Baker McKenzie.

Communication on Progress 2022



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# Message from our Global Chair

**Living our Values.** Now more than ever, building a lasting, sustainable world for present and future generations requires business to move from words to action. What we have learned over the past two years — from the COVID-19 pandemic to the 26th session of the UN Climate Change Conference of the Parties (COP26) to Russia's invasion of Ukraine — is that business is inextricably linked to major world events, and choices must be made. Values are what define the purpose of an organization, what serve as a foundation for it to engage with its people and communities, and what allow it to remain connected to its value chain to drive collaboration and performance across its operations, building business resilience in times of crisis and for the future.

At Baker McKenzie, we often say that we are a "people business." Our people are our greatest asset; our collective knowledge, relationships and shared values are what drive our business. Our stakeholders — our clients, our suppliers, our communities — they too are made up of people.

People are why we live our values, and they allow us to develop shared values with all of our stakeholders as we discover common ground. The commitments of our people, our clients and our communities to issues such as climate action, inclusion, diversity and equity, justice, well-being, ethics and trust are of critical importance to building a firm that champions those values and embeds them in our DNA. Whether using our knowledge to help our clients advance their own sustainability and business objectives or to provide legal advice to those who otherwise would not have access to that advice, our values support those efforts.

We are grateful to the United Nations Global Compact (UNGC) for providing a platform for like-minded businesses and organizations to collaborate and drive global change based on our shared values, which are underpinned by the Ten Principles and the Sustainable Development Goals.

Our Firm has been an active participant of the UNGC since 2015 and we remain committed to upholding the Ten Principles on human and labor rights, the environment and anticorruption. This Communication on Progress highlights how we leverage our expertise, our reach and our relationships to support the Ten Principles, the key tenets of which are reflected in our Firm's strategy, and how we strive to live our values through our actions.

I am proud to submit this Communication on Progress for calendar year 2021 and reconfirm our commitment to the Ten Principles.

Best regards,



# Our sustainability strategy and our prioritized sustainable development goals (SDGs)

As a global law firm of over 13,000 individuals from different backgrounds in over 75 different locations, we are a people business. The success of our business relies on people and their ability to achieve the highest levels of performance.

The way we identify aspects of material importance to our business — whether risks or opportunities — is by looking at how they affect people: our people, our clients and the people in our communities.

That's why it came as no surprise that, when we conducted our global materiality assessment in 2018, social issues — those related to people — were identified as the most important to both our internal and external stakeholders. Four of our six Tier 1 topics related to the "S" in ESG — inclusion and diversity (I&D), well-being, human rights and labor, and nondiscrimination, and align to the core values that underpin not just our sustainability strategy but also our Firm strategy. This outcome confirmed to us that our focus on social issues aligns with who we are as a business. We live by these values every day, in the way that we operate our business, interact with our clients and engage with our people and communities. We rely upon them to quide us in our environmental, social and governance (ESG) efforts and commitments — being led by the principles and concerns that we know are of primary importance to our people, our clients and our communities, allowing us to act with speed and certainty in challenging times.

#### **Our prioritized SDGs**

As well as upholding our commitment to the Ten Principles, and based on the outcome of our 2018 global materiality assessment, we have aligned our Firm efforts with the SDGs. We see the SDGs as a road map to achieve our vision of our Firm for the future, and an opportunity to collaborate with like-minded organizations to achieve our shared goals.

When the COVID-19 pandemic hit in March 2020, life changed drastically for people all over the globe. In particular, we saw a change in how people approached work. The lines between work and home life were blurred. with issues such as childcare, mental health and well-being moving squarely into the purview of employers.

For us, the goal was to help our people bring themselves to work in this new way. From flexible working, supporting health and wellbeing remotely and maintaining a focus on career development, our business has evolved alongside our people. The COVID-19 pandemic disrupted our operations in ways that we had not anticipated.

While we have not conducted a new materiality assessment since 2018, we do plan to renew our materiality assessment once we have adjusted to the new "normal" in our operations; however, we are comforted by the fact that the pandemic stress-tested the conclusions from the 2018 materiality assessment and our resultant approach and more importantly, confirmed to us that those conclusions remain valid and are the right approach for us and for our business. People and social issues remain of fundamental importance to us, our sustainability strategy and our Firm strategy — now and long after the pandemic is over. The current climate emergency and increased focus on the need to reduce carbon emissions to counter the effects of global warming mean that it remains critical for us to continue working toward achieving our targets announced in 2019.

Because of the importance of the "S" and the "E" in ESG to us, we have decided to organize this Communication on Progress by leading with our progress on our prioritized SDGs aligned to the "S," followed by those aligned to the "E" and, finally, to those aligned to the "G."













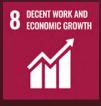




For more detail regarding our materiality assessment and how we ensure the continued relevance of our sustainability strategy, please refer to Our Sustainability Strategy — Background.

# Social





SDG 5: Gender Equality

SDG 8: Decent Work and Economic Growth

SDG 10: Reduced Inequalities



As identified in our global materiality assessment and as reaffirmed through the continuing dialogue we maintain with our internal and external stakeholders, social issues — those related to the "S" in ESG — are the most important issues for us.

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# The Ten Principles:

### **Human Rights**

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and **Principle 2:** make sure that they are not complicit in human rights abuses.

#### Labor

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labor;

**Principle 5:** the effective abolition of child labor; and

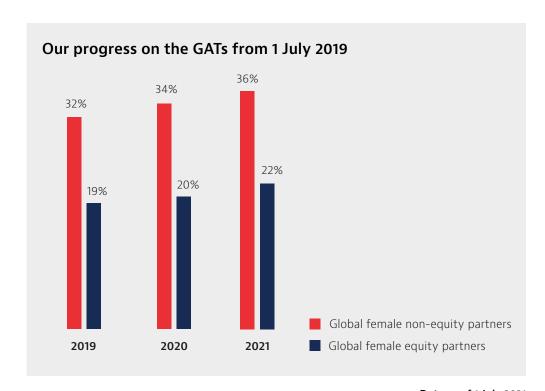
**Principle 6:** the elimination of discrimination in respect of employment and occupation.



# **SDG 5: Gender Equality**

Because we believe that leadership at our Firm should reflect the diverse composition of our people at all levels, we have put in place policies and processes to move toward a gender-balanced pipeline, and a more equal spread of senior leadership roles across genders.

We have adopted targets to achieve gender equality and measure our progress against those targets — but we know that achieving gender equality requires the engagement of all our people as champions for inclusion and gender diversity, and we continue to build on our culture of respect, engagement and belonging across our entire network by building awareness and understanding through a variety of initiatives.



#### Data as of 1 July 2021

# Working toward our gender aspirational targets (GATs)

To meet our goal of gender equality at our most senior ranks, we are proud to have been the first global law firm to adopt global GATs of 40:40:20 gender diversity by July 2025. The targets, which represent 40% women, 40% men and 20% flexible (women, men or nonbinary persons), apply to partners, senior business professionals, committee leadership and candidate pools for recruitment to these roles. For offices with fewer than 25% women partners, there is an expectation that at least one out of every four partner promotions be a woman. This first-of-its-kind policy is innovative for a variety of reasons, including the following:

- Transforms aspirational goals into measurable outcomes. Many law firms, including Baker McKenzie, have previously expressed aspirations of gender equity. However, without a deadline or measured approach, the goals remain simply aspirational. Our policy sets an ambitious but achievable six-year goal and incorporates regular intervals to measure our progress.
- Adopts mechanisms to ensure accountability. This initiative seeks to remove institutional barriers to advancement and helps to disrupt systemic biases. It also helps drive a commitment to an inclusive culture of sponsorship and mentorship.
- Inclusive of nonbinary individuals.

We are the first global law firm to recognize nonbinary employees in our gender equality targets. By doing so, we are taking the meaningful step of inviting people across the gender spectrum into the conversation, acknowledging the growing number of individuals who do not identify as male or female.

While we have more work to do, we are so proud of the progress we've made on gender equality. As at 1 July 2021, women comprised:

Global Practice **Group Chairs** 

Global Industry Group Steering Committees

Global Professional Leadership Team, including Chief Executives and Global Directors

**SDG 5: GENDER EQUALITY** 

# LIFT sponsorship program

Launched in 2017, Leaders Investing For Tomorrow (LIFT) is a landmark sponsorship initiative for Baker McKenzie women, designed to assist and support key talent in moving forward in their career, to build their leadership skills by providing them with focused development and visibility to senior partners to progress into senior leadership roles.

A personalized and focused 12-month leadership development program, LIFT pairs highpotential female partners (sponsees) with Firm senior partners (sponsors), who work closely with practice group leadership to accelerate opportunities for career advancement. We accept 25 partners into each cohort and to date, 125 women have participated in the LIFT program — many of whom have since advanced to equity partnership and other senior leadership roles at our Firm.

Sponsors are selected based on a variety of factors including demonstration of success in talent development, and a passion for and commitment to diversity and inclusion. Sponsees are selected based on a number of key factors such as exceptional performance, a demonstrated interest in continued personal and professional growth and learning, and being open to receiving and acting on feedback. The global program runs from June to May every year, and includes a two-day residential event (which was held virtually during the COVID-19 pandemic). As the LIFT program is committed to supporting female partners' longer-term career and leadership development, at the end of the program, sponsees have the opportunity to work with an external coach.

# RISE mentoring program

Another significant program for women in our Firm is the RISE mentoring program for highpotential female associates and counsel. The program enables participants to gain exposure to partners and peers from other offices around our Firm. Throughout the 12-month RISE program, participants reflect on their career, develop a business plan and become more confident in their career trajectory goals, including gaining knowledge of how to balance and prioritize the many competing demands on lawyers as their level of seniority increases. RISE participants are also provided with a wide support network including peer coaching groups and a partner mentor who they can turn to for advice and guidance.

Launched in the EMEA region, this program successfully expanded in 2021 to North America and Asia Pacific. Each RISE cohort typically includes 25 to 30 women per region, who are matched with a mentor from another office in the same region. To date, approximately 160 women have participated in RISE.



# Accelerating gender equality though external global initiatives

In addition to promoting gender diversity within our Firm, we believe that it is important for us as a global organization to support and commit to global initiatives that support gender diversity outside our Firm. Highlights of our new and ongoing commitments and external efforts to promote and accelerate gender diversity include the following:

- We are a proud signatory to the UN Women's Empowerment Principles focused on the steps businesses take to promote gender equality in the workplace and in society. This includes participation in the global HeForShe program, an initiative to encourage male leaders to act as allies and champions for gender diversity.
- Global Chair Milton Cheng joined more than 70 CEOs in signing Catalyst's CEOs Champion for Change in December 2020, pledging to champion women, including women of color, into senior leadership positions and reaffirming this commitment in December 2021.
- We are among the 50-plus initial members of the Gender and Diversity KPI Alliance, supporting the adoption and use of a set of key performance indicators to measure gender and diversity, an initiative that is ongoing and to which we remain committed.
- As I&D activities become increasingly central to overall corporate governance, organizations need to demonstrate the effectiveness of their efforts with greater rigor, necessitating strong collaboration between the compliance, diversity and HR teams. Our 2021 **Mind the Gap series** explored how organizations can strengthen their approach to I&D to support change, embed diversity expectations into corporate governance mechanisms and manage risk, as governments, employees and activist investors continue to push companies to do more.



**SDG 5: GENDER EQUALITY** 

# Combining law and technology toward the elimination of gender-based domestic violence

We also recognize that there are several factors that can negatively affect the ability of women to advance and achieve equality in the workplace and in society, including domestic violence. While we know that domestic violence affects all kinds of people regardless of gender or gender identify, those who identify as women around the world are at least twice as likely to be victims. For that reason, our commitment to gender equality also includes us using our collective legal expertise to promote the empowerment of women in society and the protection of women and girls from all forms of violence, including domestic violence.

Gender-based domestic violence saw a notable increase during the COVID-19 pandemic. As part of our efforts to help end domestic violence and assist victims of domestic violence across the globe, we completed the first phase of our work with Global Rights for Women and Every Woman Treaty in December 2021 with the launch of the Fighting Domestic Violence Global **Comparative Law Tool.** This tool provides a rapid analysis of national legislation in more than 80 countries measured against model domestic violence conventions and between countries. The tool is designed to help local, national and international nongovernmental organizations (NGOs), and public and governmental authorities assess the relative effectiveness of applicable laws and to identify where there is room for improvement.

Over 500 volunteers from Baker McKenzie and large multinationals including Google, Merck, 3M, Cummins, HP Inc. and Accenture worked together to develop the tool by mapping local laws on domestic violence, and assessing law enforcement practices and related social protection and security measures to identify gaps between the status quo and the standards set in international and regional frameworks. The content has been made available to individuals and organizations who can use it to help the victims of domestic violence. During the next phase of the project, our teams will engage with domestic violence specialists on the ground to ensure that the content provided to them remains relevant in their daily work.

For more examples of our efforts to promote gender diversity and empower and protect the rights of women, please see the Schedule of Local Office Initiatives.



Domestic violence is a scourge that blights the life of too many women and their children. We have worked together with multiple organizations across the globe to develop meaningful resources for those organizations on the ground that are able to make a difference in advocating for improved laws and more effective law enforcement. That has been hugely fulfilling for all our volunteers who have been glad to have been able to contribute to bring about meaningful change in the system in some small way.

**Fiona Carlin** Partner and lead sponsor of the project at Baker McKenzie



Pro bono work can take many different forms and this project is an example of Baker McKenzie's commitment to service as global citizens to educate the vulnerable, such as the victims of domestic and sexual violence, and provide them with the knowledge and support needed to enforce their rights.

**Angela Vigil** Partner and executive director of Baker McKenzie's Pro Bono Practice



# **SDG 8: Decent Work and Economic Growth**

Our commitment to Decent Work and Economic Growth is underpinned by a range of initiatives to ensure productive employment and decent work for all of our people and to foster an environment where people can find purpose and a sense of belonging because we believe that decent work must include a focus on mental health and well-being. We continue to prioritize developing the talents and skills of our people — beyond technical knowledge — and we actively promote a culture of holistic development and learning including on nontechnical topics.

