

# **United Nations Global Compact 2024**

Communication on progress questionnaire

Submitted: 30 July 2024

Reporting period: May 2022 – April 2023

Formal submitted version available on the <u>United Nations Global Compact website</u>



#### INTRODUCTION

#### R1. How will you complete the 2024 CoP reporting requirement?

- Complete the digital questionnaire with the option to also add a sustainability report (recommended)
- Only upload a sustainability report

## R2. What is the time period covered by your Communication on Progress? (MM/YYYY - MM/YYYY)

Please share the date range of the reporting period used for the Communication on Progress option you select.

05/2022 - 04/2023

#### ICEO STATEMENT OF CONTINUED SUPPORT

To our stakeholders,

I am pleased to confirm that Freshfields Bruckhaus Deringer LLP reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals.

Sincerely yours,

#### S1. Please complete the following information:

CEO/Highest-level executive name:	Georgia Dawson
CEO/Highest-level executive full title:	Senior Partner
Company name:	Freshfields Bruckhaus Deringer LLP

#### S2. Please confirm:

•	I am the CEO or highest-level executive
$\circ$	I have received permission to sign on behalf of the CEO or highest-level executive

#### A. Policies and responsibilities

#### G1. Does the board/highest governance body or most senior executive of the company:

#### Select all that apply

•	Issue an annual statement about the relevance of sustainable development to the company
$\circ$	Issue an annual statement that addresses impacts on both people and the environment
•	Issue an annual statement highlighting a zero tolerance for corruption
•	Sign off on organisational sustainability targets
•	Supervise Environmental, Social, and Governance reporting
•	Regularly review potential risks related to the business model
0	None of the above

## G2. Does the company have a publicly stated commitment regarding the following sustainability topics?

#### Select one answer per line

	No, this is not a current priority	No, but we plan to have a commitment within the next two years	Yes, and the commitment is focused on our own operations	Yes, and the commitment includes our own operations and suppliers	Yes, and the commitment includes our own operations and the value chain (eg, suppliers, consumers, communities, other business relationships)
Human rights	0	0	0	0	•
Labour rights/ decent work	0	0	0	0	•
Environment	0	0	0	0	•
Anti-corruption	0	0	0	0	•

**Additional information:** The firm's purpose, <u>Empowering tomorrow</u>, seeks to create a better future for our clients, our people and the communities in which we live and work. We are committed as a firm to doing this across the above areas, in respect of our own operations, our suppliers' operations and in our role as professional advisors to our clients.

Further details of our commitments (relating to our own operations and our suppliers) are set out on our website:

Responsible business practices

Responsible Business Procurement Guidelines and Operating Principles

Transparency in supply chains annual statement

Diversity and inclusion

**Environmental framework and commitments** 

Community impact

<u>Pro bono</u>



Our commitment to driving forward change in the legal industry and beyond is reinforced through our client sustainability advisory work (ESG and sustainability), and driven through our business partnerships, memberships and participation in a range of sustainability initiatives. A sample of these are detailed below and in later sections of this Communication on Progress (as relevant).

#### **Client advisory work:**

ESG and sustainability

Human rights and supply chain

**Energy transition** 

Employment, incentives and pensions

Anti-bribery and corruption

#### Partnerships, memberships and other public commitments:

**EDGE** 

Mansfield Certification, WILEF, Social Mobility Foundation, Stonewall

UN Standards of Conduct for LGBTQ+ inclusion

UK Collaborative Plan for Pro Bono Target and United States Pro Bono Institute Challenge Initiative

Member of the UNGC UK Network's Working Group on Modern Slavery

The Mindful Business Charter

Campaign for Greener Arbitrations

**Greener Litigation** 

Legal Charter 1.5

## G3. Does the company have a code of conduct in place regarding each of the following sustainability topics?

Select one answer per line

	No, this is not a current priority	No, but we plan to within the next two years	Yes, focused on employees	Yes, focused on employees and suppliers	Yes, focused on our own operations and the value chain (eg, suppliers, consumers, communities, other business relationships)
Human rights	0	0	$\circ$	•	0
Labour rights/ decent work	0	0	0	•	0
Environment	0	0	0	•	0
Anti-corruption	0	0	0	0	•

**Additional information:** The firm's conduct is governed by the UK Solicitors' Regulation Authority principles of conduct and other applicable regulatory and ethical codes, and we require all colleagues to comply with key Freshfields Duties. We also have a 'Being Freshfields' framework which guides our internal standards of behaviour.

The Freshfields Duties and Being Freshfields framework are set out in internal documents available to all staff on our internal website and are proactively communicated, including during induction. They cover conduct across human rights, labour rights/decent work and anti-corruption. We are currently carrying out a review of these documents to ensure they remain best-in-class.

In 2023, we published green office guidelines internally – a set of standards for colleagues across our global network to deliver environmental best practices. <u>Our Responsible Business Procurement Guidelines and Operating Principles</u> set out our expectations of our suppliers (alongside the commitments we as a firm make across the four areas outlined above).

We have third-party anti-bribery and corruption principles, which we provide to business partners and suppliers with whom we work, which reinforce our own commitments as well as our expectations of those we work with.

## G4. Has the company appointed an individual or group responsible for each of the following sustainability topics?

Select one answer per line

	No one is specifically responsible for this topic	Yes, with limited influence on outcomes (eg. limited access to internal information, limited decisionmaking authority)	Yes, with moderate influence on outcomes (eg, has access to relevant information, reports to senior manager)	Yes, with direct influence of some outcomes (eg, has access to relevant information, includes one or more senior manager with decision making rights)	Yes, with direct influence at the highest levels of the company (eg, has access to relevant information, includes most senior members of company)
Human rights	0	$\circ$	$\circ$	0	•
Labour rights/ decent work	0	0	0	0	•
Environment	0	0	0	0	•
Anti-corruption	0	$\circ$	0	0	•

## G5. Does the company have a formal structure(s) (such as a cross-functional committee) to address each of the following sustainability topics?

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	No formal structure	Yes, with limited influence on outcomes (eg. limited access to internal information necessary to understand risks, poor representation from relevant departments or functions)	Yes, with moderate influence on outcomes (eg, includes representatives of some functions, departments, or business units most relevant for addressing the risks concerned, has access to relevant information, reports to senior manager)	Yes, with direct influence on some outcomes  (eg. includes representatives of functions, departments, or business units most relevant for addressing the risks concerned, has access to relevant information, involves one or more members of senior management)	Yes, and with direct influence at the highest level of the company (eg, full access to relevant information, involves members at highest level of the company)	
Human rights	0	0	0	0	•	
Labour rights/ decent work	0	0	0	0	•	
Environment	$\circ$	0	0	0	•	
Anti-corruption						



#### **B.** Prevention

#### G6. Does the company have a process(es) to assess risk?

Select one answer per line

	No, this is not a current priority	No, but we are planning to develop one within the next two years	Yes, related to our own operations	Yes, related to our own operations and suppliers	Yes, related to our own operations and the value chain (eg, suppliers, consumers, communities, other business relationships)
Human rights risks	0	0	0	0	•
Labour rights risks	0	0	0	0	•
Environmental risks	0	0	0	0	•
Corruption risks	0	0	0	0	•

**Additional information**: Freshfields has an established process for identifying, analysing, managing and reporting to leadership and other stakeholders on risks to our firm's strategy and business model, and a dedicated team focused on maintaining the framework for doing this (including a Global Risk Partner and a Head of Risk Management). The firm's principal risks span the four risk areas referenced above. This year Freshfields has assessed its global climate-related risks against the TCFD framework and in January 2024 published its first TCFD-aligned report

Our business acceptance process includes a specific matter and client risk assessment and review process, which includes consideration of a range of criteria of the nature set out above. We have declined to take on clients and/or particular matters that do not meet the firm's values from a sustainability perspective or otherwise.

# G6.1. During the assessment of risk, has the company identified suppliers and/or other business relationships where the risk related to human rights, labour, environment and/or anti-corruption may be particularly severe?

	No	Yes
Human rights risks	0	•
Labour rights risks	0	•
Environmental risks	0	•
Corruption risks	0	•

G7. Does the company have a due diligence process through which it identifies, prevents, mitigates, and accounts for actual and potential negative impacts on sustainability topics?

Select one answer per line

	No, this is not a current priority	No, but we are planning to develop one within the next two years	Yes, related to our own operations	Yes, related to our own operations and suppliers	Yes, related to our own operations and the value chain (eg, suppliers, consumers, communities, other business relationships)
Human rights risks	0	0	0	0	•
Labour rights risks	0	0	0	0	•
Environmental risks	0	0	0	0	•
Corruption risks	0	0	0	0	•

**Additional information:** We monitor our performance and impact across the above areas through various channels (eg, surveys, feedback from engagement groups and D&I networks), data collection (eg, monitoring our waste, business travel, energy consumption and utilities), regular reporting to management and communication of how impacts are addressed to colleagues across the firm.

In our 2022/23 financial year, our procurement and internal audit teams conducted due diligence on our suppliers – in a particular region, and on a global basis in relation to particular sectors – including specific questions related to modern slavery.

