

Boardroom Counsel

Helping boards do business better

Every decision a board makes must balance risk, enhance business reputation and drive value creation. Today, that's harder than ever. DLA Piper's Boardroom Counsel gives you the holistic advice your board needs to create and execute your strategy.

YOUR BOARD'S BURDEN

Over time, the duties and obligations of directors have increased considerably.

Their legal and regulatory burden has become heavy, complex and – ultimately – not delegable. Corporate governance, climate change, human rights, cybercrime and taxation. Just a

few areas where directors must make business-critical decisions.

When a board makes good decisions, the results are clear. A greater licence to operate, an enhanced brand, lower cost of capital, and higher profits. It will thrive in a crisis while others lose focus.

But a board without awareness of material internal and external factors, or that doesn't account for the long term, can't make properly informed decisions. This inevitably leads the business to stagnation or failure.



BEYOND LEGAL SERVICES

Boardroom Counsel delivers the highest level of support for businesses, going beyond legal services. A single source of trusted guidance to senior leadership.

Our first step is understanding your business, objectives and goals – and your immediate and future challenges.

There's rarely a single solution to a problem, or one perfect business strategy. So our partners and consultants work together to give you the best possible advisory position.

DECISIONS THAT LEAD TO SUCCESS

Boardroom Counsel empowers boards to make better and more resilient long-term decisions.

Better quality can be achieved by establishing a board that's cognitively diverse and that avoids groupthink. Resilience is achieved by focusing minds on the long-term consequences and viability of decisions and by anticipating

possible challenges by investors and other stakeholders.

Businesses today are rarely seeking just a legal answer to a specific question. Boards need to know whether they're asking the right questions in the first place and whether their strategy and actions will lead to long-term success. The board and its general counsel must draw

on a wide pool of advice, reassured that all angles have been considered and that the guidance it receives is evidence-based and sector specific.

Boardroom Counsel helps business leaders gain a competitive advantage that's strategic, durable, hard to replicate and risk-adjusted, backed by the resources of a leading global law firm.

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What Boardroom Counsel provides

Whatever the challenge or industry sector, we can deliver the best advisory position.

Corporate governance and directors' duties

A successful business's corporate governance architecture goes beyond compliance. It's not enough to have a board comprising a certain proportion of executives and non-executives. Boardroom Counsel advises boards on establishing corporate governance protocols on aspects

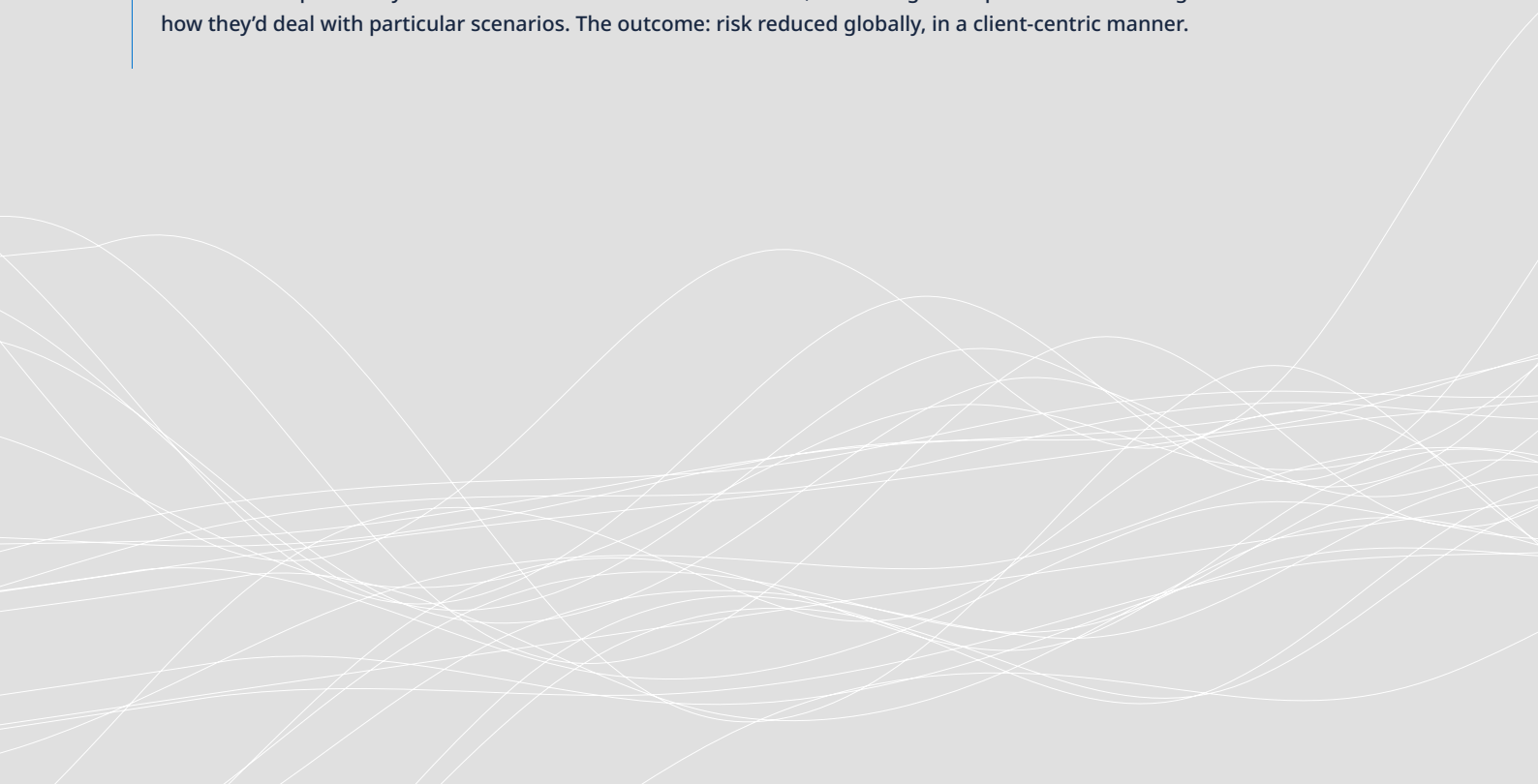
material to the business and its stakeholders. We de-emphasise issues that are less relevant and that inhibit directors from performing their duties, and help you navigate conflicts effectively across multiple jurisdictions. Boardroom Counsel also goes beyond simply interrogating