# Interview with our Chief People Officer, Jay Connolly

#### What role does purpose play over the course of a happy, healthy and productive career?

Research has shown that a sense of purpose in life is essential to well-being, and we know that it is equally important in the workplace. With the growing recognition that career satisfaction is linked to the ability to meaningful contribute in organizations and more broadly in society, the expectations of people in firms have evolved. A clear organizational purpose that aligns with individual expectations drives greater engagement, passion, innovation and commitment. Purpose also brings a sense of direction and focus for individuals as they navigate and plot a career path.

#### What do you believe are the foundational elements of a healthy and safe workplace environment for all?

A healthy work environment is about more than being physically safe. It is a place where everyone, in addition to feeling secure, feels recognized for the work they do, enjoys a positive and connected environment that encourages respect and fosters a sense of belonging and purpose. We have a number of core elements in place to support our people, including: our Code of Business Conduct which clearly sets the expectation and tone across our Firm; an independent reporting hotline so any issues can be raised; mandatory training on conduct and ethics; and our PointONE program which has helped to communicate clear expectations for behavior, and provides clear, safe paths for raising and managing concerns in all our locations. Our people are encouraged to speak up and ask for help — and our managers and leaders are urged to continually check in on their people.

#### How are we as a Firm building the capabilities of our people for the future?

With a rapidly changing and evolving world, how we develop our people has changed and we are continuing to focus on the future capabilities for success. We know that emotional intelligence, social connectedness and higher cognitive abilities are just some of the capabilities that will grow in importance in the future. Leadership and team development is even more critical today and has pivoted to support, with a stronger focus on skills for collaboration, connection and inclusion.

Across our Firm, we have focused on empowering our people and supporting them to be their best selves at work. Our **People Deal** provides the framework and sets out what can be expected, building on the strengths of our talent in our Firm. Through our leading GATs that define clear short-term targets and strategies around hiring, development and promotions, we are driving change and have programs to support our female lawyers toward achieving partnership and other leadership roles.



**SDG 8: DECENT WORK AND ECONOMIC GROWTH** 

# **Our Development Framework**

Our Development Framework was one of the first of its kind adopted by a law firm and was selected by Harvard Business School as a best-practice case study on talent management. The framework outlines the skills and personal qualities employees need to be successful when working at Baker McKenzie, and offers a clear road map to success to help employees fulfill their potential. It also takes into account all the complexities, challenges and opportunities of a dynamic legal career, and it provides everyone in our Firm with a common language for discussing performance. This framework is our guide.

We believe development is about a lot more than technical knowledge. Our approach is "whole person" centered and our offering includes training as broad as coping with change, well-being, hybrid working and even sign language. For examples of the breadth of our 2021 Development Framework training program, please refer to the **Schedule of Local Office Initiatives**.

# Fostering well-being and a healthy and safe work environment

Actively supporting the well-being of our people, and promoting its importance to an organization, is at the heart of what we stand for as a Firm, and is encapsulated in our People Deal, which prioritizes a culture of collaboration, candor and respect as integral to well-being, particularly in the high-performance culture of a law firm.

In 2021, through our bespoke BakerWellbeing initiative, our Firm launched the BakerWellbeing Principles — eight cultural guidelines setting out the factors that impact well-being, supported by suggestions about how individuals, leaders and teams can work and interact to enhance their own and others' well-being. Developed by our BakerWellbeing task force, the BakerWellbeing Principles are a framework to define and drive best practice well-being actions within our Firm.

In addition to our specifically targeted well-being programs and initiatives, we continued to adapt and promote related programs and policies, recognizing the impact safety, inclusion and work/life integration has on well-being, such as through PointONE, our program of policies, education and leadership that focuses on positive workplace behavior and psychological safety.

As part of our Firm culture of sharing best practice with other organizations and as an active member of the World Business Council for Sustainable Development (WBCSD), we contributed to its 2021 thought-leadership report on well-being, **Healthy People**, Healthy Business: Embedding a culture of employee health and wellbeing. This report explores why employee health and wellbeing is business critical, and shares ideas on how companies can realize a culture of health and well-being in the workplace.

For further examples of our 2021 internal efforts around well-being and ensuring a healthy and safe work environment, please refer to the **Schedule of Local Office Initiatives**.



**SDG 8: DECENT WORK AND ECONOMIC GROWTH** 

# Workforce Redesign — building a new workforce reality

There is no question that the COVID-19 pandemic has changed the future of work. From an increased focus on health and safety — including emotional health and well-being — to transitioning to remote or hybrid working, or preparing for business transformation, companies are facing critical business challenges in regard to their most important asset — their people. We have seen this within our own organization and we are seeing this in our clients' organizations. With a growing accountability and speak-out culture, our clients' employees, as well as their shareholders and the public, expect them to behave responsibly and to actively demonstrate compliance around ethical considerations, in particular ESG, I&D and employee well-being.

Through our Workforce Redesign holistic client solution, our labor and employment, compensation, immigration, data privacy, corporate and compliance experts work together to accompany our clients as they embark on transformative change, create safe and agile workforce models, adjust their workforce in response to rapid changes in demand, implement new remote or hybrid work strategies and build programs to improve employee psychological health, engagement and performance in the workforce, while staying compliant with working time and minimum wage rules in an ever-changing regulatory landscape. We have also developed a **Contingent Worker Misclassification Tool** that provides complimentary guidance to organizations looking to "future-proof" their business, as contingent workforces and flexible working remain an important issue.

Beyond the work we do with our clients to help them adapt to the new workforce reality, we also collaborate on thought leadership with inspiring employment leaders and organizations from around the world to analyze how large organizations embrace the large-scale trends changing the nature of work itself amid disruptive events, and to share these insights more broadly so as to shape policy and business adaptation. For example, see our insights from our 2021 **FutureWorks Conversation** Series and our World Economic Forum (WEF) article Work can be better post-COVID-19. Here's what employers need to know. In addition, our Amsterdam office has been collaborating with the WEF in **developing a toolkit** that provides practical guidance on the responsible use of artificial intelligence (AI) in the field of HR to manage talent in ways that are more effective, fair and efficient.

Finally, we have partnered with the Thomson Reuters Foundation to share business best practices on issues relating to human rights and modern slavery. Read more in **SDG 17: Partnership for the Goals.** 



# Engaging with our communities — spotlight on our Manila center

We encourage our people across all our locations — including our shared service centers — to support their communities through charitable activities and volunteering. For example, our Manila center is involved in a range of local philanthropic activities that align with the three issues closest to the hearts of its people: climate action, community building and education. On climate action, our Manila center works with local communities on waste programs such as coastal clean-up projects, proper waste disposal, recycling and an ecobrick campaign; on community building, it partners with local communities on well-being initiatives and on emergency disaster response, such as to provide charitable donations to support communities affected by the Taal volcano eruption and some of the country's most severe typhoons; and on education it partners with schools and NGOs on initiatives to support education in the new normal, such as through the donation of laptops and tablets and parent and student training support programs.

In 2021 our Manila center was honored to be named one of the "Best Companies to Work for in Asia" by HR Asia, an award that recognizes organizations for their high levels of employee engagement and excellent workplace cultures. Executive Director Lorie Barredo attributes this achievement to the collective effort and strong engagement of its people across the center. "People respond well because through our HR programs, leadership teams, other support structures and our sense of community purpose, we are able to demonstrate our strong commitment to ensuring a safe, inclusive, diverse and progressive workplace. This award is a testament to our collaborative community spirit here in the Manila center."



# **SDG 10: Reduced Inequalities**

As a law firm and global employer, our commitment to I&D starts within our own organization by ensuring equal opportunities for all of our people in all of our offices and centers, and recognizing and celebrating a broad range of differences, examples of which are highlighted below. Our commitment also extends beyond our organization to our communities where we use our position and influence to help reduce inequalities more broadly.

We believe that our global community, comprising internal and external stakeholders alike, is made stronger by its diversity. We have a responsibility to provide the space and opportunities for everyone to reach their full potential, which can only be achieved when they are encouraged to bring their whole, authentic selves to work. As a firm of global citizens, this has always been in our DNA.

Our Baker McKenzie employee resource groups — which we refer to as "affiliate" networks — are active in many of our offices across the globe, and play an integral part in advancing our Firm's I&D efforts. These groups, which bring together affiliates and allies, serve to raise awareness, foster allyship, provide mentorship and offer opportunities for professional and business development. Global and regional affiliate networks include BakerWomen, BakerPride + Allies, BakerWellbeing, BakerEthnicity, Black Attorney Network Alliance, Unidos, Baker Asian Attorney Network, BakerOpportunity, BakerBalance and several others across our Firm.

# Disability and accessibility

We believe that each individual's unique skills, talents and strengths should be nurtured and developed. We are committed to raising awareness of all types of disabilities and providing equal access to employment opportunities to individuals with visible and hidden disabilities and those with long-term health conditions.

As part of our commitment to providing equal employment opportunities, in 2021 we adopted our Global Disability & Accessible Inclusion Position Statement, which reflects our determination to promote accessibility and inclusion measures in all jurisdictions in which our Firm operates. To support this, a dedicated internal website was also launched, which includes a Disability Resource Toolkit with information for local offices on disability initiatives, as well as other helpful resources for both employees and people managers.

In 2021, in furtherance of our commitment to put disability on our Firm's leadership agenda, we also became a signatory to the Valuable 500, a global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion. As a signatory, we have committed to (i) remove barriers to participation for our people, clients, candidate talent, guests and suppliers and (ii) improve the accessibility of our communication platforms (both technology platforms and in-person platforms) for all of our people and clients.

We continue to use innovative technology to break down barriers and ensure that accessible communications are available for all of our people. For example, to ensure we are communicating inclusively, all videos that we produce include captions that can be turned on or off by the user, and we have developed a set of captioning guidelines for this purpose; in addition, we ensure that the caption feature is used for all internal and external conferences that are held virtually using videoconferencing technology.

For more examples of our efforts in this area, please refer to the Schedule of Local Office Initiatives.



## Race and ethnicity

As a global law firm with a presence in more than 40 different jurisdictions, we firmly believe that our diversity is one of our strengths. Our Firm's Global Inclusion & Diversity Committee focuses on initiatives to improve the recruitment, retention and advancement of underrepresented racial and ethnic minority groups throughout our Firm.

Following the formation of our Global Task Force on Race & Ethnicity in 2020, we have identified key goals including:

- Providing fair and equal opportunity for professionals from underrepresented racial and ethnic groups to succeed at Baker McKenzie
- Removing systemic barriers to members of the Black community and other underrepresented racial and ethnic groups
- Increasing racial and ethnic representation among our partner, senior professional and leadership ranks
- Promoting leadership by example and promotion of anti-racist and nondiscriminatory practices
- Establishing accountability from Firm leaders for impacting meaningful change

We have also developed leadership expectations and scorecards to establish a shared narrative and accountability among global leaders. We have also implemented inclusive global recruitment practices to drive further accountability and to ensure that underrepresented racial and ethnic groups are included in all candidate pools during recruitment, to maintain a sustained focus on race and ethnicity inclusion.

We have implemented an anti-racism education program and suite of anti-racism resources, working closely with global and regional groups of affiliates and allies such as BakerEthnicity, Black Attorney Network Alliance, Unidos and the Baker Asian Attorney Network to raise awareness and foster allyship across our Firm.

# 公公 BakerEthnicity Talent Incubator

In addition to our education, awareness and allyship efforts across our Firm, our London office has taken an innovative approach to developing ethnic minority talent, launching, in 2021, the inaugural BakerEthnicity Talent Incubator, an initiative to empower junior and mid-level ethnic minority talent in the legal industry. The initiative was sponsored by the London office's employee network for ethnic minority employees, BakerEthnicity (and endorsed by the London office's management committee). The Talent Incubator was a simulated pitching and public speaking competition, taking place in stages over three months. The aim of the initiative was to deepen the professional skills, knowledge and personal networks of junior and mid-level ethnic minority talent in the legal industry, and to equip that talent for their push into leadership by giving them opportunities for internal and external profile building.

Driven almost entirely by ethnic minority junior and mid-level lawyers at Baker McKenzie, the Talent Incubator was open to both ethnic minority junior and mid-level lawyers from our Firm and inhouse, as well as senior stakeholders of any background (who acted as judges and mentors during the competition). In total, over 40 individuals participated in the competition. Ethnic minority junior and mid-level lawyers were provided with mentorship, practical advice and networking opportunities, as well as the chance to develop their communication skills in a competitive environment, with support from senior stakeholders (including Baker McKenzie partners). Clients in the technology, media and telecommunications, healthcare and life sciences, and energy, mining and infrastructure industries also participated and enjoyed the opportunity to engage with our ethnic minority talent and involve their own ethnic minority talent. The objectives of skill development and profile building were achieved, with one senior stakeholder from a healthcare and life sciences client stating, "[...] with such great talent, Baker is in safe hands!" Participants have been encouraged to maintain the relationships they developed with the clients and senior stakeholders at Baker McKenzie and the intention is to launch a second annual competition in 2022.

We also use our legal expertise for the greater good and continue to tackle racial justice issues through our pro bono efforts, including the **Real Rights project**.

For more examples of our efforts to increase awareness, understanding and engagement on race and ethnicity issues, please see the **Schedule of Local Office Initiatives**.

**SDG 10: REDUCED INEQUALITIES** 

# **Socio-economic diversity**

We believe that everyone should have an equal opportunity to succeed and realize their potential and that the legal profession should be accessible to anyone — irrespective of their social background. We have a longstanding commitment to socio-economic diversity and increasing access to the legal profession and we strive to develop new programs to ensure we are broadening access and opportunities to talent from all backgrounds within our Firm and in the legal profession more widely.