Our business acceptance process includes a specific matter and client risk assessment and review process, which includes consideration of a range of criteria of the nature set out above. We have declined to take on clients and/or particular matters that do not meet the firm's values from a sustainability perspective or otherwise.

G7.1. During the due diligence process, has your company identified those suppliers and/or other business relationships where the risk of adverse impacts on human rights, labour, environment and/or anti-corruption may be particularly severe?

	No	Yes
Human rights risks	0	•
Labour rights risks	0	•
Environmental risks	0	•
Corruption risks	0	•



#### C. Concerns and grievance mechanisms

G8. Does the company have a process(es) through which members of the company's workforce can raise concerns about the company's conduct on sustainability topics?

Select one option

	No, this is not a current priority	No, but we plan to within two years	Yes, we have an informal process (eg, through supervisors, others)	Yes, we have a formal process
Human rights risks	0	0	0	•
Labour rights risks	0	0	0	•
Environmental risks	0	0	0	•
Corruption risks	0	0	0	•

**Additional information**: We promote and foster a speak up culture and have a whistleblowing policy and procedures to report and subsequently remediate/take action to address non-compliance. This is supported by a speaking-up policy and a 24-hour externally run speak up hotline (in addition to internal feedback channels).

G8.1 Please provide additional detail regarding the process(es) the company has through which members of the company's workforce can raise concerns about the company's conduct.

Select one answer per line

	No	Yes
Is the process communicated to all employees/workers in local languages?	•	0
Is the process available to non- employees (eg. suppliers, consumers, communities, and other business relationships)?	0	•
Is the process confidential (eg, whistleblowing process)?	0	•
Are there processes in place to avoid retaliation?	0	•
Can concerns be raised about suppliers or other business relationships (eg, clients, partners, etc.)?	0	•
Other (Please provide additional information)	•	0

Additional information: The process available to non-employees/non-staff members is set out on our website here.



#### D. Lessons

## G9. How does the company capture lessons regarding each of the following sustainability topics?

Select one answer per line

	No lessons are regularly captured	Conducts investigation/ review of incidents as needed	Conducts investigation/ review of incidents and changes organisational policies, processes, and practices accordingly	Conducts investigation/ review and leverages learnings to influence both internal and external affairs
Human rights	0	0	0	•
Labour rights/decent work	0	0	0	•
Environment	0	0	0	•
Anti-corruption	0	0	0	•

#### E. Executive pay

## G10. Is executive pay linked to performance on one or more of the following sustainability topics?

Select one answer per line

	No, this is not a current priority	No, but we plan to within the next two years	Yes
Human rights	•	0	0
Labour rights/decent work	•	0	0
Environment	•	0	0
Anti-corruption	•	0	0

Additional information: The partnership has a fixed remuneration structure known as a 'lockstep' which broadly reflects the length of a partner's tenure at the firm, as opposed to being linked directly to KPIs. There is no scope to include incentives within this structure. However, entry into the partnership (and the right to participate in the executive pay 'lockstep') is assessed against a number of factors relevant to these sustainability topics, including the Being Freshfields principles and the firm's core values. In addition, colleagues and partners at the firm have annual performance reviews or personal business planning sessions where performance is evaluated on outcomes as well as behaviours and contribution to sustainable business practices.



#### F. Board composition

#### G11. Please provide details regarding the company's board/highest governance body.

Select one answer per line, if 'Known', include the value

	Known	Not applicable	Number
Total number of board members (#)	•	0	10%
Male (%)	•	0	40%
Female (%)	•	0	60%
Non-binary (%)	•	0	0%
Under 30 years old (%)	•	0	0%
30-50 years old (%)	•	0	50%
Above 50 years old (%)	•	0	50%
From minority or vulnerable groups (%)	0	•	
Executive (%)	0	•	
Independent (%)	0	•	

**Additional information:** The above was the position as at 30 April 2023 (the end of the relevant reporting period). We do not have data for minority groups globally, but our Board is global and has ethnically diverse representation.

#### G12. Do you produce sustainability reporting according to:

Select all that apply

Select all triat apply	
•	National/local regulation on sustainability
$\bigcirc$	Security exchange regulations
0	Non-Financial Reporting Directive of the European Union (NFRD)/Corporate Sustainability Reporting Directive (CSRD)
$\bigcirc$	Global Reporting Initiative (GRI)
$\bigcirc$	Sustainability Accounting Standards Board (SASB, now consolidated into the IFRS Foundation)
$\bigcirc$	International Integrated Reporting Council (IIRC, now consolidated into the IFRS Foundation)
$\bigcirc$	Climate Disclosure Standards Board (CDSB, now consolidated into the IFRS Foundation)
•	Task Force on Climate-related Financial Disclosures (TCFD)
•	Other voluntary frameworks (Please provide additional information)
$\circ$	No sustainability reporting according to any frameworks nor regulations outside of this Communication on Progress

**Additional information:** Our China Chairman, Teresa Ko, is vice chair of the IFRS Foundation and has been actively engaged in the development of the International Sustainability Standards Board (ISSB) with the aim of developing a global baseline of sustainability disclosure standards.

**Other voluntary frameworks**: Other voluntary frameworks include Science-Based targets, CDP, EcoVadis, Mansfield, WILEF, MCCA, ABA diversity submission and the Solicitors' Regulation Authority diversity data submission, FTSE Women Leader Review and Parker Review data submissions. From January 2024 (and with respect to FY22/23), the firm's statutory accounts include a report structured in accordance with the TCFD framework requirements.



#### G. Data assurance

#### G13. Is the information disclosed in this questionnaire assured by a third-party?

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•	Limited assurance for minority of metrics (eg, GHC emissions only)
$\circ$	Limited assurance for majority of metrics
$\circ$	Reasonable assurance for minority of metrics
$\circ$	Reasonable assurance for majority of metrics
$\circ$	Other (Please provide additional information)
$\circ$	No assurance for any metrics

Additional information: See Responsible business reports.

#### A. Materiality (including saliency)

HR1. Which of the following has the company identified as material human rights topics connected with its operations and/or value chain, whether based on their salience (eg, the most severe potential negative impacts on people) or another basis?

Select all that apply	
$\circ$	Freedom of association and the effective recognition of the right to collective bargaining
$\circ$	Child labour
$\circ$	Forced labour
•	Non-discrimination in respect of employment and occupation
•	Safe and healthy working environment
•	Working conditions (wages, working hours)
$\circ$	Freedom of expression
$\circ$	Access to water and sanitation
•	Digital security/privacy
•	Gender equality and women's rights
$\circ$	Rights of indigenous peoples
$\circ$	Rights of refugees and migrants
•	Other

#### $\textbf{Additional information:} \ Other-Access \ to \ Justice.$

We believe access to justice forms an essential component of all human rights protection. Without access to justice, rights become – in the formulation of the European Court of Human Rights – "theoretical and illusory, not practical and effective". We also believe that the legal profession, given its unique and privileged position in matters of justice, has a particular responsibility to promote access to justice. As a law firm, and an organisation in large part comprised of lawyers, we therefore believe we have a special "duty and opportunity" to support access to justice through our pro bono work.

We dedicate substantial resources to our pro bono practice. In the reporting period, we devoted over 80,000 hours to pro bono service – for a range of clients from individual asylum seekers to some of the world's largest humanitarian charities.

Our policy commitment to access to justice is on our <u>website</u>. We regularly engage with stakeholders – notably, our legal services partners – regarding our access to justice programmes, and we collaborate with our peers to maximise our collective impact. We provide training to our lawyers: both global training such as on Trauma-Informed Client Care, and training specific to particular projects. We have set ambitious targets to further increase our contribution.

#### **B.** Commitment

## HR2. Does the company have a policy commitment in relation to the following human rights topics?

Select one answer per line, if 'Yes', include the value:

	No, and we have no plans to develop a policy	No, but we plan to within the next two years	Yes, included within a broader policy or as a stand-alone policy	Year policy last reviewed (YYYY)
Digital security/privacy	0	0	•	2023
Gender equality and women's rights	0	0	•	2023

#### Additional information:

**Digital security:** Freshfields is ISO27001 certified. As part of the certification, we are required to have detailed information, cyber and privacy security policies across all aspects of the business. These are internal documents available to all staff on our internal website and proactively communicated, including during induction.

**Data protection and privacy:** All staff, including partners (a role within the firm), workers, secondees, consultants and contractors are obliged to comply with the firm's data protection commitments as contained within our internal policies and procedures. Our public-facing privacy notices can be accessed <a href="here">here</a>. Information to prospective employees is provided with a <a href="Recruitment Privacy Notice">Recruitment Privacy Notice</a> prior to submitting employment applications.

**Gender equality:** Our internal equal opportunities policy and other policies include specific content in relation to gender equality. We also have information on our external website in relation to our diversity and inclusion efforts in relation to gender equality (see <a href="here">here</a>), and have targets for gender equality in leadership aligned to which we transparently publish our progress. Our pro bono work also highlights ways in which we specifically seek to support women's rights (see <a href="here">HR8</a> below).

