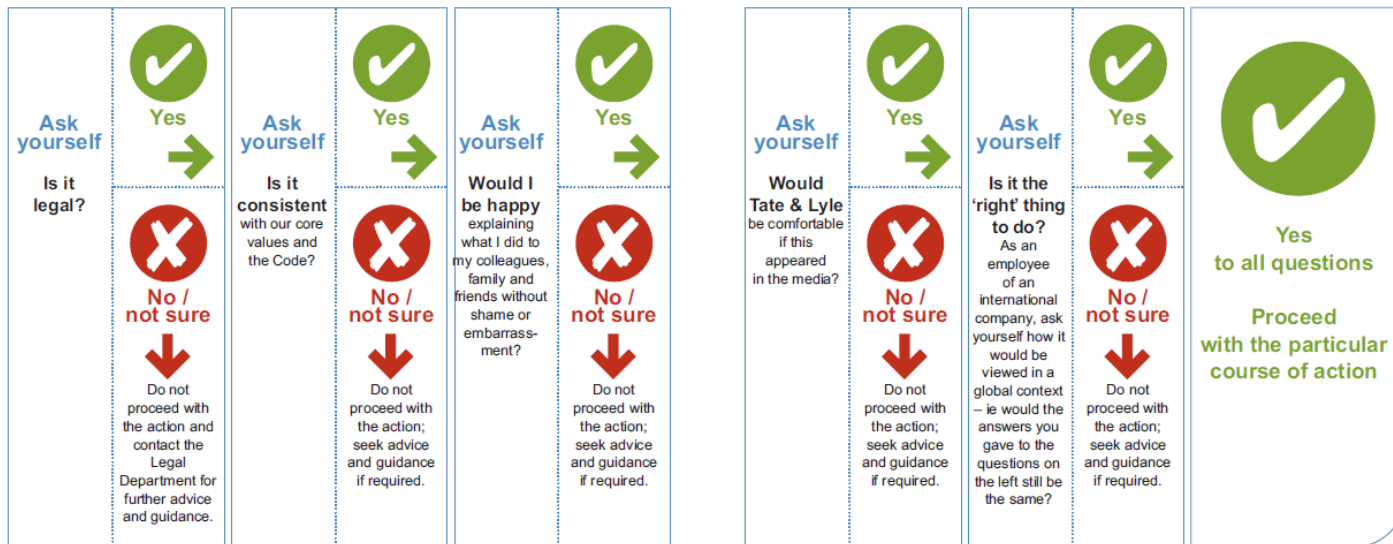
Extract from Tate and Lyle – available on their website

Section 12

How to make an ethical decision

Sometimes situations arise where the correct course of action is not entirely clear. To help you decide what to do, think through the issues by asking yourself the questions in the order set out below.

You can see some examples of ethical dilemmas and questions about the Code on *Source* under 'Ethics'. Don't forget you can always discuss your dilemma with your line manager, colleagues, your local Ethics Ambassador or the Legal Team.

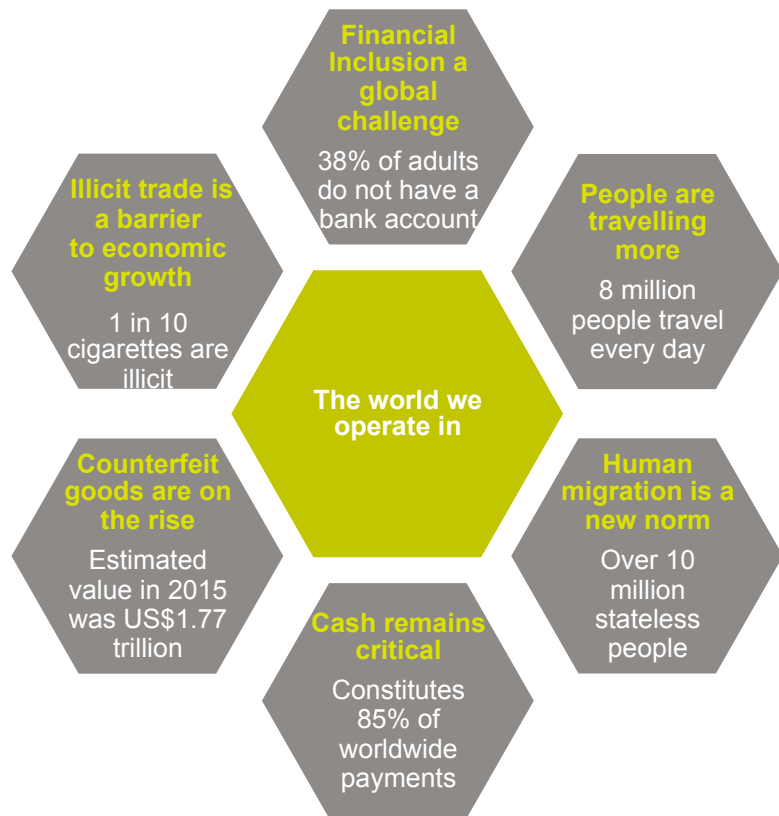




FTSE4Good

**FTSE4Good
15-year anniversary**

In a changing world, a clear purpose for De La Rue



Our purpose

Is to enable every citizen to participate securely in the global economy

Our mission

Is to provide governments and commercial organisations with products and services that underpin the integrity of trade, personal identity and the movement of goods

Sustainability is at the heart of our business



Operating on a Global Stage

Active in over 2/3rds of the countries in the world

The highest ethical standards

For our people, our industry and business at large

Services that enable sustainability

Underpinning the integrity of trade, personal identity and the movement of goods



Joined the UN Global Compact

The world's largest corporate sustainability initiative

Common Framework

Recognised reporting tool to help redefine corporate 'CSR'

Driving sustainability

Aligning our strategy and operations with universal principles on human rights, environment and anti-corruption

A Responsible Business

We recognise that the UNGC Business Principles underpin our core business

Human Rights	Labour Rights
<ul style="list-style-type: none"> • Business should support and respect the protection of internationally proclaimed Human Rights • ...and make sure they are not complicit in Human Rights abuses 	<ul style="list-style-type: none"> • Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining • ...the elimination of all forms of forced and compulsory labour... • ...the effective abolition of child labour • ...the elimination of discrimination in respect of employment and occupation
Environment	Anti-Corruption
<ul style="list-style-type: none"> • Businesses should support a precautionary approach to environmental challenges... • ...undertake initiatives to promote greater environmental responsibility and • ...encourage the development and diffusion of environmentally friendly technologies 	<ul style="list-style-type: none"> • Businesses should work against corruption in all its forms, including extortion and bribery

A Responsible Business

We support the UN Sustainable Development Goals, ensuring they drive the way we do business and the opportunity to make a difference





DeLaRue



De La Rue –
Sustainable
Development