#### Recognizing those with a passion for championing socio-economic diversity

In October 2021, we launched the Paul Rawlinson Award to recognize those who are embedding a culture of socio-economic diversity in their offices and across our Firm, as a further step in our commitment to recognizing and rewarding progress in this area. The award honors our late Chair Paul Rawlinson's commitment to increasing access to education and opportunities for everyone regardless of socio-economic background.

In addition to the recognition of the award itself, the award recipients receive a financial contribution for them to put toward continuing their work with the nonprofit organization they are working with on their socio-economic diversity initiative. The inaugural Paul Rawlinson Award recognized our Milan office for its work in developing In-Formazione, a first-of-its kind talent incubator program in Italy for young talents and students from racial, ethnic and/or culturally diverse backgrounds — inspiring them through role-modelling, career-building and labor market training, mentoring and coaching and, crucially, providing job opportunities. The program has provided 100-plus hours of training to 40 participants, and more than 20 Baker McKenzie lawyers, as well as many of our clients, have provided training.

For more examples of our efforts in this area, please refer to the **Schedule of Local Office Initiatives**.



### LGBTQ+

At Baker McKenzie, we are not neutral. Our goal is be the employer of choice, where all of our people can be their authentic selves, and where their work and contributions are respected and valued. To ensure that this is embedded within our culture across the entire Firm, we have implemented a number of policies and activities related to LGBTQ+ inclusion.

- We have a global LGBTQ+ policy in place that outlines our Firm's commitments with respect to LGBTQ+ inclusion, including a zero tolerance approach to discrimination and harassment, education opportunities and policies and practices, including employee benefits.
- We are proud to have policies in place in North America, Australia and London that address the needs of transgender, gender nonconforming and nonbinary employees. These guidelines clarify how we protect the legal rights and safety of all trans employees and support our Firm Code of Business Conduct.
- The BakerPride + Allies Business Resource Group brings together partners and senior business services professionals from across the globe to advance LGBTQ+ equality. The group is supported by "in-country" LGBTQ+ liaisons, who are often partners responsible for ensuring that their local offices participate in activities and advocacy to advance equality (to the extent that it is safe and legal to do so). As a result, we have a number of active local employee groups that advocate for LGBTQ+ equality in their jurisdictions.
- All our offices operate as either an advocate or an embassy of LGBTQ+ equality. A number of our offices are already supporting LGBTQ+ equality publicly in their communities and we feel it is critical that as a global organization operating across diverse markets, we operate as one Firm, with a coordinated, well-considered approach.
- In 2021, we launched our Inclusive Language Project to ensure the use of inclusive language in Firm materials, policies and documents, to avoid gender bias and unconsciously offensive writing. We developed guidance on using inclusive language in legal documents, and our global Knowledge team is responsible for implementing the guidance across our existing documents and going forward, as new legal documents are developed.

For more examples of our efforts to increase awareness, understanding and engagement on LGBTQ+ issues, please see the **Schedule of Local Office Initiatives**.

# External engagement on I&D

As a global law firm with a strong commitment to I&D, we believe that it is incumbent on us to share our best practices beyond our Firm, whether in the work we do with our clients or with our broader communities, to help advance I&D on a global level. Examples of outward-facing 2021 efforts in which we engaged around I&D include the following:

- We launched our **Inclusion and Diversity 2021 Virtual Series** in EMEA, delivering 10 virtual events. The series drew over 700 client attendees with 32% attending more than one webinar in this series, as well as 99 ESG and pro bono partner attendees, including Action Aid, the United Nations High Commissioner for Refugees (UNHCR) and the Children's Society. Thirty external speakers shared their personal insights, and through the power of personal stories, this popular monthly webinar series explored, challenged and celebrated the many aspects of I&D.
- We joined 50 law firms in committing to take on at least one Do Something Hard action as part of the 2021 Inclusion Blueprint, a collaborative project between Diversity Lab and ChIPs to ensure that historically underrepresented lawyers have fair and equal access to quality work, influential sponsors and clients, and other opportunities.
- We earned a Mansfield Rule Plus certification from Diversity Lab, joining 100-plus other major law firms in an affirmative commitment to inclusive recruitment and promotion practices.
- We received a score of 100% on the Human Rights Campaign Foundation's 2021 Corporate Equality Index, the foremost benchmarking survey and report in the US measuring corporate policies and practices related to LGBTQ workplace equality.
- The London office launched Return-ity, a new 18-month parental leave and return to work scheme, to address gaps in return-to-work support for both clients and our people who go on maternity, paternity or adoption leave. Support systems include bring-your-baby peer networking events with others on leave, pre-return knowhow briefing on new developments in relevant areas of law from Baker McKenzie knowledge lawyers, and 10 hours of legal support on discrete tasks from a Baker McKenzie associate upon a participant's return to work, to help ease any backlog that may have accumulated while a participant has been on leave.



# Environmental







13 CLIMATE ACTION

SDG 7: Affordable and Clean Energy

SDG 12: Responsible Consumption and Production

SDG 13: Climate Action



**Environment** 

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

For us, being a responsible and sustainable business means building a law firm for the future — and beyond our commitment to our people, we recognize that we have a significant role to play in making not just our Firm, but also our communities and our planet, viable and strong. Whether it is local initiatives or tackling projects like reducing our carbon footprint by embracing new technologies and a new way of connecting to reduce travel, we are committed to making a difference. Making a difference means that beyond taking action to reduce our impact on the environment, we can also make an impact and contribute to environmental sustainability through the work we do for our clients to support their own environmental efforts including on energy transition.



# SDG 7: Affordable and Clean Energy

We believe that the global transition to renewable energy is integral to achieving deep emissions reductions. Baker McKenzie is committed to using 100% renewable energy across its operations by 2030 and, as a law firm at the cutting edge of the energy transition with market leading work in renewable energy and clean technology, we are also committed to supporting and collaborating within the legal profession to help build capacity and share energy transition best practices to accelerate the energy transition across all sectors.

## **Energy transition**

The transition to a carbon-neutral economy is a seismic shift on a global scale, leaving no sector untouched including the legal sector, which has its part to play through the work it does to support clients as they decarbonize their business and their supply chains. By using our global expertise, we help drive the global transition to renewable energy via the work we do for our clients, supporting the broader business imperative to develop and deliver on net-zero commitments and move toward clean energy-based models — whether advising on sustainable energy procurement, assisting in the development and commercialization of new energy technologies, or managing renewable energy portfolio acquisitions or divestments, including accessing sustainable finance and tax incentive frameworks.

Read about our own planned shift to renewable energy in Progress toward our targets.

#### Helping companies transition and increase the proportion of low-carbon energy in their portfolios

As companies seek to decarbonize their operations, they are turning to options including sourcing energy directly from renewable producers via long-term corporate power purchase agreements (PPAs) or using renewable energy contracting structures such as virtual PPAs to offset emissions via renewable energy certificates. We were among the first law firms to pioneer work in PPAs, and we have assisted numerous clients across the healthcare and life sciences, technology, consumer, goods and retail, and manufacturing sectors on sourcing and meeting their decarbonization commitments and RE100 goals via innovative corporate PPA structures. For example, in 2021, we advised Johnson & Johnson on three separate virtual PPAs in Europe, significantly accelerating progress toward the company's ambitious goal to meet 100% of its electricity needs from renewable sources by 2025.

Other examples of how we help companies with their energy transition include the following:

- Advising Repsol on the acquisition of a 40% interest in Hecate Energy, a US-based photovoltaic solar and battery storage project developer with a portfolio of more than 40 gigawatts of renewable and energy storage projects under development in the US, representing its first foray into the US solar and battery storage development market and a substantial step forward in the achievement of Repsol's targets for low-emission generation capacity and internationalization targets
- Advising a consortium of Shell and Infrastructure Capital Group in successfully acquiring Meridian Energy's Australian business, helping Shell become a leading provider of clean power as a service and supporting its SDG 7 ambitions to provide reliable electricity to individuals and growing its New Energies business with investments in lower-carbon technologies

#### **SDG 7: AFFORDABLE AND CLEAN ENERGY**

# Helping companies develop and implement new low-carbon energy technologies, such as hydrogen and carbon capture and storage (CCS)

Hydrogen offers an effective way of transporting and storing clean energy, so growing the clean hydrogen market will be necessary to increase the power system's flexibility and to decarbonize many industries. Baker McKenzie is at the heart of the emerging hydrogen industry and has significantly invested in this practice to help accelerate the adoption of these new technologies, including by bringing on board senior lawyers who were previously members of the European Commission's Energy Directorate and by our membership of the UK's Hydrogen Taskforce. We advise clients on the development and deployment of new technologies within the emerging clean energy market and we were awarded the IJInvestor Renewables & Energy Transition award in 2021.

Our global CCS team is instrumental in shaping market trends and developments by advising governments, policy makers and project developers on the key legal requirements that underpin CCS technology, regulation and business enabling models, allowing for innovation in this space to continue and help companies reduce emissions globally. By way of example, we worked with the Global CCS Institute to develop its Regulatory Indicator tool, which covers over 50 jurisdictions, and have continued to track regulatory developments to inform periodic updates since its creation in 2015.

Examples of our work during 2021 and beyond to support companies as they implement new low-carbon technologies include the following:

- Advising the Advanced Clean Energy Storage hydrogen project in Utah the leading hydrogen production and energy storage project in the US, developed to provide a solution that stores and generates electricity with zero carbon emissions
- Advising one of Australia's largest independent oil and gas producers on one of the largest carbon reduction projects in the world which aims to safely and permanently store 1.7 million metric tons of carbon dioxide per year in the same reservoirs that previously held oil and gas reserves, as part of the company's plan to cut Scope 1 and 2 emissions to net zero by 2040

#### Enabling universal access to affordable, reliable and modern energy services for all

The transition to a low-carbon and environmentally sustainable economy will create many new business opportunities, requiring large amounts of equity and debt investments. Financing is naturally needed to fund sustainability-related projects — including those focused on reducing carbon emissions and other green energy initiatives. As part of Baker McKenzie's commitment to sustainability and leading market experience in this growing area, we are proud to leverage our talent, innovation and relationships to make a positive and sustainable societal impact, and partner with our clients from a variety of industries to help them execute their sustainability investments and strategy.

As an example, in 2021 we advised Standard Chartered Bank on one of the most important green financings in Africa to date — an African private placement of ZAR 3 billion Green Bonds due 2024 by the Development Bank of Southern Africa Limited to PIMCO, which was the first transaction under the United Nations Economic Commission for Africa (UNECA) SDG 7 program to fund green energy in Africa.



The private placement of PIMCO was truly a landmark deal and a significant green financing in Africa — and importantly, opened up the direct private placement market. Other innovative features include the local currency denomination which illustrates a commitment to Africa and its dynamic Green Bond market. This private placement is an important example of the SDG 7 Initiative for Africa announced by UNECA, Africa 50 and PIMCO in 2020. We are confident that this private placement will be the first of many similar investments both for Africa and global ESG investors.

Michael Foundethakis, Finance partner, Paris and global head of Baker McKenzie's Africa Initiative

# Supporting the legal profession on energy transition issues

As is the case with many of our initiatives, in addition to the market-leading work we do with our clients, who are already active in the renewable energy sector or looking to transition and reinvent their businesses as the energy transition takes place, we also believe that we can make a contribution to the energy transition more broadly by helping build the capacity of the legal sector, sharing our in-depth knowledge of key legal and commercial aspects of the energy transition, as well as the insights we have gained by our work in this ever-evolving area.

For example, in 2021 we partnered with a Reuters group company to produce the **European Energy Transition Industry Insight Report**, which explored what 400 executive decision makers within the energy transition corporate leaders think of Europe's energy transition efforts, as well as the strategies they are employing to deliver on their net-zero ambitions. We also ran a series of **external webinars in 2021** to share our insights and best practices on a range of energy transition-related topics, and a four-part webinar series **Corporate Renewable PPAs: 2021 & Beyond**, which provided a global perspective on the evolution of the corporate PPA market, new structures being employed and regulatory, pricing and risk allocation issues.

We developed and maintain our **Hydrogen Hub** and our **Global Hydrogen Policy Tracker**, an interactive resource that tracks the key legal, regulatory and policy developments in relation to clean hydrogen across the globe and which is made available to the public on our website, together with a dedicated **Energy Transition** page that collates our latest thinking and legal alerts relevant to this area.





# **SDG 12: Responsible Consumption and Production**

Operating sustainably and responsibly is an inherent part of our Firm's purpose and strategy, and we continue to drive internal efforts through our environmental management system "bGreen," to ensure more responsible resource use and instill responsible consumption habits across our organization and with our people. Beyond our efforts in our own operations, and because driving responsible consumption and production across society more broadly requires capital, as companies execute their sustainability strategies and make sustainable investments, we contribute to this broader societal shift by supporting companies as they finance their investments and strategies with sustainable finance options and advising some of the world's largest financial institutions — key players in the allocation of capital.

# Taking bGreen to the next level

2021 marked the five-year anniversary of bGreen, our internal environmental management system designed to help our offices and centers embed sustainability into their operations and daily business practices, and drive more responsible consumption and production across our Firm. Designed specifically for the professional services industry, bGreen includes a carbon footprint reporting module and six separate topical modules (covering energy, real estate, waste, travel, meetings and paper) that provide offices with measurable targets and specific actions they can take to better the environmental performance of their office. bGreen promotes a more livable office with incentives for new ideas, reducing waste and supporting local environmental initiatives, all of which also encourage employee engagement and contribute to well-being.

bGreen also plays an essential role in our carbon reporting via its carbon footprint reporting module. This module provides access to a corporate sustainability software platform, which is what offices and centers use to report their carbon emissions. The carbon emissions are pulled from the platform, aggregated and used as the basis for our public carbon reporting (under CDP and EcoVadis). All Baker McKenzie locations are required to use bGreen and, notably, to i) use the corporate sustainability software system to report electricity usage, energy management plans, vehicle usage, flights and other activity data for carbon reporting, and ii) complete self-assessment questionnaires each year to assess their ongoing environmental performance.