#### HR2.1. For each human rights policy commitment, is it:

Select all that apply

	Aligned with international human rights standards	Publicly available	Approved at most senior level of the company	Applied to the company's own operations	Applied to the company's own operations and suppliers	Applied to the company's own operations and the value chain (eg, suppliers, consumers, communities, other business relationships)	Developed involving human rights expertise from inside and outside the company	Other (Please provide additional information)
Digital security/ privacy	•	•	•	•	•	•	•	0
Gender equality and women's rights	•	•	•	•	•	•	•	0

**Additional information**: All Freshfields information, cyber and privacy policies are global, approved by senior management, published centrally (therefore available to all staff) and comply with the requirements above. Our public-facing privacy notices can be accessed <u>here</u> and our recruitment privacy notice <u>here</u>.

Our commitment to gender equality and women's rights is also available on our website.

These statements are reinforced in our <u>Responsible Business Procurement Guidelines and Operating Principles</u>, which include expectations on our suppliers across digital security/privacy and gender equality and women's rights (among other matters).

Among other initiatives, we are also committed to supporting wider change outside the firm, as demonstrated by our work externally with the 30% Club, where we are founding members in the UK, US, Hong Kong and Italy, and our partnership with WeConnect, a global network that connects women-owned businesses to qualified buyers around the world.

#### C. Prevention

HR3. Within the reporting period, has the company engaged with potentially affected stakeholders or their legitimate representatives in relation to the following human rights topics?

Select one answer per line

	No engagement on this topic	To better understand the risks/ impacts in question	To discuss potential ways to prevent or mitigate the risks/impacts in question	To agree on a way to prevent/ mitigate the risks/impacts in question	To assess progress in preventing/ mitigating the risks/impacts in question	To collaborate in the prevention/ mitigation of the risks/ impacts in question
Digital security/ privacy	0	0	0	0	0	•
Gender equality and women's rights	0	0	0	0	0	•

#### Additional information:

**Data protection and privacy:** Compliance with data protection obligations is raised at the highest level both in the context of specific projects involving the processing of personal data and generally in respect of broader data management considerations. Recognising the importance of safeguarding privacy, we have established a single unit to advise the firm on data protection compliance, and collaborate with internal stakeholders to recommend and agree steps to minimise or reduce privacy risks associated with new technology and/or processing of data through the completion of privacy impact assessments. As a part of the privacy impact assessment process, consultation of impacted individuals is undertaken

**Gender equality:** Our global and regional D&I networks and engagement forums play an important role in giving feedback to leadership to shape our strategy, policies and procedures, including with respect to gender equality. We also run regular surveys at the firm, including an annual global survey to seek colleagues' views around culture, values and inclusivity.

**Our client advisory practice**: Freshfields' client sustainability practice advises clients on managing the legal risks of their most significant sustainability matters. As part of this, we develop thought leadership and client-facing training on human rights and other sustainability issues. See below for examples of our work with clients relating to digital security/data privacy and gender equality:

Human rights and supply chain

People and social issues

Employee data protection

HR4. What type of action has the company taken within the reporting period with the aim of preventing/mitigating the risks/impacts associated with the following human rights topics?

#### Select all that apply

	No action within reporting period	Provided internal training/ capacity building for the direct workforce	Built capacity among relevant business relationships (eg, partners, suppliers, clients, etc)	Conducted an audit process and/or corrective action plan	Collective action with peers or other stakeholders, to address the issue	Collaborated with governmental or regulatory bodies	Other (Please provide additional information)
Digital security/ privacy	0	•	•	•	•	•	0
Gender equality and women's rights	0	•	•	•	•	•	0

#### **Additional information:**

**Digital security:** Freshfields has an end-to-end information and cyber security strategy including intelligence-led decision-making, extensive internal audit, dedicated roles and extensive end-user training. In addition, members of Freshfields actively participate in both open and closed communities focused on enhancing best practices and sharing knowledge including involvement in the International Legal Technology Association (ILTA) and client initiative boards. This engagement ensures a collaborative approach to addressing cybersecurity concerns, fostering partnerships and collectively advancing the industry's overall security posture.

**Data protection and privacy**: In addition to comprehensive annual data protection awareness training delivered to all staff, the firm's Privacy Office has developed a suite of internal training modules specifically tailored for those internally processing personal data, with continual outreach to targeted practice areas to embed privacy within day-to-day processes. Members of the firm's Privacy Office and Commercial Team regularly engage with internal and external stakeholders through steering groups, workshops and training sessions to encourage best practice data governance. Recent DPO activities include contributing to an intra-industry working group chaired by TheCityUK and participation in a series of round tables with His Majesty's Treasury, Department of International Trade and Department for Business Energy and Industrial Strategy, shaping policy and culminating in a report published by TheCityUK on adoption of a commercially viable approach to digital trade within the UK financial and services sector.

**Gender equality**: In 2022, we designed and launched a new D&I training portfolio, available to all colleagues globally. We also provide suppliers with training and guidance on a range of sustainability topics (including diversity and inclusion), and encourage them to set responsible business strategies (eg, as part of our sponsorship of the Heart of the City programme). The firm submits data to the UK Solicitors' Regulation Authority (SRA) (see <a href="here">here</a>), which among other things helps to inform its engagement strategy as it promotes diversity in the legal profession, and helps monitor the diversity impact of the changes it is making and meet its reporting requirements to the UK Legal Services Board and Ministry of Justice.

#### HR5. Who receives training for the following human rights topics?

#### Select all that apply

	No training provided	Select employees	All employees	Contractors	Direct suppliers	Indirect suppliers	Other - such as partners, clients, etc
Digital security/ privacy	0	0	•	•	0	0	•
Gender equality and women's rights	0	0	•	0	•	0	•

#### Additional information:

**Digital security:** All staff including contractors receive regular and comprehensive information/cyber security training. Suppliers are required to conduct their own equivalent training.

**Data protection and privacy**: All staff, including those who have regular access to firm systems, are provided with regular privacy awareness training and frequent engagement on issues specific to their work area. We expect suppliers to ensure that any personnel accessing firm data have undergone data protection training and are bound to confidentiality.

**Gender equality:** Training is available to all colleagues, including for all new joiners during induction, on gender equality and inclusion as part of our broader D&I training curriculum. We also support our smaller suppliers through programmes such as Heart of the City in London, which includes funding them through training to build up their responsible business (including their diversity and inclusion) policies and practices.

Freshfields provides bespoke training/workshops across the above areas to clients on request.

## HR6. How does the company assess progress in preventing/mitigating the risks/impacts associated with the following human rights topics?

#### Select one answer per line

	No monitoring of progress	Review topics on ad hoc basis	Set annual targets/ goals, track progress over time (internal programmes only)	Set annual targets/ goals, track progress over time (internal and external programmes)	Other (Please provide additional information)
Digital security/ privacy	0	0	0	•	0
Gender equality and women's rights	0	0	0	•	0

#### Additional information:

**Digital security:** Freshfields tracks and assesses all internal and relevant external risks. These are tracked centrally and reported monthly to the oversight body with targeted improvements. The firm is also ISO certified.

Data protection and privacy: The firm's Privacy Office undertakes appropriate levels of due diligence on privacy and data protection compliance risks of any proposed new IT system or product or changes to an existing system or product through the completion of a privacy impact assessment or, where required, a Data Protection Impact Assessment. The Information Security Group (ISG) undertakes due diligence on technical and security aspects of the particular system/product. These impact assessments are regularly reviewed in order to ensure any recommendations to minimise identified risks are appropriately implemented. Additionally, where suppliers are engaged to process personal data, privacy impact assessments are refreshed and any identified gaps in contractual and/or compliance commitments are recorded and steps taken to liaise with the relevant external supplier to remedy.

**Gender equality:** In 2021, we launched five-year global <u>commitments</u> to diversity and inclusion including targets for gender reflecting a refreshed focus across the firm on action and progress in this area. In 2023, we published our latest <u>Diversity and Inclusion report</u>, highlighting our progress against these targets. We also participate in the Mansfield Rule and have Mansfield Rule Certification Plus status in the US and the UK. This recognises that we have sought to ensure equal opportunity for all, considering a diverse talent pool for opportunities with at least 30% women, racial/ethnic groups, LGBTQ+ lawyers and/or lawyers with disabilities for leadership and governance roles, equity partner promotions, formal client pitch opportunities and senior lateral positions. The "Plus" status distinguishes that we have additionally successfully reached at least 30% underrepresented lawyer representation in a notable number of current leadership roles and committees. We also submit to both the Parker Review and FTSE Women Leaders Review.

#### D. Response and reporting

HR7. Within the reporting period, has the company been involved in providing or enabling remedy if it has caused or contributed to adverse impact(s) associated with the following human rights topic(s)?

	No remedy provided/ enabled	Yes, remedy provided/ enabled	No adverse impact identified or caused	Choose not to disclose
Digital security/privacy	0	0	•	0
Gender equality and women's rights	0	0	•	0

HR8. Briefly describe additional relevant, practical actions the company has taken within the reporting period and/or plans to take to implement the human rights principles, including any challenges faced and actions taken towards prevention and/or remediation.

