GIBSON DUNN

The Payoffs and Pitfalls of ESG Due Diligence

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A recent global survey of dealmakers by BCG and Gibson Dunn reveals a striking consensus: conducting environmental, social, and governance (ESG) due diligence is now indispensable for M&A transactions. Dealmakers say that the insights gained from these assessments are crucial not only for mitigating risks but also for preserving and enhancing deal value. Although Europe has spearheaded more stringent ESG regulations, dealmakers in all surveyed countries, including those in the US, recognize the importance of performing such assessments before closing a deal. “The Payoffs and Pitfalls of ESG Due Diligence” report was authored by Jens Kengelbach, Jana Herfurth, Dominik Degen, Dirk Oberbracht, Ferdinand Fromholzer, and Jan Schubert. Download the report here.

About the Survey To understand the prevailing ESG due diligence practices in M&A transactions, BCG and Gibson Dunn surveyed 115 dealmakers in Europe, North and South America (including in the US), and Asia. The dealmakers are in various industries and participate in different deal sizes. (See the exhibit below.) The survey participants, who hold positions ranging from managers to roles in the C-suite, have been personally involved in deals during the past three years and are familiar with ESG due diligence practices. Approximately two-thirds of the respondents are corporate executives, while the others are from private equity or venture capital firms or financial institutions.



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Related Capabilities

ESG: Risk, Litigation, and Reporting

Related People

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