When it was launched in 2016, bGreen was the first-of-its-kind cutting-edge system to be used by a law firm. In light of the increased climate ambition we are seeing more recently, in 2021, we began a comprehensive review and refresh of the entire bGreen program, to adapt it to current practices — such as hybrid and remote working — and facilitate the collection of data, improve the accuracy of data for reporting purposes, and more easily track progress on our carbon emissions reduction targets.



#### **SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION**

# **Conscious consumption**

As a professional services provider, we frequently organize inoffice business meals during long meeting sessions and events such as internal and external seminars and conferences that include food and beverage service during the event; therefore, catering represents an important part of our consumption. Whether it is through the green meetings initiative developed by our global meetings and events team or via our in-office catering services or use of outside catering offices across our different locations, we are constantly looking to implement practices that lead to more sustainable and responsible consumption and reduction of waste and seek to identify innovative providers that use the highest sustainable standards in the services they provide, whether farm to fork local produce, recyclable or reusable cutlery and china, buffet or family-style food rather than boxed meals or individual serving size, recovery of waste for compost, and the like.



### **EcoVadis**

We report under EcoVadis, and complete an annual questionnaire with modules covering labor and human rights, ethics, environment and sustainable procurement. We earned a silver rating in 2021.



# Spotlight on our London office

Our London office catering service is one example of office catering playing its part to foster responsible consumption in our largest office. Highlights of the catering program's achievements in 2021 include the following:

- Recycling ground coffee waste with Paper Round. By putting coffee grounds through a more specialized treatment process. its power as a fuel can be harnessed, helping to reduce greenhouse gas emissions. All coffee collected is processed in a bio-bean treatment plant that produces biofuel pellets for powering biomass boilers.
- Introduction of Huskup cups for employees. In 2021, each Baker McKenzie employee was provided with a complimentary reusable cup to reduce disposable cup usage across the office. The project was a great success, with over 70% of employees using their own cups. Huskup cups are made from rice husk and are an environmentally friendly alternative to disposable cups.
- Recycling catering oil. The end-of-day catering oil is stored and sent to an organization that turns the oil into soap.
- Cutting down on plastic bottle consumption. In October 2021 the London office stopped sourcing milk in plastic pint bottles and instead uses milk supplied in glass bottles. Once the bottles are empty, they are stored and collected from a central zone by the suppler, sent to an offsite environmentally friendly bottle wash facility and returned to the dairy for reuse. During the period from October to December 2021, this resulted in the elimination of approximately 680 plastic pint bottles. The London office has also installed a watering and bottling facility that provides for mains water to come through the taps into a purifier, which is then distributed in glass bottles.

Other conscious consumption measures adopted by our London office include the following:

- Using stationery and office products that are delivered in electric vehicles with only two deliveries a week.
- Limiting building plant running times to 7 am to 7.30 pm from Monday to Friday. If cooling is required outside these hours, an override panel within the facilities area allows cooling to be provided on a floor-by-floor basis.
- During the weekend, to reduce energy consumption, lifts are grounded with only two being made available.



# Sustainable finance — incentivizing responsible consumption and production

Building a sustainable future that embraces and promotes responsible consumption and production requires a significant amount of financial support. Although public finance sources do exist, there is an increased expectation on private finance sources to step up, intensify and lead efforts in this area. Financial institutions are, therefore, more important than ever because they have a critical role to play in incentivizing more sustainable business practices, by using their role in allocating capital as a catalyst for change. This is evidenced by the growing number of financing products in the market offering a means to improve on and incentivize more responsible consumption and production, such as through sustainability-linked loans or ESG bonds.

We believe that we can and should use our legal expertise in our leading practices to help make access to sustainable finance and the capital needed to develop sustainable businesses easier. By leveraging our knowledge of sustainable finance products and the regulatory environment in which they operate, and our relationships with financial institutions, we are able to partner with clients to help mobilize the finance needed so that they can deliver on their sustainability commitments and respond to stakeholder demand for long-term value creation, promoting responsible consumption and production, we make a positive and sustainable societal impact. Examples of how we helped clients finance a more sustainable future during 2021 include the following:



# Participation in sustainable finance associations

Member of the International Capital Markets Association (ICMA) Green Bond Advisory Committee, including the Advisory Council of the Green Bond Principles and Social Bond Principles Executive Committee

Member of the Association for Financial Markets in Europe (AFME), including the AFME Sustainable Finance Steering Committee

Sole law firm member of the Joint Sustainable Finance Working Group for the ASEAN Working Committee on Capital Market Development and the ASEAN Capital Markets Forum

- We advised MUFG Bank and Rabobank, the mandated lead arrangers and bookrunners, in a five-year USD 750 million sustainability-linked financing to UPL Corporation Limited, the overseas subsidiary of UPL Ltd., India's largest agrochemical company. The loan — the first sustainability-linked loan in India — was for an original loan amount of USD 500 million and was subsequently upsized to USD 750 million to accommodate over-subscription. This landmark, first-of-its-kind transaction by an Indian borrower targeted investors and credit providers increasingly focused on meeting ESG objectives. Under the facility, UPL Corporation Limited selected specific sustainability targets aligned with its sustainability ambitions in reducing its environmental footprint centered on improvements in greenhouse gas emissions, water consumption and waste disposal. The financing will also set the pace toward incentivizing borrowers to achieve their sustainability commitments and to support environmentally and socially sustainable economic activity and growth.
- We advised HSBC, as sole capital structuring and sustainable finance adviser, on the AUD 1.5 billion multicurrency syndicated sustainability-linked loan facility for Ramsay Health Care, along with the other arranging banks, NAB, MUFG and CBA and a wider lending syndicate of more than 20 global financial institutions. The financing was oversubscribed and supported by a wide range of Australian, Asian, European and North American lenders, which is testament to the ever growing lender interest in financing sustainability-linked loans. The loan facility has targets that are designed to address the mental health and well-being of staff, reduce energy intensity and emissions and increase responsible sourcing within medical supply chains. The transaction won Syndicated Green/Sustainable Deal of the Year at the Asia Pacific Loan Market Association Syndicated Loan Market Awards 2021.
- We advised the joint lead managers (ABN AMRO, BNP Paribas, J.P. Morgan, Rabobank and SMBC Nikko) on Vesteda Finance B.V.'s successful issuance of a EUR 500 million green bond under the Vesteda Green Finance Framework, a framework that identifies improving the quality and sustainability of the company portfolio as a key strategic priority. The bond was four times oversubscribed, and its proceeds will be used to finance or refinance residential buildings (including refurbished and new residential buildings) that meet certain energy efficient criteria in the Netherlands.
- We advised Natura Cosméticos S.A. on their USD 1 billion sustainability bond issue, with interest rates linked to meeting two material environmental performance targets by the end of 2026: (i) reducing greenhouse gas emission intensity by 13% across Scopes 1, 2 and 3; and (ii) reaching 25% of post-consumer recycled plastic in their plastic packaging. This successful raising of USD 1 billion in bonds tied to sustainability targets is a milestone for the Natura & Co group, and demonstrates its commitment to sustainability by aligning its financial and environmental targets.

#### SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

## **Consumer Goods & Retail Industry Group**

Our Consumer Goods & Retail Industry Group has been at the forefront of the sustainability dialogue with clients in the sector for several years, helping them understand how to respond to increased consumer and regulatory demand for enhanced transparency on what goes into products and how they are made, and how to addresses challenges in their supply chain and focus on their "extended enterprise." As part of this work, and under the Consumer Goods & Retail Industry Group's leadership, Baker McKenzie developed a relationship with Positive Luxury and is a sponsor of the Positive Luxury Awards. The Consumer Goods & Retail Industry Group supports Positive Luxury's work and ambition and believes that its Butterfly Mark puts transparency at the heart of the consumer experience by allowing consumers to easily identify and purchase goods that are produced responsibly. As part of our Firm's relationship with Positive Luxury, lawyers across our Firm speak at Positive Luxury's webinars and provide content to reports they produce, to help companies in the sector better understand the legal and regulatory obligations applicable to them and notably those relating to their supply chain, helping them develop sustainable business and production practices.





# **SDG 13: Climate Action**

Baker McKenzie has taken action to reduce our carbon footprint by setting emissions reduction targets and is working toward achieving those targets. As a pioneer in the law of climate change, having developed the first global climate change practice in a law firm over 20 years ago, Baker McKenzie remains at the cutting edge of climate change law and developments, helping clients make their climate ambition a reality. Our Firm has a long-standing history of participation and involvement in the UN Climate Change Conference of the Parties (COP), running a series of conferences for clients to help them prepare their own participation at the COP, and the Firm was pleased to send an in-person delegation to COP26 in Glasgow in November 2021.

# Our global carbon targets

In 2019, Baker McKenzie publicly announced a plan to significantly reduce our Scope 1 and Scope 2 carbon emissions by 2030. These targets drive our internal environmental efforts across our Firm, provide us with a focus area for improvement for all offices via the bGreen program, are an integral element of our wider sustainability strategy and support our prioritized SDGs. We specifically commit to the following:



Reduce carbon emissions from our energy consumption (Scope 1 and 2 emissions) by 92% by 2030 (against a 2018 baseline)



Set a business air travel target and strategy in 2022



Publicly report our carbon targets and emissions



# **Progress toward our targets**





2015



2016



2017



2018



2019



2020

from CDP



2021

2014	
Global Environmental Policy	
Pilot carbon strategy	

**bGreen v1.0** Pilot

bGreen v1.0
Voluntary
participation
across offices
and centers

Global carbon inventory

bGreen v2.0
Materiality
assessment:
emissions identified
as key topic

Prioritized **eight SDGs**, three of which relate to **environment** Set public **carbon emissions** 

reduction targets
bGreen participation
made mandatory across all

offices and centers

Began disclosing our carbon emissions; reported emissions to CDP for the first time
Achieved "B" Grade

Reported emissions under CDP Climate Change questionnaire Achieved "B-" Grade from CDP for Climate Change

## Our emissions reduction target

When compared to our 2018 baseline, we have seen our carbon footprint decrease. This decrease is largely due to the impact of the COVID-19 pandemic on our operations, resulting in a significant decrease in business air travel due to travel restrictions and reduced time spent in our offices, as we saw our offices shift to hybrid or remote work. While we do expect to see our emissions increase from the pandemic period once "business as usual" returns, we are working on our shift to 100% renewable energy across all regions, implementing green refit and relocations across a portion of our offices and looking at how we can implement other operational changes across offices to improve our environmental performance and reduce emissions.

#### **Business air travel**

As a professional services provider, we are a people business — and our success depends, to a certain extent, on the relationships we have with each other, and with our clients; and the way those relationships are forged is often by spending time together in person. That in-person time together means that business air travel is an integral and unavoidable aspect of our business. However, we recognize that times have changed, and we know that we cannot return to the pre-pandemic way of doing business — as a leading global law firm, we believe that we must set an example as a responsible business, do our part by reducing our Scope 3 emissions and help our clients meet their own climate goals. We have learned from the pandemic that it is possible to maintain relationships by leveraging technology to successfully engage via videoconference, allowing us to replace some in-person meetings by virtual meetings.

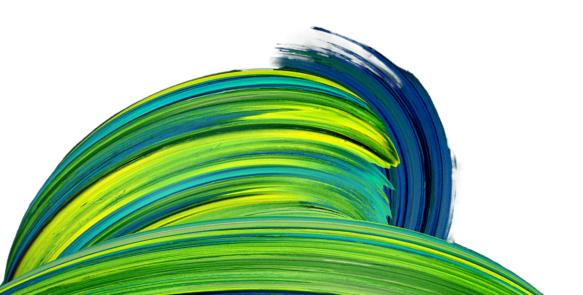
We are working with our Global Travel, Meetings and Events team to develop a business air travel strategy and target that will encourage a thoughtful approach on how to combine inperson meetings with virtual meetings in a way that allows us to maintain our engagement with clients and each other while avoiding a return to pre-pandemic travel levels.

#### Reporting on our global carbon emissions

In 2020, we began reporting our global carbon emissions data to CDP, the leading global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. We received a B- grade for Climate Change on our 2021 submission, reporting on our 2020 emissions and using the CDP reporting process as a way to implement changes that will help us continue to improve our environmental performance.

## **Education and awareness-raising**

Part of our internal efforts, beyond our emissions reduction targets and reporting objectives, include raising awareness of environmental issues, such as climate change and providing opportunities to educate and engage around these themes taking climate action collectively as a Firm. The official theme of Earth Day 2021 was #RestoreOurEarth, focusing on the ways in which we can work together to reverse the impacts of climate change and environmental degradation. As a Firm of over 13,000 engaged global citizens, the theme of coming together to make an impact is one that resonated with us. We teamed up with The Canopy Project to demonstrate the tangible impact that is possible when we work as one firm. With the help of The Canopy Project, we planted one tree on behalf of each person in our Firm, as well as an additional number of trees to match individual contributions made across all of our locations. resulting in us having been able to plant more than 21,000 trees for Earth Day 2021.



# Our climate change practice

#### Band 1 for Climate Change by Chambers Global since 2008

Baker McKenzie was the first global law firm to set up a climate change practice — over 20 years ago — to respond to client need for advice relating to climate change, including helping companies understand and comply with global efforts to address global warming and the resultant climate problem, such as the regulation of carbon emissions. We continue to lead the market in this area, and have been ranked Band 1 for Climate Change by Chambers Global since 2008. We use our expertise to help clients implement best practice as they increasingly seek to be part of the solution to the challenges that climate change poses and reverse the effects of global warming.