**Data protection and privacy:** Our data protection unit undertook a number of key initiatives within the reporting period to improve organisational controls and ensure these had been implemented, including in respect of data subject rights, measures to accommodate local regulatory changes and mapping of international transfers through our supply chain to ensure appropriate safeguards are afforded and data subjects rights are secured (eg, the Privacy Office developed an internal tool to assist internal teams in identifying preferred locations for data storage and access).

**Gender equality:** Gender equality and women's rights are a key pillar of our global diversity and inclusion strategy and responsible business efforts. We have implemented targets for gender representation in leadership and have a number of initiatives in place to support colleagues' development (eg, our <u>Global Sponsorship Programme</u>), raise awareness and build our inclusive culture (eg, training, our <u>EDGE</u> commitment and our global women's networks) and we make an impact more broadly through external collaborations (eg, <u>Equal Arbitration Pledge</u>, <u>30% Club</u>), our pro bono (eg, see <u>here</u> for an example of our work in this area) and community work. For more information about our efforts, internally and externally on this priority, and some examples of recognition we have received for our work in this space, please see our website <u>here</u>.

**Client advisory work:** Our commitment to driving forward change in the legal industry and beyond is reinforced through our client advisory work in these areas. See, for example:

Data ethics

Data and cyber

WorkLife 2.0



#### A. Commitment

#### L1. Does the company have a policy in relation to the following labour rights topics?

Select one answer per line, if 'Yes', include the value:

	No, and we have no plans to develop a policy	No, but we plan to within the next two years	Yes, included within a broader policy or as a stand-alone policy	Not applicable (Please provide additional information)	Year policy last reviewed (YYYY)
Freedom of association and the effective recognition of the right to collective bargaining	0	0	•	0	2023
Forced labour	0	0	•	0	2023
Child labour	0	0	•	$\circ$	2023
Non-discrimination in respect of employment and occupation	0	0	•	0	2023
Safe and healthy working environment	0	0	•	0	2023
Working conditions (wages, working hours)	0	0	•	0	2023

**Additional information:** Our commitments across the above areas are set out publicly on our website (<u>Responsible business practices</u>) and in our <u>Responsible Business Procurement Guidelines and Operating Principles</u>.

With respect to modern slavery (forced labour and child labour), we issue an annual public statement: <u>Transparency in supply chains annual statement</u>. Details of our commitment to mental health and wellbeing are set out on our website <u>here</u> and our approach to diversity and inclusion <u>here</u>.

We have a range of people policies, principles and procedures that are regularly closely reviewed and evolved as appropriate (including in relation to non-discrimination, compensation, wider benefits and leave entitlement; agile and flexible working, respecting downtime and supporting the safety, wellbeing and mental health of our people). Our remuneration model is closely reviewed to ensure that we are fairly rewarding our people, and that we remain competitive in the market.

#### L1.1. For each labour rights policy commitment, is it:

Select all that apply

	Aligned with international labour standards		Approved at most senior level of the company	Applied to the company's own operations	own	Applied to the company's own operations and the value chain (eg. suppliers, consumers, communities, other business relationships)	Developed in consultation with workers and their representatives	Developed involving labour rights expertise from inside and outside the company	Other (Please provide additional information)
Freedom of association and the effective recognition of the right to collective bargaining	•	•	•	•	•	0	0	0	0
Child labour	•	•	•	•	•	0	0	•	$\circ$
Forced labour	•	•	•	•	•	0	0	•	$\circ$
Non- discrimination in respect of employment and occupation	•	•	•	•	•	0	•	•	0
Safe and healthy working environment	•	•	•	•	•	0	•	•	0
Working conditions (wages, working hours)	•	•	•	•	•	0	•	•	0

**Additional information:** Our commitments across the above areas are set out publicly on our website:

Responsible business practices

Responsible Business Procurement Guidelines and Operating Principles

Transparency in supply chains annual statement

Mental health and wellbeing

Diversity and inclusion

We receive input from partners (a role within the firm) and employees, including through our global and regional engagement forums and 14+ D&I networks across the firm, on our policies, our working environment, our sustainability performance and programmes as well as our compensation and benefits. We run an annual global survey to measure our culture, our purpose, our values, and our people experience, and multiple regional/function specific surveys to collect feedback, which we use to inform strategy, policy and procedure.

Our internal 'Being Freshfields' framework, which guides our internal standards of behaviour, was developed by our people, as part of our global conversation about culture and working environment at the firm.



#### L1.2. Does the company's policy on freedom of association and collective bargaining:

Select all that apply	
0	Reference the respect for the right of all workers to form and join a trade union of their choice without fear of intimidation or reprisal and protect workers against acts of antiunion discrimination
$\bigcirc$	Prohibit any acts of interference in trade unions
$\circ$	Facilitate collective bargaining with the trade union representatives
0	Provide trade union representatives with information required for meaningful bargaining in the context of bona fide negotiations
$\circ$	Reference the respect for the right of workers to submit grievances without suffering
•	We do have a policy on freedom of association or collective bargaining but it does not include any of these details
$\circ$	We do not have a policy on freedom of association or collective bargaining

**Additional information**: Collective bargaining is uncommon in the legal sector. Our publicly stated commitment in this area is set out in our Responsible Business Procurement Guidelines and Operating Principles, which outline our expectations of our suppliers (alongside the commitments we make as a firm). The commitment includes elements of the above statements.

#### **B.** Prevention

## L2. Within the reporting period, has the company engaged with affected stakeholders or their legitimate representatives in relation to the following labour rights topics?

Select one answer per line

	No engagement on this topic	To better understand the risks/ impacts in question	To discuss potential ways to prevent or mitigate the risks/impacts in question	To agree on a way to prevent/ mitigate the risks/impacts in question	To assess progress in preventing/ mitigating the risks/impacts in question	To collaborate in the prevention/ mitigation of the risks/ impacts in question	Other (Please provide additional information)
Freedom of association and the effective recognition of the right to collective bargaining	•	0	0	0	0	0	0
Forced labour		0	0	0		0	•
Child labour	0	0	0	0	0	0	•
Non-discrimination in respect of employment and occupation	0	0	0	0	0	•	0
Safe and healthy working environment	0	0	0	0	0	•	0
Working conditions (wages, working hours)	0	0	0	0	0	•	0

**Additional information**: Collective bargaining is uncommon in the legal sector. We have multiple global and regional colleague engagement forums, D&I networks and, in some locations, a works council or colleague committee. These groups play an important role in giving feedback to leadership to shape our strategy, policies and procedures, including with respect to non-discrimination, safe and healthy working environment and working conditions. Leadership, and a number of our D&I networks, also run regular surveys at the firm to seek colleagues' views, including an annual global survey on culture, values and inclusivity.

Freshfields engages with employees on health and safety through training and inductions (when arriving at the firm/on site), committee groups (eg, people safety committees, the Enabled Network and the Mental Health Affinity Network), team meetings, noticeboards and signage (among other internal communications channels). Employees and contractors are actively encouraged to become involved in health and safety planning and management arrangements, and we actively liaise with landlords and building managing agents, as well as other tenants within our office buildings, to ensure health and safety working arrangements are coordinated and managed effectively.

We work on a pro bono basis for NGOs that advocate for, and represent, modern slavery survivors. We engage with these NGOs on a regular basis to understand how we can best assist them in supporting the rights of those survivors.

Our client advisory practice: Freshfields' global client sustainability practice advises clients on managing the legal risks of their most significant sustainability matters. As part of this, we develop thought leadership and client-facing training and events across the areas above. Examples of our work with clients in these areas are set out on our website here:

People and social issues

Labour relations

**Executive reward** 

Remuneration

WorkLife 2.0

Modern slavery operational guidance for prisons

Freshfields provides pro bono advice to The Office of Theresa May on establishing Global Commission on Modern Slavery and Human Trafficking Freshfields advises the Modern Slavery Intelligence Network on creation of new governance structure



#### L3. What type of action has the company taken within the reporting period with the aim of preventing/mitigating the risks/impacts associated with the following labour rights topic?

Select all that apply:

	No action within reporting period	Provided internal training/ capacity building for the direct workforce	Built capacity among relevant business relationships (eg. suppliers, consumers, communities)	Conducted an audit process and/ or corrective action plan	Collective action with peers or other stakeholders, in particular workers' organisations, to address the issue	Collaborated with governmental or regulatory bodies	Other (Please provide additional information)
Freedom of association and the effective recognition of the right to collective bargaining	•	0	0	0	0	0	0
Forced labour	0	0	0	•	•	0	0
Child labour	0	0	0	•		0	0
Non-discrimination in respect of employment and occupation	0	•	•	0	•	0	0
Safe and healthy working environment	0	•	•	•	•	0	0
Working conditions (wages, working hours)	0	•	0	•	0	0	0

**Additional information:** We have a robust risk management programme and a principal risks register, which includes 'Ways of working' at the firm. This has an associated work plan for monitoring, assurance and – where deemed necessary – activities to strengthen controls.

**Forced labour and child labour:** Please see our <u>Transparency in supply chains annual statement</u> for further details.