the governance of the C-suite and the board. We ensure lines of reporting and communication between geographies and subsidiary management teams beneath the board are transparent, trustworthy and reliable.

Case study: Helping directors understand risks and responsibilities worldwide

A global geotechnical business wanted a governance upgrade, starting with ensuring its directors understood their roles and responsibilities across 40+ jurisdictions. Most law firms would simply send over dozens of separate briefing notes – which would vary in consistency and quality because they had to outsource many jurisdictions to local firms.

We handled nearly all 40+ jurisdictions ourselves, with high quality control for every briefing. And we went further, creating a red-flag executive report on key risks and how to mitigate them. This helicopter analysis wove together all the jurisdictional issues that could lead to liability for not just the parent company, but also directors personally. We then held webinars for the directors, answering their questions and asking how they'd deal with particular scenarios. The outcome: risk reduced globally, in a client-centric manner.



Mergers and acquisitions

Too often, M&A activity delivers only a proportion of the potential value to the purchaser group. Target businesses are simply bolted onto the acquiring business's existing structure, rather than integrated through effective corporate governance.

Realising maximum value means ensuring the culture and governance of a target business is aligned to that of the wider purchaser group. Boardroom Counsel doesn't just help structure the M&A process to minimise business interruption and

integrate the target effectively. We also advise on whether a potential acquisition – in part or in full – is the right way to help your business meet its long-term objectives.

Case study: Global acquisition strategy

A US-listed food business had made several large European acquisitions. But it didn't have an effective corporate governance structure to integrate those acquisitions. This compromised its ability to meet its disclosure obligations, given the parent company's lack of visibility of its acquired businesses. And it meant the full potential value of those acquisitions wasn't realised.

Boardroom Counsel advised the business on a new corporate governance model. One that would ensure the board had appropriate supervision and oversight of its acquisitions and its market disclosures, and that clarified the duties and reporting lines for subsidiary management. We also helped the client balance the parent's desire for control over the management of its subsidiaries with the legal duties of independence owed by the subsidiary directors to their own companies.

Environmental, social and governance

ESG is evolving at different speeds in different geographies, making it impossible for businesses to have a one-size-fits-all response. Today, many providers of capital demand their investees have a bespoke, well-considered and properly articulated ESG strategy.

And progress against that strategy needs to be candidly and clearly measured. Boardroom Counsel guides boards on creating an authentic and relevant response to ESG that produces the best possible return. Over time, an approach to ESG will evolve

to become a business as usual matter. But for now, it's absolutely centre stage and proving to be a ruthless differentiator between those businesses that adopt and those that don't.

Conflict resolution and stakeholder activism

For every business opportunity there's a business risk.