As governments and industry take more and more aggressive steps to regulate greenhouse gas emissions and reduce their carbon footprints under the Paris Agreement and other global regulatory regimes and voluntary frameworks, we believe that we can help accelerate the progress of industry on these measures by assisting our clients in balancing the risks and opportunities climate change presents to their businesses. Our climate change experts provide comprehensive climate change advice, work with governments on the development of carbon emission reduction legal regimes, and advise industry on climate change strategies and the achievement of "net-zero" carbon emissions commitments, and represent diverse stakeholders in climate change projects and carbon offset transactions.

# Shaping and interpreting climate policy and increasing climate awareness — the UN Climate Change Conference of the Parties (COP)

One of the other important ways our climate change practice contributes to climate action on a broader level is by working with policy makers and regulators to shape climate law and assist businesses in understanding the impacts of law regulation on their operations. We have a long-standing history of participation and involvement at COP, which is just one way we stay at the cutting edge of climate law developments. Our in-depth knowledge of COP allows us to help clients prepare for their own participation at COP and to understand how the outcomes of COP will impact their businesses, in particular as the private sector comes under increased pressure to work toward reducing national emissions under the Paris Agreement from investor groups, consumers and other stakeholders, which expect greater disclosure and action on climate risks and opportunities.

2021 marked an exciting return to an in-person COP, and we had strong representation both on the ground in Glasgow, as well as during the lead up to and following COP26 through a series of events and publications, raising awareness and understanding of how the private sector can have an impact on climate action and the "race to zero," in line with the overarching theme of COP26 and priority of the UK presidency to enhance climate change ambition, as countries set enhanced climate plans and pledges for 2030 (called "nationally determined contributions") and set net-zero targets for 2050 (or earlier). As part of our awareness raising and engagement on the topic of climate change, in the run-up to COP26, we ran an event in partnership with Lewis Pugh, the Client Climate Challenge, sponsoring his Greenland to Glasgow swim.

# The Baker McKenzie Client Climate Challenge

We partnered with Lewis Pugh, endurance swimmer and UN Ambassador for the Oceans, for a climate change-focused challenge where we invited clients to partner with their Baker McKenzie teams to complete as many miles as possible over the course of November 2021 — running, walking and swimming. The challenge attracted teams from 15 of our clients and was an inspiring way to put sustainability and mental health at the center of the event. The challenge concluded with a keynote speech from Lewis Pugh, cheering everyone on with the stories of his achievements and highlighting the urgency of climate change.

In the run up to COP26, our Global Climate Change group ran training courses for clients, including multinationals in the energy and infrastructure sector, and the industrials, manufacturing and transportation sector, broadening their understanding of the COP26 event itself, and helping them identify opportunities for involvement in the private group initiatives. We also ran a webinar, "What does the forthcoming COP26 mean for you," which was widely attended, and produced two podcasts to focus on key areas of the COP private sector initiatives: "Exploring the Rise, Risks & Opportunities Around Carbon Offsets," partnering with bp's Head of Climate and Sustainability Jeff Swartz, and "Managing Corporate Risk Through Climate Governance," partnering with Katrina Litvack, from Bridges Fund Management. We also developed a micro-site dedicated to COP26: **COP26 Hub: Steps to Net Zero**, where we housed all of our pre- and post-COP26 materials and resources to make them available to the public.

During COP26, our on the ground Baker McKenzie "blue zone" accredited delegation met with many clients to discuss what actions they need to take now to advance their climate change ambition and support them on their journey.

Following COP26, and to further raise awareness of the objectives and outcomes of the event, we held a post-COP26 event in London, where our clients had the opportunity to hear from Lord Karan Bilimoria CBE DL, the president of the Confederation of British Industry; Eric Soubeiran, managing director of Unilever Climate and Nature Fund, and vice-president of Sustainable Sourcing; and James Cameron, adviser to the UK government, as members of the Baker McKenzie delegation explored the outcomes of COP26 and what comes next for business with them.

Click **here** to read our report summarizing the COP26 outcomes, including the key elements of the Glasgow Climate Pact.



It was a great pleasure to create a unique series of events around my recent Greenland Expedition en route to COP26 in Glasgow — the highlight for me was the Baker McKenzie Client Climate Challenge, a month-long physical exercise challenge that saw 15 of Baker McKenzie's global clients competing in teams to win prize money for their nominated charities and to help raise awareness of the urgent climate emergency challenges we face. It was exciting to witness a high-profile law firm leading the conversation on climate change and sustainability issues directly with its clients — and helping, as we all must, to inspire action to safeguard our planet for future generations. Everyone who participated was engaged, informed and enlightened by the challenge element as well as the livestream keynotes I gave — a winning collaboration.

Lewis Pugh
UN Ambassador for the Oceans



**SDG 13: CLIMATE ACTION** 

# Collaborating within the legal industry to advance climate ambition

We are among the founding members of the **Net Zero Lawyers Alliance** (NZLA), a "race to net zero accelerator," which supports the transition toward global net-zero emissions. The NZLA gives commercial law firms and lawyers the opportunity to collaborate with other members on how to facilitate a systemic change in law and legal practice, to support clients in their climate ambition and to lead by example by improving their own climate performance, with membership criteria tied to environmental targets and to assisting clients with decarbonization goals through contract drafting and the provision of climate risk legal services, including on existing and anticipated regulatory and litigation risk.

We also have an ongoing relationship with **The Chancery Lane Project**, (TCLP) a collaborative effort of legal professionals whose vision is a world in which every contract enables solutions to climate change, and in 2021, we worked with it on the editorial and peer review process for their Corporate Governance module. In this particular project, our role was to review and provide feedback on certain net-zero contractual clauses that had been drafted in one of TCLP's collaborative workshops, before TCLP released them for publication in their Net Zero Toolkit. These climate clauses and tools are made available to the public, with the aim that they make their way into law firm precedents, in the UK and globally, to encourage best practice in this area.

In addition to working with other like-minded law firms, TCLP also allowed us to join forces with some of our clients, so that the experience of in-house legal teams would be captured alongside the law firm perspective and would help develop clauses that would achieve buy-in from clients and law firms alike. This holistic approach, and partnering with our clients on the project, was innovative and brought a new dimension to TCLP, which has allowed TCLP to reach a broader audience and expand its mission to ensure that climate clauses become a regular feature in contract drafting.

We are proud to be associated with the NZLA and TCLP and to be working with our clients on important climate change projects and are keen to remain engaged in these efforts, which will facilitate change and the transition to net zero by engaging with others in the legal profession.

# **Educating the public on climate change**

For 30 years, Baker McKenzie's Global Environmental Group has held an annual environmental conference, supporting our commitment to educating on global change and longstanding tradition of leadership in facilitating governmental and corporate responses to the global climate change challenge. Open to our clients and to the public, our 2021 conference — the 30th edition — included regional updates from around the world on legislative and regulatory developments aimed at moving governments and industry alike along the path to net-zero emissions — reporting on the EU's corporate governance and supply chain directives aimed at prioritizing people and planet in advancing corporate strategy and the carbon neutrality commitments of governments across the EU, Asia and the Americas. We also shared real-life market leading examples of solutions we have developed with clients on devising and implementing their corporate climate action programs through participation in voluntary carbon offset transactions to accelerating transitions to clean energy solutions for their businesses.



# Governance



SDG 16: Peace, Justice and Strong Institutions

SDG 17: Partnerships for the Goals



Good governance is a cornerstone of good business. Within our own operations, our governance has evolved over time, as we have implemented more regular internal reporting on our I&D and climate initiatives, including the progress on our gender aspirational targets and our public sustainability targets. Our chief I&D officer and our chief sustainability officer provide regular updates on progress to our Executive Committee, Policy Committee and Global Risk Committee, and work across the entire Firm to increase awareness and accountability regarding our targets.

We believe business must take a central role in fostering and championing sustainability and that the rule of law is an essential foundation for economic growth and development. Where the rule of law is strong, business leaders can feel optimistic about investing in the future.

We are committed to promoting transparency, ethical behavior and accountability externally through our influence, counsel and strategic partnerships. To amplify the role of business in developing and maintaining standards of best practice in both corporate and global governance issues, we continue to partner with like-minded clients, international organizations, governments and NGOs.

# The Ten Principles:

#### **Anti-Corruption**

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

# Governance

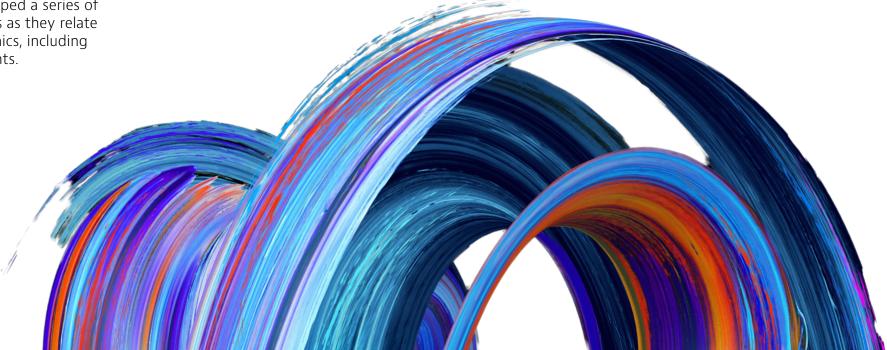
# Focusing on ethics in the legal profession and our Code of **Business Conduct**

Our Code of Business Conduct reflects our commitment as an active participant of the UNGC to align our policies and operations with the UNGC's principles in the areas of human rights, fair labor, the environment and anti-corruption. It spells out our policies, legal and ethical obligations, responsibilities and the behavior we expect from our people and suppliers in relation to a number of areas including compliance with anti-corruption laws, dealing with sanctions, the prevention of money laundering and the avoidance of conflicts of interest. It also provides guidance on how to act when specific, clear policies are not available.

All of our people are required to complete an online training module on our Code of Business Conduct each year; it is further supported by our Code of Business Conduct Hotline, which is an additional tool to help ensure that everyone complies with the code. The hotline allows anyone in our Firm to ask questions, seek guidance or report concerns confidentially and, where permissible, anonymously, by phone or through a dedicated web portal, EthicsPoint. The Office of the General Counsel has also developed a series of informative newsletters, "Eye on Ethics," which provide guidance on ethics as they relate to the legal profession and raise awareness on topical issues related to ethics, including information on compliance with sanctions in our business and for our clients.

# Helping to shape the global anti-corruption agenda

Our commitment to anti-corruption extends beyond our own obligations as a global business, as we believe we have a role to play in contributing to public and private efforts to advance responsible business practices. Through our membership of the WEF's Partnering Against Corruption Initiative (PACI), the leading business voice on anti-corruption and transparency, we contribute to initiatives aimed at mainstreaming integrity in business practices. For example, Mini vandePol, partner and head of our Asia Pacific Investigations, Compliance and Ethics Group, represents the Firm in PACI and is a member of the WEF's Global Future Council for Transparency and Anti-corruption; she also contributed to the development of the WEF's "Unifying Framework," a value-based self-regulatory framework launched in June 2021, which was designed to complement government regulation and helps well-placed private sector intermediaries across a range of sectors understand their role in preventing or interrupting illicit financial flows.





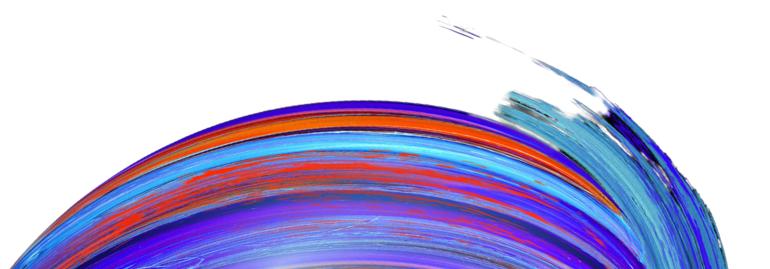
# SDG 16: Peace, Justice and Strong Institutions

Access to justice is a basic human right and a key tenet of SDG 16. At Baker McKenzie, we believe that the provision of pro bono legal services is a fundamental professional responsibility for us as lawyers to increase access to justice and promote the rule of law across the globe.

As a law firm with a global network of lawyers and legal support professionals, we have a unique skill set, and we believe that the best way to assist those in need is to put our unique skills to use to facilitate increased access to justice through the provision of pro bono legal services. We are committed to providing first class pro bono legal services to the marginalized and disadvantaged, and to the not-for-profit organizations that support them. In addition to the hundreds of our employees across our Firm globally that provide or support our pro bono legal services in their free time, we have a dedicated pro bono team, including dedicated pro bono resources in each region, that coordinates efforts on large-scale global projects where our global footprint is unsurpassed in developing resources that reflect the legal position across all jurisdictions where we have an office or a relationship with a local correspondent law firm.

Our pro bono activities work on projects that cover a number of different areas and underrepresented groups. Examples of our pro bono work undertaken in 2021 that facilitated access to justice are highlighted below.

For more information about Baker McKenzie's pro bono impact, please visit Pro Bono | Baker McKenzie.





#### **Outstanding Firm for Pro Bono**

Chambers D&I Awards 2021



#### **Innovations in Pro Bono**

Leaders in Tech Law Awards 2021



#### **Chesterfield Smith Award**

Pro Bono Institute 2021



#### **Beacon of Justice Award**

The National Legal Aid & Defender Association 2021



### **African Legal Awards**

Highly Commended for the Children's Advocate Award for our Legal Atlas for Street Children 2021

# Ensuring access to justice for all children

One of the most vulnerable groups that deserves access to justice, yet does not benefit from this access, is children. As part of our commitment to ensuring access to justice for those who may not otherwise enjoy such rights, Baker McKenzie has demonstrated its commitment over time to protecting the rights of children. Our efforts on this topic are made possible by employing the latest technology and machine learning techniques, our extensive global footprint and our legal expertise, together with the passion and commitment of our people to I&D — all working together to ensure that the children of today can develop into strong adults who are able to contribute productively to society.