Non-discrimination in respect of employment and occupation: In 2022, we designed and launched a new D&I training portfolio, available to all colleagues globally. This includes modules on inclusive language, bias and inclusive behaviours, and how to be an effective ally.

We also provide suppliers with training and guidance on a range of sustainability topics and encourage them to set responsible business strategies (eg, as part of our sponsorship of the Heart of the City programme in the UK).

We collaborate to drive change through partnership with like-minded organisations, with education, and through conversations with governments and regulators, for example:

- we submit our data to the Solicitors' Regulation Authority (our UK regulator) every two years;
- we are founding law firm members of General Counsel for D&I and the Stonewall's Global Diversity Champions programme; and
- we work with PurpleSpace, the Legal Neurodiversity Network, Neurodiversity in Business and Valuable 500.

Examples of our social mobility programmes (eg, Freshfields Stephen Lawrence Scholarship Scheme, Legal Outreach and Aspiring Professionals Programme) can also be found <u>here</u>.

**Safe and healthy working environment:** We believe in supporting colleagues' wellbeing on multiple dimensions, in relation to mind, body and balance, and have support available in line with these pillars including a team of Mental Health First Aiders (we have trained 350+ globally), access to wellbeing apps, a 24/7 employee assistance programme and a global wellbeing hub providing access to webinars, events and advice on topics such as stress, sleep and nutrition. Our approach is underpinned not only by our wellbeing pillars but also by our continued efforts to encourage healthy work habits that support our own self-care and that of our colleagues.

We introduced internal global workplace standards in early 2023 that consolidate and streamline our workplace strategy and design, and construction standards. They include guidelines around inclusive design, wellbeing, equipment specification and display screen guidelines and workplace security measures (among other matters).

#### L4. Who receives training for the following labour rights topics?

Select all that apply

	No training provided	Select employees	All employees	Contractors	Direct suppliers	Indirect suppliers	Other - such as partners, clients, etc.
Freedom of association and the effective recognition of the right to collective bargaining	0	0	0	0	0	0	•
Forced labour	0	•	0	0	0	0	•
Child labour	0	•	0	0	0	0	•
Non-discrimination in respect of employment and occupation	0	0	•	0	•	0	•
Safe and healthy working environment	0	0	•	•	•	0	•
Working conditions (wages, working hours)	0	0	0	0	0	0	•

**Additional information**: Bespoke training is provided to clients upon request as part of our client advisory work in these areas.

## L5. How does the company assess progress in preventing/mitigating the risks/impacts associated with the following labour rights topics?

Select one answer per line

	No monitoring on progress	Review topics on ad hoc basis	Set annual targets/goals, track progress over time (internal programmes only)	Set annual targets/goals, track progress over time (internal and external programmes)	Other (Please provide additional information)
Freedom of association and the effective recognition of the right to collective bargaining	•	0	0	0	0
Forced labour	0	•	0	$\circ$	0
Child labour	0	•	0	$\bigcirc$	$\circ$
Non-discrimination in respect of employment and occupation	0	0	0	•	0
Safe and healthy working environment	0	0	•	$\circ$	0
Working conditions (wages, working hours)	0	•	0	0	0

**Additional information:** In 2021, we launched <u>five-year global commitments</u> to diversity and inclusion and targets for gender, race and ethnicity, and LGBTQ+ representation reflecting a refreshed focus across the firm on action and progress in this area. In 2023, we published our latest <u>Diversity and Inclusion Review</u>, highlighting our progress against these targets.

We have also made a number of external commitments (eg, in the UK, we are founding signatories to the Rare Fairness Commitment and the Charter for Black Talent). These commitments seek to ensure fair access to opportunity for Black and minority ethnic professionals, and require specific actions, targets, data and tracking of progress in areas of recruitment, pay, promotion and retention. We also participate in the Mansfield Rule and have Mansfield Rule Certification Plus status in the US and the UK. This recognises that we have sought to ensure equal opportunity for all, considering a diverse talent pool for opportunities with at least 30% women, racial/ethnic groups, LGBTQ+ lawyers and/or lawyers with disabilities for leadership and governance roles, equity partner promotions, formal client pitch opportunities and senior lateral positions. The "Plus" status distinguishes that we have additionally successfully reached at least 30% underrepresented lawyer representation in a notable number of current leadership roles and committees.

#### C. Performance

## L6. Do(es) the existing collective bargaining agreement(s) provide(s) more favourable rights than those provided in legislation, where appropriate?

Select all that apply:

$\circ$	Yes, by providing more favourable conditions related to wages
$\bigcirc$	Yes, by providing more favourable conditions related to working hours
$\circ$	Yes, by providing more favourable conditions related to health coverage and/or sick leave
$\circ$	Yes, by providing additional rights not otherwise provided (Please provide additional information)
•	There is (are) no existing collective bargaining agreement(s)
$\circ$	No



## L7. Within the reporting period, what was the percentage of women in managerial positions? (%)

Percent women	Unknown
42%	0

## L8. What was the average ratio of the basic salary and remuneration of women to men (comparing jobs of equal value) within the reporting period?

Salary ratio Women/Men (%)	Unknown	Choose not to disclose
	•	$\circ$

Additional information: Please refer to our <u>UK pay gap report</u> published in March 2023 for more information in this area).

## L9. Within the reporting period, how frequently were workers injured (injuries per hour worked)?

Frequency of injury	Unknown	Choose not to disclose	
	•	0	

**Additional information:** We are a provider of legal services and work in a low risk office-based environment. The incidence of worker injuries in the legal sector is very low. However, we have robust systems in place to ensure reported accidents and injuries are appropriately investigated and, where required, remedial measures are implemented to prevent a reoccurrence.

## L10. In the course of the reporting period, what was the company's incident rate (injuries per worker)?

Incident rate	Unknown	Choose not to disclose (please provide additional information)	
	•	$\circ$	

**Additional information:** We are a provider of legal services and work in a low risk office-based environment. The incidence of worker injuries in the legal sector is very low. However, we have robust systems in place to ensure reported accidents and injuries are appropriately investigated and, where required, remedial measures are implemented to prevent a reoccurrence.

#### D. Response and reporting

L11. Within the reporting period, has the company been involved in providing or enabling remedy if it has caused or contributed to the adverse impact(s) associated with the following labour rights topics?

Select one answer per line

	No remedy provided/ enabled	Yes, remedy provided/ enabled	No adverse impact identified or caused	Choose not to disclose
Freedom of association and the effective recognition of the right to collective bargaining	0	0	•	0
Forced labour	0	0	•	0
Child labour	0	0	•	0
Non-discrimination in respect of employment and occupation	0	0	•	0
Safe and healthy working environment	0	0	•	0
Working conditions (wages, working hours)	0	0	•	0

L12. Briefly describe additional relevant practical actions the company has taken during the reporting period and/or plans to take to implement the labour rights principles, including any challenges faced and actions taken towards prevention and/or remediation.

Our diversity and inclusion work is aligned with our purpose and values, responsible business and people strategies. We are focused on ensuring everyone can belong, engage and excel at the firm, creating an environment where difference is valued. During FY22/23 (the reporting period), this included transparently publishing our progress against our diversity targets and commitments, extending our recruitment efforts to reach new talent pools, enhancing our training offerings including our global Future Leaders Programme for racially/ethnically diverse talent, working with external expert organisations to review processes, gathering feedback from colleagues to inform our approach including our employee networks and more. Please find more information on our website in relation to our efforts to ensure we are creating an inclusive workplace where everyone can achieve their potential.

Our ongoing commitment to mental health and wellbeing saw the start in 2023 of a 'Fostering High Performance Teams' training programme, which has now been completed by more than 200 partners, counsel and senior leaders across all regions and practice groups.

 $Please see our \underline{\textit{Transparency in supply chains statement}} \ for \ further \ details \ of \ our \ approach \ to \ modern \ slavery \ over \ the \ reporting \ period.$ 

#### A. Commitment

## E1. Does the company have a policy commitment in relation to the following environmental topics?

Select one answer per line, if 'Yes', include the value:

·					
	No, and we have no plans to develop a policy	No, but we plan to within the next two years	Yes, included within a broader policy or as a stand-alone policy	Not applicable (Please provide additional information)	Year policy was last updated (YYYY)
Climate change	0	0	•	0	2023
Water	0	0	0	•	
Oceans	0	0	0	•	
Forests/biodiversity/ land use	0	0	0	•	
Air pollution	0	0	0	•	
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	0	0	•	0	2023
Energy & resource use	0	0	•	0	2023

**Additional information:** Freshfields' Global Environment Framework guides our ambition and commitment to the environment, identifying areas where the firm can make a significant impact in reducing its environmental footprint. This is particularly relevant to climate change and, for this, we measure and offset our annual carbon emissions, with ambitious science-based targets in place to reduce emissions. Energy and resource use are included in our environmental targets, including a commitment to supply all offices with 100-percent renewable electricity (Freshfields is a member of the RE100 initiative), and a further target to reduce paper in our operations. Details regarding our framework and targets can be found here.