Disputes between commercial counterparties, shareholders and businesses can arise in the gaps between corporate

strategy, policies, operations and communication. Boardroom Counsel helps boards prevent these risks from crystallising. We can build a mature attitude in the boardroom that will identify and mitigate risk,

reduce the prospects of stakeholder activism and create value. And if the risk becomes a reality, our international dispute resolution team is here to give you the best chance of resolving it successfully.

Boardroom composition

Over the years, successful boards are refreshed. People will need to leave, and new people introduced in a way that ensures the board has the right talent and experience for the evolving needs of the business.

This can bring an element of risk and even litigation. Boardroom Counsel advises boards on how to end a directorship satisfactorily and how to bring in the right people who understand the culture,

values and goals of the business and are aligned with its purpose and strategy. Board composition must also address diversity, equity and inclusion, and we can ensure these are fully integrated.



Responsible business practices and human rights

Today, boards are held to account by a wide set of stakeholders, including customers and NGOs, with access to sophisticated sustainability information. Boards are expected to understand how purpose and business performance come together. They must authentically

focus on material issues and credibly integrate sustainability opportunities and risks into business strategies. By doing so, the business will access capital more easily, succeed in the war for talent, attract loyal customers and, ultimately, be more profitable.

Boardroom Counsel advises boards on how to hold a business to a high ethical standard, identify human rights risks, create the right culture and effectively anticipate and respond to stakeholder concerns.

Case study: The courage to say no to a big commercial opportunity

A global services provider wanted to establish a new business in Australasia to provide services to the government. But this opportunity came with several serious human rights risks.

The business engaged Boardroom Counsel to advise its directors on these risks and help them decide whether to proceed. We assessed the potential impact of risks and whether they could be prevented or mitigated. Following our advice, the board decided that proceeding was not in the long-term interests of the company – a decision it hasn't regretted. It can take courage to say no, but the best decisions link courage with sound advice.

Remuneration and incentive plans

Employee remuneration and reward is complex and under ever-increasing levels of scrutiny and regulation. Well-designed incentive arrangements reward executives for sustainably implementing long-term strategy

while discouraging them from taking excessive risks for short-term gains. And this can also improve engagement across the wider workforce. If the role of the board is to promote the long-term sustainable success

of a company, how it remunerates its employees is key to achieving this. Boardroom Counsel advises boards on the full range of employee remuneration structures.

Pension schemes

Senior leadership teams must ensure pension schemes align with corporate values and beliefs. This can mean aligning the pension plan's investment strategy to the corporate's own strategy. Or it can mean ensuring governance of

the pension arrangements is robust. Increasingly, ESG plays a vital role in pension scheme investing. There's more focus on climate change reporting, and more legislation in areas including governance, regulatory scrutiny

and – potentially – reporting on the social impact of pension scheme investing. Boardroom Counsel views pension scheme development from all angles and ensures future risk is mitigated.

Taxation strategy

Today, both the business and individual board members come under high-profile scrutiny when it comes to the morality of paying the right amount of tax, and not using what may be perceived as unfair or aggressive strategies

to reduce tax payments. Seeking certain tax breaks can cause long-term reputational damage, and the business's strategy must align with its purpose and what the outside world believes fair tax might be. Boardroom Counsel

helps senior leaders to move past seeing tax as simply a technical issue to understanding how a tax strategy lies at board level. We advise on what may be seen as acceptable and what won't.



Financial restructuring

No board wants to dwell on the prospect of insolvency. But the legal and regulatory expectations of directors in that context are very different from business as usual. Assured and experienced guidance is essential. Directors of distressed companies must consider their legal duties to

stakeholders, recognising that the nature of those duties and the respective priority of stakeholders will change as the company's financial position deteriorates. Pressures on companies can include liquidity constraints and breaches of covenant in financial or commercial

agreements. Boardroom Counsel supports senior leaders through this challenging stage in a business lifecycle, considering all options to protect the value of the business and its assets and minimise loss to creditors.

Case study: Resolving stakeholder conflict successfully

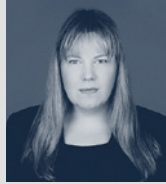
An asset manager client was facing a claim from a private individual about bond investments made on their behalf. The litigation introduced contagion risk and regulatory consequences. Boardroom Counsel provided support in two ways. First, we advised on reviews of investment processes. Second, we organised defensive and offensive litigation teams. All while our insurance team advised on coverage issues.

This holistic support, specific to the asset management sector, made the difference between the client's solvency and insolvency. Our team helped it avoid regulatory sanction, shut down the claim, and obtain judgment against the Hong Kong-based bond issuer.

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