# Harnessing the power of machine learning to provide access to resources and data — Reinvent Social Impact: Child Detention

Baker McKenzie is at the forefront of technology in law, including using AI to advance legal research. Thanks to our adoption and employment of AI technology, we were able to launch Reinvent Social Impact: Child Detention, an AI-driven project focused on child detention. We used the AI engine from technology company SparkBeyond, to mine countless pages of sources and data about global child detention found on the World Wide Web — literally millions of sources linking child detention to a host of unintended consequences that negatively affect every human need enunciated in Abraham Maslow's hierarchy of needs. The output of this research, empowered by SparkBeyond's technology, was made accessible to child rights advocates to provide them with a better understanding of the cause and consequences of child detention, to inform policy, public opinion and advocacy on behalf of these children.

The results of this extensive study of sources corroborated the effects of detention that communities have been talking about for years — but, more importantly, allowed the universality of those conclusions and communications to be shared more broadly. There is a direct impact from the results of this study — which would not have been possible without the recourse to Al technology — on the ability to improve the lives of the world's most vulnerable children and to allow the voices of affected children to be heard.

This social impact project was inspired by, and undertaken in collaboration with, the **Global Initiative on Justice with Children**, a collection of advocacy and human rights organizations that support the World Congress on Justice with Children. Read more about our work with the World Congress and our presentation to the World Congress on the Reinvent Social Impact project in **SDG 17: Partnerships for the Goals**.



This exciting Al-driven study that mines the web on the unintended consequences of child detention was inspired by the work of children's rights advocates around the world and by the five years of extensive work of the UN Global Study on Children Deprived of Liberty, published in 2019. Thanks to their tireless efforts, we have been able to dig deeper to understand the greater, more multifaceted effects of detaining children, not only on children and youth themselves but also in their wider communities.

Angela Vigil
Partner and executive director of Baker McKenzie's pro bono practice



By amplifying our pro bono work using advanced data science and machine learning, we are scaling our social impact in a way that cannot be achieved through human resourcing alone.

Danielle Benecke Co-founder of Baker McKenzie Machine Learning **SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS** 

#### Working to end violence against children in Asia

Throughout the Asia Pacific region, Baker McKenzie works with clients to produce a number of easy-to-read legal guides to educate community leaders and social workers about core legal frameworks surrounding violence against children. In support of World Vision's global initiative, the "It takes a World to End Violence Against Children" program, these guides have addressed child trafficking, physical violence and sexual violence. In 2021, our lawyers worked with clients to produce the latest guide addressing child marriage in Australia, China, India, Indonesia, Malaysia, the Philippines, Singapore, Taiwan, Thailand and Vietnam. In line with the UN's SDGs and global CSR principles, we will continue this work in 2022 to provide the essential protections and resources necessary to build new lives for affected children.

#### Supporting the day-to-day legal needs of children — children's rights charities

We assist a number of high profile children's charities with their day-to-day legal needs by offering the expertise of our lawyers in areas of law ranging from employment to international competition at no charge. For example, our London office team advises nonprofit groups Save the Children International, The Children's Society and the Coram Foundation for Children. Our Hong Kong office team worked with Save the Children to provide recommendations on a draft legislative council member's bill that sought to prohibit physical and humiliating punishment (PHP) of children in Hong Kong. Baker McKenzie provided both legislative and practical suggestions to assist Save the Children's advocacy relating to the bill, which seeks to close the loopholes in local legislation on PHP. The team also provided a comparative analysis of the laws regulating PHP across numerous jurisdictions including Australia, the UK and Singapore.





**SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS** 

# Facilitating access to justice for refugees

As part of our commitment to providing access to justice to the vulnerable and those most in need, a number of our offices are providing pro bono support to assist refugees who have been forced to flee their country and who would be otherwise left without recourse to avenues to establish or defend their refugee status.

#### Supporting the UNHCR's work in the UK

For over 15 years, Baker McKenzie has been working with the UNHCR, the UN refugee agency, and UK for UNHCR (the charity partner of the UNHCR in the UK), by providing essential legal advice and support as they continue their important work to protect the rights of asylum seekers and refugees. Lawyers in the London office and across our Firm provide a range of legal support to the UNHCR and UK for UNHCR, including: advice on commercial contracts; employment law advice; real estate advice; research and case law review support; and, in the UK, support for the UNHCR in its interventions in significant cases (typically in the Court of Appeal and Supreme Court).

Regarding specifically the intervention work, lawyers in the London office work alongside English barristers to assist the UNHCR when it chooses to intervene in legal proceedings, typically to clarify a point of law or to provide its expert support to the court on a question of law that has not been considered before. Baker McKenzie's involvement begins with the first application for permission to intervene by the UNHCR, through to the hearing of the case. Most recently, we were involved in G (Appellant) v. G (Respondent) UKSC 2020/0191, a case concerning the intersection of the state's obligations under the 1980 Hague Convention on the Civil Aspects of International Child Abduction and asylum and immigration law, including the principle of non-refoulement (the prohibition on expulsion or return to a country where they may be persecuted), the first time this question had been considered in the UK.

#### Facilitating Afghan humanitarian parole applications in the US

A team of 21 volunteer lawyers and legal professional support staff across six of our US offices has been providing legal support on a pro bono basis to help Afghan nationals seeking to leave Afghanistan on urgent humanitarian grounds to relocate to the US to be united with their extended families. In September 2021, the team began work on preparing 25 Afghan humanitarian parole applications and filed them in December with the US Citizenship and Immigration Service.

#### Supporting refugees in Australia

For many years, Baker McKenzie has provided pro bono legal services to refugees and persons seeking asylum in Australia. In 2021, 52 of our Australian lawyers dedicated nearly 2,000 hours to this important work, including representing a number of clients in litigation (at trial and on appeal) seeking review of the Australian government's negative protection visa decisions. Working with community legal centers that specialize in assisting refugees, our lawyers also assist clients apply for protection visas (application forms, statements and representation at government department interviews). In 2021, more than 40% of our work in this area involved assisting Afghans seeking to flee the Taliban, by applying for humanitarian visas to Australia.



Often the UNHCR will only intervene because it wants to assist the Court in providing clarity on an area of law or shape an area of law that's developing. It really is cutting edge work, and it's great to be able to play a small part in the UNHCR's incredibly important work.

Yindi Gesinde Partner, Disputes Resolution, London **SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS** 

# Advocating for rule of law in criminal justice

#### Putting resources into the hands of youth who need them — the Real Rights Racial Injustice Project

We continue to tackle racial justice issues through our Real Rights project — a global pro bono initiative we began in 2020 to provide youth from communities of color with city-specific guides for interactions with police, so that those who are brought into contact with law enforcement have a clear understanding of their rights. In 2021, we discussed lessons learned from this project and the path forward as we partnered with clients at the Children's Rights Summit, receiving the Beacon of Justice award from the National Legal Aid & Defender Association for this initiative and our "strong commitment to intentionally and positively promoting racial equity."

Read more in **SDG 17: Partnership for the Goals**.

#### Fair trials with Amicus

Lawyers from our London and Australian offices work closely with the charity Amicus to assist its death row fair trials work in Florida. Lawyers have been involved in tracking cases across Florida where individuals are at risk of execution, have been preparing local freedom of information requests to obtain key case information for Amicus, and have been involved in casespecific document review and trial preparation.

#### **Crime Stoppers International (CSI)**

CSI is a global nonprofit organization that supports the efforts of law enforcement to help stop, solve and prevent crime. Each year, CSI awards a number of individuals, programs, activities and campaigns from around the world for excellence and for their contribution to the achievement of the CSI vision, "to mobilize the world to report information on crime and criminals, anonymously." CSI awarded Amsterdam-based Litigation Partner Robert J. van Agteren the 2021 President's Award for pro bono counsel provided to CSI by him and a team of colleagues in Amsterdam.

#### Labor and modern slavery laws in Asia

It is estimated that across the globe more than 40 million people are affected by modern slavery; there are 16 million victims in the supply chain, and 60% of victims are based in Asia. In 2021, Baker McKenzie lawyers in Vietnam, Thailand, Myanmar, China, Hong Kong, Malaysia and Australia worked with **The Mekong Club**, an anti-trafficking NGO based in Hong Kong that works with the private sector to address modern slavery issues, on updating its multijurisdictional Labor Law Tool. This is a legal guide designed to educate the private sector and NGOs about labor laws across Asia and how to identify potential modern slavery and breaches of labor laws. Baker McKenzie together with The Mekong Club originally developed the Labor Law Tool more than five years ago.



**SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS** 

#### Strengthening Latin America pro bono culture

In 2021, a number of our Firm's Latin American offices were recognized as "Leading Lights" for the pro bono work they carried out — law firms making a noteworthy contribution to strengthening Latin America's pro bono culture — and specifically for the provision of free legal services to those in need — based on the results of a survey carried out by the Cyrus R. Vance Center in collaboration with Latin Lawyer to measure the continued institutionalization of pro bono services in Latin America. Baker McKenzie is a proud partner of the Cyrus R. Vance Center for International Justice, a nonprofit program of the New York City Bar Association.



## Promoting the future of the legal profession — the Baker McKenzie Scholarship Endowment Fund at Columbia Law School

As part of Baker McKenzie's commitment to addressing a key I&D gap in the legal profession, by providing access to the profession for students demonstrating academic success and financial need, it established the Baker McKenzie Scholarship Endowment Fund at Columbia Law School in 2015. Because there is very little need-based funding available for international students, as this population does not qualify for the financial aid available for US citizens and loans in their home countries are not readily available, many promising students from emerging economies cannot enroll in these programs as they cannot meet the financial burden. We believe that the scholarship allows these young talents to broaden their legal horizons, deepen their knowledge of the rule of law and the US justice system so that they can help advance and inspire the legal profession in their home jurisdictions when they return.

The scholarship fund awards USD 50,000 each year to a Columbia Law School LLM international student and, in particular, those from emerging economies (with priority given to students from Africa, Asia, Eastern Europe and Latin America) who demonstrate academic success and a need for significant financial aid, which matches our Firm's values and truly global nature. In addition to the financial award, the scholarship recipient is given the opportunity to engage with the lawyers in our New York office, facilitating exchange.

The 2020-2021 Baker McKenzie scholarship was awarded to Hillary Maduka, a Nigerian human rights lawyer who founded Project Freedom Initiative to offer pro bono legal and human rights protection services to indigent prisoners across Nigeria with the aim of reducing the number of unlawfully detained pretrial detainees. We are honored to support Hillary's career development and his desire to advance human rights and serve disadvantaged populations.



## SDG 17: Partnerships for the Goals

In addition to viewing the SDGs as a road map for our vision of our Firm for the future, they are also an opportunity for us to collaborate with like-minded organizations on a global, national and local level to achieve our shared goals.

We further believe that we have a role to play in helping businesses understand how they can embed sustainability across their operations and consider that our work with clients goes beyond the simple provision of legal advice but rather, is a true partnership where we share our own best practices with them, as we work with them to help them achieve their own sustainability goals.

#### Partnering with policy-shaping forums

We believe that lasting, impactful change is only possible when business, government, civil society and local communities come together to share expertise, knowledge and resources. That's why our key strategic partnerships are so important to us. Through our relationships with some of the most influential organizations around the world, we engage on the policy level to raise awareness and effect change on a global scale and advise business on how to respond to policy requirements. We have strong relationships and collaborate regularly with three strategic policyshaping forums to share knowledge and shape future debate and policy, providing insight on what's coming next in sustainability regulation and best practice — helping to stay ahead of emerging trends and regulation.

We have been an active participant of the UNGC, the world's largest corporate sustainability initiative, since 2015. The representation in the UNGC of business, academia, government and civil society, and their contribution to shaping policy, make it a unique platform that allows us to be on the cutting edge of sustainability trends and regulation.

As co-patron of the Action Platform for SDG 16 (Peace, Justice and Strong Institutions) we worked closely with the UNGC to run country consultations to engage with key stakeholders on what SDG 16 means to their industry. We also supported the development of the SDG 16 Business Framework tool, which helps businesses understand the role they can play in advancing its objectives. At the launch of the SDG 16 Business Framework in June 2021, we led a panel conversation on the importance of transformational governance and SDG 16 for business.

In 2017, Baker McKenzie became the first law firm to join the WBCSD, a CEO-led organization of more than 250 international organizations. By providing legal advice to their sustainability projects and work streams, we have the opportunity to collaborate and lead projects to drive awareness and progress and shape future policy through activities like participating in panel discussions, contributing to white papers and engaging in programs.

We contribute to the WBCSD's board governance and sustainability initiative. Further to the reports and white papers we authored in collaboration with the WBCSD on directors' duties, ESG considerations and governance, we engaged in WBCSD projects in 2021 on the theme of governance and on how business can make progress on the SDGs by participating in the following:

- WBCSD Liaison Delegates Meeting session "Modernizing Governance: Get your Board on Board with ESG," to share perspectives on the importance of engaging with the board and how stakeholder perspectives can support and inform decision-making.
- WBCSD High-level Political Forum panel "Chief Sustainability Officers for SDGs: Time to Transform," covering how business can lead the transformations needed to realize the SDGs, including the role business can play in advancing on equality.
- WBCSD Council meeting session "Managing Stakeholder Governance Without Trade-off," to provide practical examples of how corporate purpose can drive better engagement with stakeholders.

Since 2010, we have been partnering with the WEF in its mission to engage political, business, academic and other leaders of society in collaborative efforts to improve the state of the world through public-private cooperation.

We lead discussions and contribute to projects on the future of international trade and global economic interdependence including the COVID-19 response, global industrial policy, green trade, taxation and governance. For example, we collaborated with the WEF on a white paper, **The Future of the Corporation: Moving from Balance Sheet to Value Sheet**, which analyzed the role boardrooms and corporate governance play in addressing ESG challenges companies face. The paper also provides a set of actions — a stakeholder governance framework — that boardrooms and executives can use to deliver on stakeholder expectations and to proactively manage ESG risks and opportunities.

