



# Sustainability as legal structure.

ESG advisory for companies, investors and family  
offices operating across the United Arab Emirates,  
Italy and Europe, and China.

ABU DHABI · DUBAI · ROME · MILAN · SHANGHAI

Paoletti Legal Consultants LLP — ADGM Licence No. 000003526 — Regulated by the ADGM Registration Authority

# Over twenty years of international corporate law, now serving the sustainable transition.

Paoletti advises entrepreneurs, corporate groups and family offices on establishing, growing and protecting their businesses across the Emirates, Italy and China.

Founded in Rome and active in the Emirates since 2014, the firm is headquartered in the Abu Dhabi Global Market with offices in Dubai, Rome, Milan and Shanghai. Our professionals work in English, Italian and Mandarin.

Our core expertise in governance, contracts, corporate transactions and cross-border structuring is exactly where ESG obligations become concrete: in the articles of association, the shareholders' agreement, the supply contract and the due diligence.

"For us, ESG is not a communications exercise: it is documented governance, consistent contracts and measured risk."

**Our commitment.** We apply to ourselves what we recommend to clients: an internal code of conduct and whistleblowing procedure, digital document processes, ongoing team training on sustainability regulation and an annual account of our own impact.

**Published insight.** We track regulatory developments through regular analysis, from the Gulf ESG framework and ADGM disclosure rules to the comparison between the CSRD scope in Italy and the UAE approach.

## 20+

years of experience in international corporate and commercial law

## 3

legal systems: UAE (onshore and free zones), Italy/EU, China

## 3

working languages: English, Italian, Mandarin

## WHY NOW

# The regulatory landscape has changed. For businesses between the Gulf and Europe, obligations overlap.

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## UAE — FEDERAL

**Federal Decree-Law No. 11 of 2024** on the Reduction of Climate Change Effects, in force since 30 May 2025. Public and private entities, including in free zones, must measure, report and reduce greenhouse gas emissions and keep records for five years. Fines range from AED 50,000 to AED 2 million, doubled for repeat breaches.

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## UAE — ADGM

**ESG Disclosures Guidance** issued by the Registration Authority under sections 399A–399D of the ADGM Companies Regulations 2020: a "comply or explain" disclosure regime for ADGM-registered companies.

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## UAE — MARKETS

**SCA Governance Guide** (Decision No. 3/R.M. of 2020, art. 76): PJSCs listed on ADX and DFM publish an annual sustainability report under GRI standards.

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## EU — ITALY

**Directive (EU) 2026/470 "Omnibus I"**, in force since 18 March 2026: CSRD limited to companies with over 1,000 employees and €450 million turnover (transposition by 19 March 2027); CSDDD limited to groups with over 5,000 employees and €1.5 billion, applicable from 26 July 2029.

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## SUPPLY CHAIN

**The cascade effect remains.** SMEs outside the CSRD still receive ESG questionnaires, contract clauses and data requests from customers, banks and investors. Businesses exporting to or investing in the Gulf must answer to both systems.

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The risk is not only the fine: it is losing a tender, a financing or an investor for lack of credible ESG documentation.

Sources: Federal Decree-Law No. 11/2024 ([uaelegislation.gov.ae](http://uaelegislation.gov.ae)); SCA Board Decision No. 3 R.M./2020, art. 76; Directive (EU) 2026/470 (Official Journal of the EU, 26.02.2026); ADGM ESG Disclosures Guidance. Framework current as of October 2026; some implementing measures are still being issued.

# Six practice areas, one point of contact across three jurisdictions.

## 01

### UAE climate compliance

- Applicability review under Decree-Law 11/2024
- Internal governance for emissions measurement and reporting
- Contracts with MRV consultants and verifiers
- Carbon credits and the National Register

## 02

### ADGM and market ESG disclosure

- Gap analysis against the ADGM ESG Disclosures Guidance
- Legal support for SCA / GRI sustainability reports
- "Comply or explain" policies and board resolutions

## 03

### Sustainable governance and family offices

- ESG committees, board roles and responsibilities
- Articles, shareholders' agreements and foundation charters with sustainability objectives
- Italian benefit companies (società benefit)
- Responsible investment policies

## 04

### Contracts and supply chain

- ESG and climate clauses in supply, EPC, distribution and JV agreements
- Supplier codes of conduct and audit rights
- Responses to ESG questionnaires from EU customers
- CSRD/CSDDD cascade on SME suppliers

## 05

### ESG in corporate transactions

- ESG legal due diligence in M&A and investments
- ESG representations, warranties and indemnities
- Structuring sustainable vehicles and funds in ADGM and DIFC

## 06

### Social, people and anti-greenwashing

- Internal regulations, codes of ethics, whistleblowing
- Employment and human rights compliance
- Legal review of environmental claims and communications
- ESG dispute management

## WHO WE WORK WITH

# Clients operating between two regulatory worlds.

### Italian companies in the UAE

UAE subsidiaries and JVs subject to the climate law, and Italian parents receiving ESG requests from EU customers.

### ADGM and DIFC entities

Holdings, SPVs, managers and operating companies facing ESG disclosure in the free zones.

### Family offices and foundations

Generational governance, responsible investment policies and family reputation.

### Gulf investors in Italy

ESG due diligence on European targets and compliance with CSRD/CSDDD and the Taxonomy.

### Industry, energy, construction

EPC contracts, procurement and infrastructure projects with climate requirements.

### Chinese groups in the corridor

Set-up in the UAE and business towards the EU, with support in Mandarin.

## OUR METHOD

### ESG Legal Check — in four phases

#### PHASE 1

#### Mapping

Which rules actually apply: UAE, ADGM/DIFC, Italy/EU, supply chain.

#### PHASE 2

#### Gap analysis

Existing documents, governance and contracts measured against obligations.

#### PHASE 3

#### Roadmap

Priorities, deadlines and responsibilities, with a defined budget.

#### PHASE 4

#### Implementation

Policies, resolutions, clauses and periodic updates.

We work alongside technical consultants and emissions verifiers: the firm covers the legal and governance side, our technical partners the measurement. The client has a single point of contact.

## CONTACT

# Let's discuss your ESG strategy.

An initial meeting to understand which obligations apply to you and where to start.

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## Request an ESG Legal Check.

Write to [info@paoletti.com](mailto:info@paoletti.com) with "ESG" in the subject line · [paoletti.com](http://paoletti.com)