Although we seek to minimise the environmental impact of our operations across all of the listed topics and reduce pollution in all its forms, as a legal services provider, we have not identified water, oceans, forests/biodiversity/land use or air pollution as material issues in our operations (see E12). In addition to our climate change targets (see below), we also have commitments to reduce consumption of paper, and to reduce waste volumes, at the same time as improving our recycling rates.

#### E1.1. For each environmental policy commitment, is it:

Select all that apply

	. •							
	Aligned with international environmental standards	Publicly available	Approved at most senior level of the company	Applied to the company's own operations	Applied to the company's own operations and suppliers	Applied to the company's own operations and the value chain (eg, suppliers, consumers, communities, other business relationships)	Developed involving environmental expertise from inside and outside the company	Other (Please provide additional information)
Climate change	•	•	•	•		0	•	0
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	•	•	•	•	•	0	0	0
Energy & resource use	•	•	•	•	•	0	•	0

**Additional information:** Freshfields' <u>Global Environmental Framework</u> outlines our commitment to the environment, highlighting areas we have identified where we can make a significant impact.

On climate change, we have committed to reduce our carbon emissions through SBTi-validated near-term science-based targets. Set against a 2018/19 baseline, targets include a commitment to source 100% renewable electricity for all offices by 2030, and to reduce absolute Scope 1 & 2 emissions by 55% by 2027. These targets are also pertinent to our use of energy and resources. Further targets include reducing business travel-related emissions by 35%, reducing fuel and energy-related activities by 30% and having 62% of our supply chain committed to the SBTi, all by 2027. Our science-based targets were designed with input from a sustainability consultancy partner, Ecometrica, have been approved by the firm's Executive Committee and were validated by the SBTi.

An Environmental Delivery Plan is in place with clearly defined goals and targets for the coming years, including our near-term science-based targets and a net zero plan for the firm. Wider environmental ambition within the firm includes a focus on reducing our paper consumption, effective management of waste and a focus on environmental efficiencies across the Freshfields office network. Our London office, which is the largest by headcount, is certified to ISO 14001 and 50001 standards regarding environmental and energy management.

An Environmental Delivery Group (EDG) is responsible for the establishment, action and review of the firm's Environmental Delivery Plan. It is overseen by the firm's regional COOs and co-opts specialists from Environment, Procurement, Workplace/Facilities Management, Communications, HR and other teams, with input from our Global Green Group of local office representatives. The EDG meets on a bi-monthly basis to review progress and identify areas for improved progress against its delivery plan, including the status of actions allocated to each of the priority focus areas. It is chaired by our Head of Client Sustainability and Environment and supported by the Environment Manager. Our Responsible Business Procurement Guidelines and Operating Principles set out our expectations of our suppliers (alongside the commitments we as a firm make).

#### **B.** Prevention

E2. Within the reporting period, has the company engaged with potentially affected stakeholders or their legitimate representatives in relation to the following environmental topics?

Select one answer per line

	No engagement on this topic	To better understand the risks/ impacts in question	To discuss potential ways to prevent/ mitigate the risks/ impacts in question	To agree on a way to prevent/ mitigate the risks/ impacts in question	To assess progress in preventing/ mitigating the risks/ impacts in question	To collaborate in the prevention/ mitigation of the risks/ impacts in question	Other (Please provide additional information)
Climate change	0	0	$\circ$	0	0		0
Water		0	0	0	0	•	0
Oceans	0	0	$\circ$	0	0	•	0
Forests/biodiversity/ land use	0	0	0	0	0	•	0
Air pollution	0	0	$\circ$	0	0		0
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	0	0	0	0	0	•	0
Energy & resource use	0	0	0	0	0	•	0

Additional information: For the purposes of the above, our key stakeholders are our clients, our peers in the legal industry, and our employees.

**Clients**: Freshfields' client sustainability practice advises clients on managing the legal risks of their most significant sustainability matters, and on navigating opportunities of transition. As part of this, we deliver targeted services (sustainable finance, transactions, litigation, risk assessments, regulatory compliance, disclosure) and develop thought leadership and client-facing training and events on climate and other sustainability matters. For examples of our client work in this space, see:

ESG and sustainability

**Energy transition** 

**Environmental law** 

Our China Chairman, Teresa Ko, is vice chair of the IFRS Foundation Trustees and has been actively engaged in the development of the International Sustainability Standards Board (ISSB) with the aim of developing a global baseline of sustainability disclosure standards.

**Legal industry:** Freshfields is a member of the Legal Sustainability Alliance (LSA), a collaborative network whose aim is to support law firms on their transition to net zero. Freshfields shares learnings with other law firms regarding environmental reporting best practices and our experience with carbon offsetting. Freshfields has been committed to carbon neutrality since 2007, having historically offset emissions across Scopes 1 and 2 and Scope 3 categories including waste and business travel.

Freshfields contributed to the successful launch of the <u>Legal Charter 1.5</u> industry group in June 2023 and is currently a 'Dialogue Partner' of the initiative, actively contributing to its advised emissions work group, and leading a second working group on high-scale strategic offsetting. Legal Charter 1.5 brings together law firms to promote collaboration to cut greenhouse gas emissions, consistent with IPCC recommendations.

Freshfields is also a member of the <u>Campaign for Greener Arbitrations</u> and is signatory to the Greener Litigation Pledge and Greener Arbitration Pledge. Through these pledges, the firm engages with clients to agree green protocols for handling mandates, including reduced printing, reduced travel and promotion of digital technologies including virtual hearings. Freshfields featured in a spotlight article in the CGA August 2022 newsletter, and a lawyer in our New York office has been instrumental in organising roundtable discussions to promote learning amongst fellow arbitrators.

Freshfields worked with the association of TheCityUK institutions on a <u>policy paper</u> promoting the City of London as a centre for green finance.

**Employees:** Our global engagement forums have been consulted on the firm's environmental ambitions and their input has been used to inform the resulting Environmental Delivery Plan.

# E3. What type of action has the company taken within the reporting period with the aim of preventing/mitigating the risks/impacts associated with the following environmental topics?

Select all that apply

	No action within reporting period	Provided internal training/ capacity building for the direct workforce	Built capacity among relevant business relationships (eg, suppliers, consumers, communities)	Conducted an audit process and/ or corrective action plan	Collective action with peers or other stakeholders to address the issue	Collaborated with governmental or regulatory bodies	Other (Please provide additional information)
Climate change	0		•			•	0
Water			•	•		•	0
Oceans	0		•		0		0
Forests/biodiversity/ land use	0	•	•	•		•	0
Air pollution	0		•			•	0
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	0	•	•	•	0	•	0
Energy & resource use	0	•	•	•	0	•	0

Additional information: Freshfields has a dedicated team that advises the firm on environmental issues and helps steer the firm's responses. In October 2022, Freshfields hired a new Head of Client Sustainability and Environment whose role involves driving Freshfields' client sustainability offering, acting as a leading voice across five key client priorities including energy transition, human rights, corporate governance, climate change and sustainable finance. The Head of Client Sustainability and Environment also leads the firm's internal environmental team.

An Environmental Delivery Group (EDG) is responsible for the establishment, action and review of the firm's environmental delivery plan. It is overseen by the firm's regional COOs and co-opts specialists from Environment, Procurement, Workplace/Facilities Management, Communications, HR and other teams, with input from our Global Green Group of local office representatives. The EDG meets on a bi-monthly basis to review progress, identify areas for improved progress against its delivery plan, including the status of actions allocated to each of the priority focus areas.

Progress against our environment goals/targets:

- 82% of our global electricity supply comes from 100% renewables (2022/23 data). We joined the RE100 renewable energy initiative in 2021
- 69% reduction in paper consumption across our global office network (based on 2022/23 data vs. 2018/19 baseline)
- 71% reduction in Scope 1 and 2 emissions (based on 2022/23 data vs. 2018/19 baseline)
- New global workplace standards guidance, outlining minimum sustainability standards and criteria for office moves and refits, and supporting energy efficiency measures launched in early 2023
- 71% reduction in business waste (based on 2022/23 data vs. 2018/19 baseline), with 35% of our annual waste segregated for recycling, and a further 42% being processed as energy from waste, all of which supports our aim to phase-down waste to landfill. The firm participates in schemes to donate old IT equipment (laptops and tablets) to local charities or organisations, in particular to Routes Collective as part of the Refugee Connect Framework project
- 41% reduction in business travel-related emissions (based on 2022/23 data vs. 2018/19 baseline). A refreshed global business travel policy has been implemented which includes criteria relating to mode of travel and distance, to reduce travel-related carbon emissions (particularly in light of bounce-back post Covid)
- Publication of green office guidelines a set of standards for colleagues across the global network to deliver environmental best practices

Colleagues receive regular communications on environmental topics (including waste management and energy efficiency) during global and regional townhalls, during departmental and regional briefings, as well as signposting and resource sharing on the firm's intranet. The firm's environmental priorities are communicated to colleagues in pre-joining materials, induction programmes, and colleague professional development through a digital training module (in development).



## E4. How does the company assess progress in preventing/mitigating the risks/impacts associated with the following environmental topics?