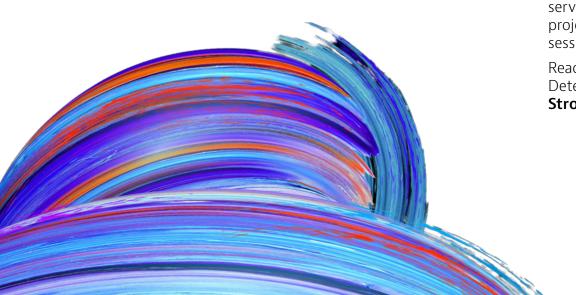
We also advised on the **WEF's white paper** on accelerating action on social justice and equity.

WBCSD

**SDG 17: PARTNERSHIPS FOR THE GOALS** 

#### Partnering with the Thomson Reuters **Foundation on human rights**

We are proud to partner with the Thomson Reuters Foundation, the corporate foundation of the global news and information services company that works to advance media freedom, foster more inclusive economies and promote human rights. In addition to sponsoring its 2021 Stop Slavery Award, an award that Baker McKenzie partner Kevin Coon has been involved with since its inception as an advisor, we also co-led a series of business roundtables with Thomson Reuters and Omnia Strategy LLP to bring together leading businesses from a range of industry sectors to share expertise and best practice on putting human rights at the center of business, including on how businesses can prepare for the EU legislative proposal on mandatory human rights and environmental due diligence.



#### Partnering for children's rights — the 2021 **World Congress on Justice with Children**

In 2021 we once again supported **The World Congress** on Justice with Children, an international congress event that places children's rights at the top of the international agenda over a week of virtual events, serving as a global platform to exchange experiences and learning. The theme for the 2021 edition of the congress was "Ensuring Access" to Justice for all Children: Towards Non-discriminatory and Inclusive Child Justice Systems". Supported by more than 110 volunteers from all regions of Baker McKenzie, more than 4,800 participants from 150 countries came together to hear from 700 speakers from all over the globe.

During the opening plenary of the congress, we unveiled our efforts with SparkBeyond on the Reinvent Social Impact project. We shared how the results of our application of an AI tool can be used to support advocacy for children's rights, and invited public interest and public service leaders from around the globe to engage in the project with us, explore the tool in more depth in a private session and provide feedback.

Read more about our Reinvent Social Impact: Child Detention project in SDG 16: Peace, Justice and Strong Institutions.

#### Partnering with clients to raise awareness of children's rights — Baker McKenzie's 8th **Annual Children's Rights Summit**

As part of the 2021 World Congress on Justice with Children, we were honored to have been asked to present our 8th annual Children's Rights Summit in partnership with our clients Google, Apple Inc., Meta, Intel and Hewlett Packard Enterprise. The Children's Rights Summit brings together social justice leaders, in-house counsel and children's rights advocates from across the globe and across disciplines to find rights-based solutions for children and their communities.

The 2021 summit was held virtually and included criminal justice experts, lawyers, community leaders and volunteers from a year-long project continuing last year's Children's Rights Summit — the Real Rights Racial Injustice Project — which provides youth from communities of color with city-specific guides for interactions with law enforcement authorities. The lawyers who studied the rights of young children in a number of jurisdictions in the Real Rights project unpacked selected findings and facilitated a series of exchanges on issues of equity and equality in the justice system during the 2021 summit. Discussions featured the experiences of young people of color, legal lessons learned from the Real Rights project and a conversation about the path forward to a more just reality for young people everywhere.

Read more about our Real Rights project in **SDG 16: Peace**, Justice and Strong Institutions.

## Partnering with Leiden Law School to support the International Children's Rights Moot Court

In line with the commitment of our pro bono team to children and children's rights, in June 2021, we once again partnered with Leiden Law School to host the fourth International Children's Rights Moot Court, a biennial multiday international competition which brings together law student teams from all over the world to compete around real, topical and complex children's rights matters. The competition helps to raise awareness among students about the significance of international children's rights and build their knowledge about this complex area of law, an area that intersects with other legal fields and relates to many societal challenges affecting children and their families across the globe. This unique educational event also includes a dedicated master class on writing and advocacy and oral arguments skills offered by Baker McKenzie, enhancing the skills the students need for the competition.

Usually an in-person event held in the Netherlands, the moot court was held virtually in 2021, resulting in record participation of more than 80 student teams from more than 20 countries, arguing for the rights of children who grow up living in camps located in war zones.





It's been an honor to have over 400 of our lawyers and professionals involved in this prestigious competition. I have been blown away by the talent, eloquence, and incredibly well constructed arguments presented by the student teams throughout the different rounds. As the next generation of lawyers, I hope that the International Children's Rights Moot Court has helped to enhance an understanding of this important area of human rights and grow a love of serving in whatever way they will as lawyers someday soon. I also hope that together we can continue to grow this competition into a global phenomenon.

Milton Cheng Global Chair, commenting on attending the finals of the moot court competition



In Baker McKenzie, we have found a partner which shares our commitment to international children's rights as a field of human rights law. This partnership enables us to further develop this unique global student competition that not only contributes to students' capacities to engage with complex children's rights issues, but also raises awareness around the importance of law when it comes to the protection of children.

Ton Liefaard UNICEF Chair of Children's Rights at Leiden University

## Partnering with clients to sponsor Equal Justice Works fellows

We continue to partner with client organizations to support Equal Justice Works, the largest US facilitator of opportunities in public interest law by co-sponsoring two fellows in the Design Your Own Fellowship program, which allows passionate law graduates or private practice lawyers to design innovative two-year projects in partnership with a legal services host organization to address a critical legal need in their community. Fellows work with and expand upon the mission of their host organization, helping to build crucial capacity at their host organization.

Continuing from the fellowships supported in 2020, we cosponsored the following fellows and projects with client organizations in 2021:

- Erika Sato (fellowship class year 2021): Hosted by the Sustainable Economies Law Center, Erika collaborates with crisis-response mutual aid groups in California to provide legal assistance and develop programs for grassroots economic regeneration as a replicable and sustainable nationwide model. Baker McKenzie and Salesforce co-sponsor Erika's fellowship.
- **Serena Witherspoon** (fellowship class year 2021): Hosted by UnCommon Law, Serena represents incarcerated people with plausible innocence claims who are eligible for release under California's parole process. Baker McKenzie and Apple Inc. cosponsor Serena's fellowship.

## Partnering with charities to promote access to justice in the UK

Our London office partners with several charities to help tackle the access to justice crisis in areas of law including children's nationality, social care, welfare benefits and unpaid wages. Baker McKenzie lawyers take on casework under the guidance and supervision of an expert lawyer hosted at the partner charity to assist families and individuals who would not otherwise have access to legal advice. Examples of success include obtaining British nationality for children properly entitled to it, overturning denials of welfare benefits and social care packages, recouping unpaid wages for exploited employees and advising working families on their employment rights. The partnerships leverage the capacity and enthusiasm of Baker McKenzie lawyers to make lasting change in their local communities.



The work we are doing in this space is essential to ensure as many people as possible have access to justice and can enforce their legal rights. We have achieved some excellent results for our clients, and could not have done this without the support and quidance of our charity partners.

Staś Kuźmierkiewicz Senior Pro Bono associate

## Partnering with clients to help them embed sustainability across their operations — Sustainability Client Solution

In addition to our partnerships with third-party organizations to shape policy and make progress on topics of relevance to society, including on increasing access to justice, we also believe that by partnering with our clients, we can help businesses make progress on the SDGs by helping them understand how they can embed sustainability across their operations by taking concrete actions that promote advancement as we move toward 2030. Much as our decision to be a co-patron of the UNGC Action Platform for SDG 16 was based on a desire to help translate what can sometimes appear as daunting principles into comprehensive actions, we decided to develop a holistic, multipractice Sustainability Client Solution that uses a simple framework and methodology that breaks down the most complex notions of sustainability into manageable tasks. Whether focusing on governance, human rights, I&D, compliance with regulation, assessing and modernizing supply chains, accessing sustainable finance or implementing the energy transition, the Sustainability Client Solution brings our legal expertise, along with our own real-life experience from our own sustainability journey to clients, helping progress on the SDGs and move from aspiration to reality.

For more information, please visit **Sustainability | Expertise | Baker McKenzie** 

# Contact





Alyssa Auberger Chief Sustainability Officer alyssa.auberger@bakermckenzie.com

Thank you for reading our Communication on Progress 2022.



This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.

We welcome feedback on its contents.

Schedules

Communication on Pr

Our Sustainability Strategy — Background

Local Office Initiatives

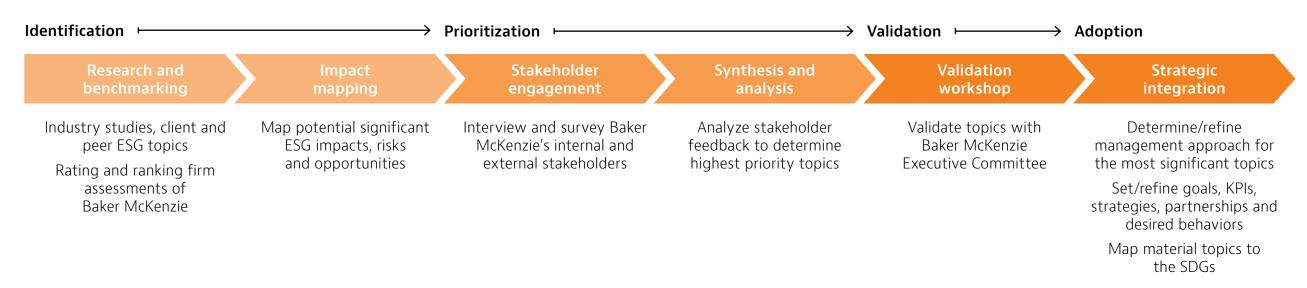
## Our Sustainability Strategy — Background

As well as upholding our commitment to the Ten Principles, we have aligned our efforts with the SDGs. We see the SDGs as a road map to achieve our vision of our Firm for the future, and an opportunity to collaborate with like-minded organizations to achieve our shared goals.

We have placed sustainability at the core of our business strategy through 2030 — aligned with the "Decade of Action" — moving from ambition to action by adjusting and adapting our operations to meet our sustainability goals. By including sustainability as a key enabler of our refreshed Firm strategy, it guides us to do business responsibly.

To ensure that our sustainability strategy was relevant to our business operations and understand where we could have the most potential impact, we undertook a global materiality assessment in late 2018. The goal of that exercise was to identify and prioritize the issues that mattered most to our stakeholders, and to provide the basis of our future goal-setting, monitoring and reporting. The materiality assessment was conducted by an external consultancy, to ensure the most robust and impartial outcome. The process included an analysis of our Firm's global operating environment, impact mapping of our significant ESG risks and opportunities, extensive stakeholder analysis and consultation and, finally, analysis and validation with our Executive Committee.

#### The process



#### Our stakeholders

The first step was to identify and prioritize our stakeholders, and consider how we interact with them. As a professional services provider, we have a complex ecosystem of key stakeholders, made up largely of our people and our clients, as well as our communities and wider society. To capture a thorough view of our wider impact, we included stakeholders from across our entire value chain, including law schools, suppliers, peers, media and NGOs. Each stakeholder group was allocated a weighting factor and communication method.

More than 1,300 Baker McKenzie lawyers and business professionals, and 70 external stakeholders, including Baker McKenzie clients, family members and industry associations, participated in focus groups, one-on-one interviews and surveys. The engagement sought to understand and collect information in support of each individual's expectations regarding Baker McKenzie's responsibility with respect to a long list of potential material ESG topics. Their responses shaped the final 29 ESG topics deemed to be most material to us as a firm and were, therefore, prioritized by our Firm at that time.

It came as no surprise that topics such as I&D, well-being, business ethics and governance, human rights, talent attraction and development, and climate change were top of mind for our stakeholders.

The 29 identified topics were categorized under each of environmental, social, economic and governance and prioritized based on impact, risks and opportunities relating to our Firm's entire "operating environment" (i.e., our people, operations, legal advice and client relationships, supply chain, nonprofits and civil society and communities in which we operate) and used to develop the materiality matrix shown opposite.

**27** 

Internal interviews with Executive Committee members, C-suite, corporate leaders

1,349

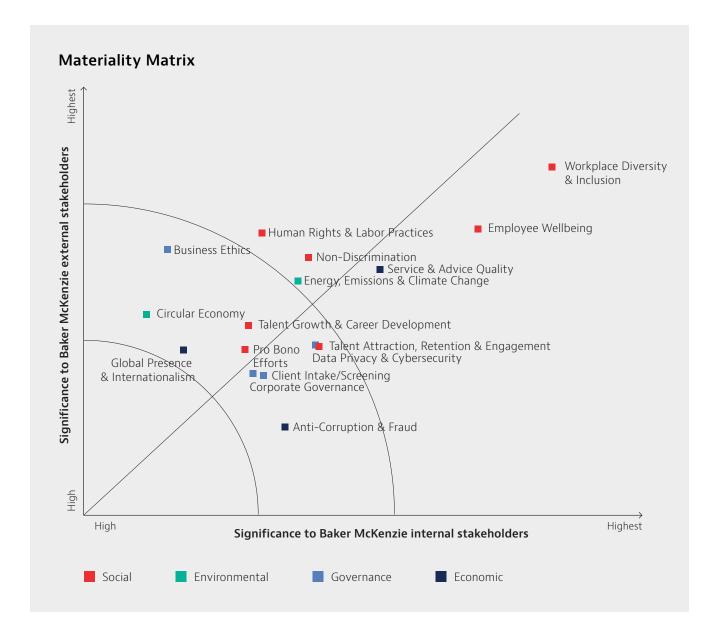
**Responses to internal survey** 

14

External interviews with bar/licensing associations, clients, NGOs and family members

48

Responses to external survey



#### **OUR SUSTAINABILITY STRATEGY — BACKGROUND**

#### Our prioritized SDGs

To analyze our actual and potential impact with respect to these 29 identified topics, we evaluated each of them, as they had been prioritized against the 17 SDGs and 169 corresponding targets. This evaluation allowed us to identify which of the 17 SDGs to prioritize and embed in our sustainability strategy.