Select one answer per line

Select one answer per line	octoor one unswer per line							
	No monitoring of progress	Review topics on ad hoc basis	Set annual targets/goals, track progress over time (internal programmes only)	Set annual targets/ goals, track progress over time (internal and external programmes)	Other (Please provide additional Information)			
Climate change	0		0	•	0			
Water			0	0	•			
Oceans	0	0	0	0	•			
Forests/biodiversity/ land use	0	0	0	0	•			
Air pollution	0	0	0	0	•			
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	0	0	0	•	0			
Energy & resource use	0	0	•	0	0			

Other (Please provide additional information): See E1 above.

**Additional information:** Freshfields has an established process for identifying, analysing, managing and reporting to leadership on the principal risks to our firm's strategy and business model, and a dedicated team focused on maintaining the framework for doing this (including a Global Risk Partner and a Head of Risk Management). The impact of sustainability (notably climate change) on the firm is included as one of the firm's principal risks, with an associated plan attached to it to monitor and, where necessary, improve our management of its component parts. A detailed analysis of our climate-related risks and opportunities work has also been completed.

Freshfields collects environmental performance data from offices across the firm on an annual basis, covering energy and utilities consumption, business travel, waste data, and paper purchases . This data is analysed and converted into a carbon footprint by Ecometrica, which is then externally assured by Carbon Footprint Ltd. Assurance statements can be found <a href="here">here</a>.

## E4.1 For each environmental topic for which the company sets timebound goals/targets, what kind of targets has the company set?

Please provide a description of targets (eg, what is the target, absolute vs. intensity, externally verified, on track, etc.)

Climate change	<ul> <li>55% reduction in Scope 1 &amp; 2 (operational) emissions by 2027 - a 71% reduction achieved</li> <li>62% of our suppliers committed to science-based targets by 2027 (all against a 2018/19 baseline). 29% of suppliers by spend committed to the SBTi (2022/2023)</li> </ul>
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	<ul> <li>Phase-down of single-use plastics: 95% decrease in single-use plastics procured for catering, events and refreshment areas in 2022/23 vs. 2018/19 baseline</li> </ul>
Energy & resource use	<ul> <li>100% renewable energy supply in all offices by 2030 - 82% coverage of global office electricity supply from 100% renewables achieved in 2022/2023</li> <li>40% reduction in paper consumption by 2025 (against a 2018/19 baseline) - 69% reduction achieved by 2022/23, a reduction of almost 89,000 reams</li> </ul>

## E4.2. For each environmental topic in which the company sets timebound goals/targets, how is progress against target/goal tracked?

Select one answer per line:

	Progress is reviewed against goals annually or more frequently	Progress is reported internally to the most senior level	Progress is reported externally	Other (Please provide additional information below)
Climate change	0	0	•	0
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	0	•	0	0
Energy & resource use	0	0	•	0

**Additional information**: Freshfields collects environmental performance data from offices across the firm on an annual basis, covering energy and utilities consumption, business travel, waste data, and paper purchases. This data is analysed and converted into a carbon footprint by Ecometrica, which is then externally assured by Carbon Footprint Ltd. Assurance statements can be found <a href="here">here</a>. Our annual environmental data returns are used to identify areas where the firm can improve its environmental performance. The annual results are presented to our Environmental Delivery Group (EDG) and Global Leadership Team (GLT), before being circulated to all Freshfields colleagues.

## E5. Within the reporting period, has the company been involved in providing or enabling remedy where it has caused or contributed to adverse impact(s) associated with the following environmental topic(s)?

Select one answer per line

coloci chic di lotto. poi milo									
	No remedy provided/ enabled	Yes, remedy provided/enabled	No adverse impact identified or caused	Choose to not disclose					
Climate change	0	0	•	0					
Water	0	0	•	0					
Oceans	0	0	•	0					
Forests/biodiversity/ land use	0	0	•	0					
Air pollution	0	0	•	0					
Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)	0	0	•	0					
Energy & resource use	0	0	•	0					

**Additional information:** The purpose of our Environmental Delivery Group and associated delivery plan is to reduce the firm's environmental impacts in line with global best practice. Hence our commitment to science-based targets on carbon emissions (spanning energy, travel, suppliers, etc.) and wider environmental targets around paper use, together with effective environmental management of offices and associated local, regional and global governance. Freshfields did not detect any significant adverse environmental impacts generated by its own operations in relation to the topics mentioned.

#### C. Climate action

## E6. What were the company's gross Scope 1 and/or Scope 2 global greenhouse gas (GHG) emissions forwithin the reporting period?

Select one answer per line, if 'Known', include the value

	Known	We did not measure our gross GHG emissions	Measured Total Emissions (tCO <sub>2</sub> e)
Scope 1 emissions	•	0	583.25
Scope 2 emissions	•	0	2,334.02

**Additional information:** Freshfields reports its carbon footprint annually. This includes all areas of Scope 1 and 2 emissions. Scope 1 emissions in 2022/23 = 583.25 tCO<sub>2</sub>e. Scope 2 emissions (market-based) in 2022/23 = 2,334.02 tCO<sub>2</sub>e.

## E7. What were the company's gross Scope 3 global greenhouse gas (GHG) emissions within the reporting period?

•	We measured Scope 3 GHG emissions (Please input the measured tCO₂e in the text box below)
$\circ$	We did not measure Scope 3 CHG emissions

**Additional information:** Freshfields captures data for all applicable scope 3 categories: purchased goods and services, business travel, fuel and energy-related activities, waste and employee commuting. All categories are assured externally by third party Carbon Footprint Ltd, excluding purchased goods and services, for which only the water and paper portion is assured.

Our total Scope 3 carbon footprint across all categories (both assured and non-assured) is 40,083.29 tCO2e.

### E7.1. Which Scope 3 categories are included in the company's Scope 3 emissions calculation?

•	Purchased goods and services
$\circ$	Capital goods
•	Fuel- and energy-related activities
$\circ$	Upstream transportation and distribution
•	Waste generated in operations
•	Business travel
•	Employee commuting
$\circ$	Upstream leased assets
$\circ$	Downstream transportation and distribution
$\circ$	Processing of sold products
0	Use of sold products
$\circ$	End-of-life treatment of sold products
$\circ$	Downstream leased assets
$\circ$	Franchises
0	Investments
$\circ$	Other - upstream
$\circ$	Other - downstream
0	Unknown

**Additional information**: Freshfields captures data for all applicable scope 3 categories: purchased goods and services, business travel, fuel and energy-related activities, waste and employee commuting. All categories are assured externally by third party Carbon Footprint Ltd, excluding purchased goods and services, for which only the water and paper portion is assured.

Our total Scope 3 carbon footprint across all categories (both assured and non-assured) is 40,083.29 tCO2e.

## E8. What percentage of the company's revenue was invested in R&D of low-carbon products/services within the reporting period?

Percent of revenue (%)	Unknown	Not applicable (Please provide additional information)
	$\circ$	•

**Additional information:** As a law firm, Freshfields does not invest specifically in low-carbon products or services. However, we are an active participant in legal sector collaborations for sustainability, including the Greener Arbitration Pledge, Greener Litigation Pledge, Legal Sustainability Alliance and Legal Charter 1.5, where we are a Dialogue Partner.

#### E9. Has the company acted to support climate change adaptation and resilience?

Select all	that apply
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•	We have taken action to increase company-wide resilience to climate change
$\bigcirc$	We have taken action to increase resilience in our supply chains
•	We have taken action to increase resilience in the communities in which we operate
•	We have provided funding for climate change adaptation and resilience initiatives and projects
$\circ$	We have not taken actions to build climate change resilience in the reporting period
	Unknown

**Additional information:** Freshfields has a long track record in sustainability both in supporting international bodies on sustainability matters and actively contributing to the development of sustainability policies and legislation:

- Freshfields drafted the 2005 and 2009 reports with UNEP and PRI on ESG in fiduciary responsibility, and practical ESG integration, updated recently as LFI (and with additional sponsorship from Generation IM)
- In 2019, Freshfields was appointed by the Principles for Responsible Investment (PRI), United Nations Environment Programme Finance Initiative (UNEPFI) and The Generation Foundation to produce a global report exploring whether and how legal frameworks allow for and incentivise investors to consider sustainability impact across major markets. In July 2021, Freshfields released the <u>report</u> providing a comprehensive analysis of how far the law requires or permits investors to take deliberate steps to tackle sustainability challenges in discharging their duties
- Freshfields was the first international law firm to sign the United Nations Global Compact (UNGC) in 2009
- Research support for UN Guiding Principles on Human Rights the Ruggie Principles in 2011, especially conflict minerals. More details of Freshfields' work in this area can be found here on our website <u>here</u>.

#### D. Energy/resource use

E10. Please report the company's renewable energy consumption as a percentage of total energy consumption in the reporting period.

Percent of total energy consumption	Unknown
82%	0

**Additional information**: In our last reporting period, 14 out of 28 offices were supplied with 100% renewable electricity. This accounted for 82% of our global office electricity supply in 2022/23.

#### E. Technology

E11. What percent of the company's revenue came from low-carbon products/services during this reporting period? If applicable, please give a description of the products/services included in your calculation (eg, relevant certifications)

Percent of total revenue	Unknown	Not applicable (Please provide additional information)
	$\circ$	•

Additional information: As a law firm, Freshfields does not invest specifically in low-carbon products or services.



#### F. Materiality-specific questions

E12. Which of the following has the company identified as material environmental topics connected with its operations and/or value chain (eg, based on the most severe actual or potential negative impacts on people and/or the environment)?

Select all that apply	
	Water
	Forests, biodiversity and land use
	Air pollution
•	Waste (eg, chemical spills, solid waste, hazardous, plastic, etc.)
	None of these topics have been identified as material by the company

#### G. Materiality-specific: Waste

E19. In metric tonnes, please report the company's total weight of waste generated during the reporting period.

Waste generated (t)	Unknown	Not applicable (Please provide additional information)
669.4	$\circ$	0

**Additional information:** Our environmental data has been assured by Carbon Footprint Ltd. The verification statement for the reporting period can be found <u>here</u>. Waste includes mixed dry recyclates, organic waste for composting, electronic equipment and general waste.

E20. Please report the company's hazardous waste as a percentage of total waste (eg, hazardous waste ratio) generated within the reporting period.

Hazardous waste ratio (%)	Unknown	Not applicable (Please provide additional information)
0%	$\circ$	$\circ$

**Additional information:** Zero percent of Freshfields' waste was hazardous. Freshfields does not conduct any manufacturing processes that use hazardous materials or produce hazardous waste. Our operations produce general waste, mixed dry recyclables, organic waste (from catering and food) and some electronic waste.

E21. In metric tonnes, please report the company's estimated metric tonnesconsumption of single-use plastic consumed, wherever material along the value chain during, within the reporting period.

Single-use plastics (t)	Unknown	Not applicable (Please provide additional information)
	$\circ$	•

**Additional information:** We have largely eliminated SUPs from our offices and are committed to eliminating the small amount that remain. We actively engage with catering providers and other relevant suppliers to provide alternatives.

#### H. Overall environment

E22. Briefly describe additional relevant, practical actions the company has taken within the reporting period and/or plans to take to implement the environment principles, including any challenges faced and actions taken towards prevention and/or remediation.

The firm ran an internal environmental awareness month over the last reporting period: Freshfields Earth Month. The campaign aimed to raise awareness of environmental issues with colleagues in the firm, in particular: the firm's own strategy to reduce its environmental impact, highlighting the achievements made by colleagues globally during green corporate activity days, and promoting the firm's flagship offsetting programme, Freshfields REAP (details <a href="https://example.com/hearth-programme">hearth-programme</a>, F

The firm also published externally approved <u>near-term science-based targets</u> during the last reporting period. These ambitious targets are an important step on the firm's journey towards a net zero carbon future.

Freshfields Global Green Group takes an active approach to supporting the local environment, taking part in beach and river clean-ups, litter picking, and helping with maintenance at local parks and community gardens. Further information can be found <u>here</u>.

To support local biodiversity, in 2022 the firm was a platinum sponsor of Superbloom at the Tower of London. Over 20 million seeds were sown in the Tower of London moat from carefully selected native seed mixes, bringing spectacular natural beauty to the urban space. Designed to attract pollinators, invertebrates, local birds and bats, Superbloom created a new biodiverse habitat for wildlife, providing immediate net gains for nature. The new landscape of the moat has become a permanent feature, ensuring biodiversity services continue to be delivered to the surrounding area.

Further information on our environmental initiatives and activity can be found on our website here.

#### A. Commitment

#### AC1. Does the company have an anti-corruption compliance programme?

0	No, this is not a current priority
$\bigcirc$	No, but we plan to within the next two years
•	Yes

**Additional information:** Freshfields demands the highest standards of ethical conduct from our partners (a role within the firm), employees and others in the conduct of our business. Accordingly, we require that all such persons observe the requirements of all applicable anti-bribery laws (including the UK Bribery Act and the Foreign Corrupt Practices Act) and our anti-bribery policy and procedures. Breaches of our anti-bribery policy and procedures may result in disciplinary action being taken, up to and including dismissal.

Beyond our legal obligations we respect and support the UN Convention against Corruption and OECD Convention on Combating Bribery. As a signatory to the UN Global Compact, we are committed to working against corruption in all its forms, including extortion and bribery.

Anti-bribery and corruption confirmations are included in the firm's annual compliance certification process issued to lawyers in the firm globally.

#### AC1.1. If yes, in what year was this programme last reviewed? (YYYY)

2023

**Additional information:** The firm's anti-bribery and corruption policy, and the procedures issued under it, may be amended from time to time to reflect legislative change, regulatory and other guidance, updates to our assessment of our bribery risk, the internal controls and processes necessary to mitigate that risk, and general developments in the area.

AC2. Does the company have policies and recommendations for employee procedures in case of doubt and/or in situations that may represent a conflict of interest, eg, with regard to gifts and hospitality, donations, sponsorship, or interactions with public officials?

0	No, and we have no plans to develop any policy/recommendation
$\circ$	No, but we plan to within the next two years
•	Yes, included within a broader policy or as a standalone policy

**Additional information:** These are available to all staff on our internal website and are proactively communicated, including during induction.

#### **B.** Prevention

# AC3. Who receives training on anti-corruption and integrity? Select all that apply Select employees All employees Contractors Direct suppliers Indirect suppliers Other – such as partners, clients, etc.

**Additional information:** We provide ABC training to our partners (a role within the firm) and employees. Our training programme reflects the nature of the profession and the way that training is provided in relation to the provision of core legal services. We use this type of training to cover employees' obligations under the law, typologies and assistance in recognising suspicious transactions. We also provide guidance to all employees, accessible via the Financial Crime section of the Legal Department internal website on bribery and compliance with our ABC, gifts and hospitality and charitable donations policies (among others).

Freshfields also provides bespoke training to clients on request as part of our client advisory work.

#### AC3.1. How often is such training provided?

Select one answer per line

	One time only	Every two or more years	Every year	We do not collect this data
All employees	0	•	$\circ$	0
Other - such as partners, clients, etc	0	•	0	0

**Additional information**: We provide periodic ABC training to our partners (a role within the firm) and employees (and are able to provide such training again to lawyers acting on select mandates). Our training programme reflects the nature of the profession and the way that training is provided in relation to the provision of core legal services. We use this type of training to cover the employees' obligations under the law, typologies and assistance in recognising suspicious transactions, commonly on a practice group or team basis so that it can be targeted to the audience as well as focused on areas of greatest risk to the firm.

#### AC4. Does the company monitor its anti-corruption compliance programme?

Select all that apply

•	Yes, through review on ad hoc basis
•	Yes, through internal employee self-evaluations
•	Yes, through automated controls monitoring
$\bigcirc$	Yes, through external independent monitoring
$\circ$	Yes, through other mechanisms (Please provide additional information)
$\circ$	No, we do not monitor the anti-corruption compliance programme (Please provide additional information)

**Additional information:** Anti-bribery and corruption confirmations are included in the firm's annual compliance certification process issued to lawyers in the firm globally.

#### C. Performance

## AC5. Please report the company's total number and nature of incidents of corruption within the reporting period.

Select one answer per line, if 'Known', include the value

	Known	Unknown	Choose not to disclose	Number of incident(s)
Confirmed during the current year, but related to previous years	•	0	0	O
Confirmed during the current year, and related to this year	•	0	0	O

#### D. Response and reporting

AC6. Within the reporting period, what measures has the company taken to address suspected incidents of corruption independently or in response to a dispute or investigation by a government regulator?

Select all that apply

$\circ$	Initial case assessment
$\circ$	Internal investigation
$\circ$	Review by risk/ethics committee
$\circ$	Review by board of directors
$\circ$	External audit/review
$\circ$	Other (Please provide additional information)
•	Not applicable/no incidents in the reporting period

#### AC7. Does the company engage in collective action against corruption?

•	No, this is not a current priority
$\circ$	No, but we plan to in the next two years
$\circ$	Yes (Please provide additional information)

**Additional information**: See AC8 for details of our client-facing anti-bribery and corruption practice, designed to investigate and remediate instances of bribery within our clients.

AC8. Briefly describe additional relevant practical actions the company has taken within the reporting period and/or plans to take to implement the anti-corruption principle, including any challenges faced and actions taken towards prevention and/or remediation.

The firm has internal policies and procedures in place relating to charitable contributions and sponsorships, lobbying and preferential treatment.

Freshfields has deep experience advising clients on FCPA and global bribery and corruption issues, including coordinating multi-jurisdictional advice, conducting risk assessments and compliance reviews in markets relevant to our clients, and collecting and reviewing data and documents across national borders while accounting for various privacy and data protection regimes around the world. We have significant experience advising clients on their compliance needs, including conducting risk assessments and advising on risk mitigation. We help clients identify and assess compliance risk in the context of M&A transactions by leading on pre-signing diligence and post-closing reviews. We also regularly advise clients on designing, implementing and strengthening compliance programs both as a preventative measure and in the context of global investigations and transactions. See <a href="here">here</a> for further details.

#### freshfields.com

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