The outcome of this evaluation resulted in the prioritization of the following eight SDGs:

**SDG 5:** Gender Equality

**SDG 7:** Affordable and Clean Energy

**SDG 8:** Decent Work and Fconomic Growth

**SDG 10:** Reduced Inequalities

**SDG 12:** Responsible Consumption and Production

**SDG 13:** Climate Action

**SDG 16:** Peace, Justice and Strong Institutions

**SDG 17:** Partnerships for the Goals



















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#### **External environment**

We recognize that the world in which we operate is constantly changing and that we must continuously monitor our material topics in the context of our operating environment to ensure that we are aligned with current and evolving global megatrends. This includes factors such as shifts in technological advancement, demographics, geopolitics and global health, and their short-, medium- and long-term effects on our operating environment and key stakeholders. We plan to undertake a refresh of our materiality assessment once our business has adjusted to the new post-COVID-19 pandemic "normal," to ensure that our sustainability strategy and prioritized SDGs remain in line with the expectations of our stakeholders.

Of course, our response to the pandemic was guided, in part, by our understanding of our stakeholders' priorities and concerns as had been identified by our materiality assessment. While the materiality assessment was conducted before the pandemic, we recognize that the topics we had prioritized as part of our strategy remained relevant and allowed us to respond guickly and with confidence in our approach on key issues such as employee well-being, climate action and social justice.

#### **Social justice**

Our Global Task Force on Race & Ethnicity, formed in direct response to the events of May 2020 and the Black Lives Matter movement, continues to focus on initiatives to improve the recruitment, inclusion, retention and advancement of underrepresented racial and ethnic minority groups throughout the Firm.

#### Well-being

Alongside a host of internal well-being programs aimed at supporting our people through the COVID-19 pandemic, working from home and periods of guarantine and isolation, we also engaged on a policy level to help frame the role of business in the well-being of the workforce. In 2021, we joined the WBCSD's **Healthy People, Healthy Business** project, which explores how businesses can and must play a pivotal role in supporting and promoting long-term health and well-being within their own workforce and across their entire value chain. As a professional services provider, the health and well-being of our people is paramount, if they are to be able to work sustainably in a highperformance environment, and we believe that investment in the well-being of the workforce by businesses across all sectors is necessary for maintaining a robust economy, resilient value chain and productive and positive workplace culture.

#### COVID-19

The COVID-19 pandemic brought the role of sustainability in business into sharp focus. Resilience of business operations, supply chains and workforce and ability to adjust and transform across all areas of operations were clearly linked to preexisting responsible business strategies. We have seen an increased focus from our clients on expanding these efforts, including and beyond their own operations to address topics such as renewable energy acquisition, labor and employment advice, COP26 engagements. In response to this, in 2021 we launched our **Sustainability Client Solution**, pulling together our collective knowledge and expertise and considering how to best proactively address our clients' needs as sustainability became a business imperative.

This schedule contains a non-exhaustive list of examples of local office initiatives throughout our global network that align with our prioritized "Social" SDGs: 5 (Gender Equality); 8 (Decent Work and Economic Growth), and 10 (Reduced Inequalities).

#### **Gender equality**

We recognize that one of the ways to accelerate advancement on gender equality is through local efforts led by our offices and centers. For example, offices across our global network recognized International Women's Day 2021 and organized a number of ongoing initiatives and events, such as the following.

- Aligning with the UN International Women's Day 2021 focus of "Women in leadership: Achieving an equal future in a COVID-19 world," our "Leaders in Law" report profiled a number of inspiring women leaders in law around the world who shared what they love about working in their chosen industry and the key legal and regulatory challenges they are facing, as well as their perspectives on the challenges facing women in 2021.
- Our Women's History Month program in March 2021 featured Alicia Garza, principal at Black Futures Lab, author of "The Purpose of Power" and co-creator of #BlackLivesMatter. Alicia shared that, "Hashtags don't start movements. People do." The thought provoking discussion was moderated by Baker McKenzie Partners Erin Gladney and Teisha Johnson, and North America Director of Inclusion and Diversity Marredia Crawford. Nearly 400 people joined the event from our Firm throughout North America.
- Our London office hosted a panel discussion "Will COVID-19 Set Gender Equality Back by a Generation," which explored how the COVID-19 crisis has impacted gender inequalities and progression and representation at work.
- Our Amsterdam office celebrated International Women's Day with the launch of their local BakerWomen group, and a virtual session where women talked about some of the positive things they have learned during the COVID-19 pandemic.
- Our Asia Pacific offices created a dedicated site and video to share their stories, insights and personal experiences about how they choose to challenge themselves or others to forge a gender equal world.
- In June 2021, Baker McKenzie Tokyo held a webinar "Empowering Women in Law Career Planning for Women in the Legal Sector," where female leaders active in the legal sector shared their personal stories on how they formed their career while maintaining a work-life balance from a female perspective.

#### Assisting survivors of gender-based violence in Australia

In Australia, an estimated 1 in 6 women have experienced physical or sexual violence by a current or former partner. For a number of years, lawyers from our Australian offices have worked closely with local community legal centers to assist women and children who experience family violence apply for compensation and other benefits to which they may be entitled as a result of the violence. In 2021, more than 30 of our lawyers dedicated about 2,220 hours to the provision of pro bono legal assistance to these clients.

Our lawyers also assist women refugees seeking protection in Australia, who have experienced or fear they will experience sexual or gender-based violence. Working with a local community legal center and interpreters at a dedicated Women At Risk clinic, our lawyers interview and prepare statements for these women and their children to use in support of their protection applications.

#### **Our Development Framework**

In 2021, our Development Framework training program included the following:

- Access programs helping young people from disadvantaged backgrounds experience the legal industry
- Student/trainee learning and internships onboarding, integrating and coaching graduate entrants into our Firm
- Core training courses a regular series of webinars and in-person events available to all staff on a wide range of business and personal skills totaling over 60,000 hours per year. Most of our personal and business skills training sessions are open for free to our clients and the NGOs we support. In 2021, over 17,000 people outside our Firm took advantage of this. With many organizations having to cut back on their internal training, our soft skills program has helped fill this gap for clients and NGOs.
- Development centers to help people on their career journey at key transition points
- Secondment opportunities secondments to clients and to other international offices to broaden experience and promote global collaboration
- Online learning resources all our people can access world-leading professional development content from LinkedIn Learning, Harvard and Culture Wizard
- Female talent development two talent booster programs to support the development of female leaders with the goal of achieving gender parity at the top of our Firm
- Leadership development a range of support for leaders at different levels with a clear focus on developing positive leadership mindsets
- Coaching a range of internal and external coaches are available for one-to-one support with particular career or performance challenges

#### Fostering well-being and a healthy and safe work environment

In 2021, in addition to launching the **BakerWellbeing Principles**, our activities to promote a healthy and safe work environment included the following:

- We promoted awareness of the BakerWellbeing principles through personal stories from our leaders and extensive resources. This included the addition of on-site external psychologist services in some of our offices.
- We integrated well-being conversations into our annual and mid-year performance review processes to encourage openness and destigmatization.
- We advanced a tailored Leadership & Learning curriculum and well-being resources to educate and support our people and managers on well-being. This included integration of well-being content into established leadership development programs; and new programs specifically targeted to support our people to navigate the new working reality (e.g., Remote and Hybrid Working Strategies, Managing Your Team's Well-being) as well as mental health first aid.
- We encouraged leaders to regularly communicate about the importance of well-being and supporting our people, particularly in the context of the COVID-19 pandemic's challenges. Our most senior leaders shared personal stories and regularly promoted our commitment to the well-being of our people. This included dedicated internal and external presentations and discussion sessions on well-being at our annual partners' meeting.
- We promoted a culture of speaking up, to create an environment where discussions around well-being and mental health are normalized and occur regularly. We again recognized World Mental Health Day with our "Sharing stories, starting conversations" campaign, aimed at raising awareness and ending the stigma surrounding these topics.
- We are continuing to offer and embed our External Assistance Program (EAP) through regular communications at all levels of leadership, and including more local language engagement to encourage usage. The EAP is an important part of our BakerWellbeing program, providing access to external, confidential professional counselling (by telephone and face-to-face) and access to resources, referrals and well-being services.
- We are continuing to promote and expand PointONE, our program of policies, education and leadership that focuses on positive workplace behavior and psychological safety. An important component of this program is the PointONE contact role managers and leaders who champion open communication and a speak-up culture, and are a first point of contact for workplace concerns.
- We are developing guidelines for post-COVID-19 pandemic business norms expanding our bAgile flexible working program that allows flexibility to our people in how, when and where they work, and encouraging offices and teams to adopt a hybrid approach post-pandemic.
- We are ensuring an ongoing focus on physical health and well-being, particularly in the COVID-19 context, with attention paid to the balance between work and home life, supporting our people as they adapted to working from home, as well as returning to the office. In many of our offices, this included key physical health support in the face of COVID-19 challenges, such as onsite vaccinations, targeted health provider support and additional COVID-19 leave days.

#### **Disability and accessibility**

In addition to the launch of our Global Disability & Accessible Inclusion Position Statement, dedicated site and resources for employees and people managers, other 2021 activities included the following:

- At the plenary session of our October 2021 annual meeting, we included an I&D segment on disability, "Removing Barriers to Participation." Caroline Casey, founder of the Valuable 500, and a panel of partners and clients discussed impactful strategies to advance disability inclusion.
- In December 2021, as part of our **Inclusion & Diversity 2021 Virtual Series**, and to mark International Day of People with Disabilities, a client event was held called "Invisible disabilities: Removing barriers to participation at work." In this virtual discussion, we explored practical steps to encourage removal of barriers to participation at work and produced a summary of the key themes.
- The Belfast center held an event in December 2021 called "Leadership and participation of persons with disabilities towards an inclusive, accessible and sustainable post-COVID-19 world."
- The Istanbul office produced a number of materials to support inclusive communications for people with disabilities.
- The London office was accredited with Level 2 of the UK government's Disability Confident Employer Scheme. This recognizes disability confident employers who commit to challenging attitudes toward disability, increase understanding and remove barriers to ensuring full participation.

Additionally, the London office continues its membership and support of MyPlus Consulting, which gives us direct access to students with disabilities and encourages their participation at our specialized open days and in our graduate pipeline.



#### Socio-economic diversity — Inclusive recruitment practices

Our global socio-economic diversity initiative recognizes impact in our communities through a wide range of internal initiatives and external partnerships. The global program supports our activity toward SDG 10 (Reduced Inequalities) and includes a number of targeted initiatives in many of our offices, including Johannesburg, Milan, Amsterdam, Hong Kong, Houston and Brazil.

London Graduate Recruitment have put in place specific processes to broaden candidate pools to include students from lower socio-economic backgrounds, using the following methods:

- Work experience. We run SEO/Aspiring Solicitors three-day work experience schemes.
- Marketing. The London Graduate Recruitment team works closely with a number of diversity organizations including Aspiring Solicitors, Women in the City Afro-Caribbean Network (WCAN), Sponsors for Educational Opportunity (SEO) and Rare Recruitment.
- Recruitment. The London Graduate Recruitment team has removed the minimum A Level requirement and no longer marks A Levels (or equivalent), in line with the strategic desire to increase access to the profession for individuals from lower socio-economic backgrounds, who, statistically, are less likely to achieve high A level (or equivalent) results.
- Tools. We will use Rare Recruitment's Contextual Recruitment System for the coming recruitment cycle; this will help track and progress candidates from lower socio-economic backgrounds. We will continue to use Vantage, Rare Recruitment's headhunting tool, which enables us to directly source candidates from lower socio-economic backgrounds and invite them to attend our events.
- Open days. Continue to reach as diverse a range of students as possible through the specialized open days. These have included the opportunity open day, which is specifically targeted toward individuals from lower socio-economic backgrounds.
- Support. The London office is launching a new and easy-to-access bursary scheme designed to provide additional maintenance support to future trainees who would benefit from it. The existing maintenance grants for future trainees studying their Graduate Diploma in Law and/or Legal Practice Course have also been increased.

In addition, our Firm's PRIME work experience programs have been running since 2012, and are a core part of our outreach activities. We have continued to run this work experience program each year, including during the COVID-19 pandemic.

The North America Tax Practice has strengthened its relationship with the National Black Law Students Association and works with more than 2,000 young people annually in high schools. Law students are connected with lawyers from Baker McKenzie and are invited to participate in panel discussions, mentoring sessions and professional development training. Although this is not a specific recruiting program, three of the 14 student mentees applied for and were accepted into our Firm's North America 2021 Summer Program.

#### Other socio-economic diversity initiatives

In addition, in 2021 the Firm was involved in the following initiatives:

- The Lima office was commended for its work with the Idem Project, which aims to increase equality of opportunity for higher education.
- The London office was commended for its support for the Newham Collegiate Sixth Form Leadership Programme focused on empowering students with confidence and core industry skills to enable them to thrive in professional industries.
- To promote greater participation of the Brazilian Black community in the legal industry, our colleagues at Trench Rossi Watanabe in Rio de Janeiro co-founded the Incluir Direito Project, which enables Black university students access to quality education, exposure and professional opportunities.
- Our Houston office partnered with Street Law, to provide young people from diverse communities with an opportunity to learn more about the legal industry and encourage them to consider pursuing a career in law.
- In Hong Kong, we sponsor the Well Dunk Public Housing Estate Basketball program supporting the development and education of students through regular sports training, competitions and mentoring.
- Each year our London office takes part in the Social Mobility Foundation's Employer Index, and in 2021 we were pleased to be ranked 19th in the Top 75 Employers for social mobility in the UK.



#### Race and ethnicity

- In 2020, we joined the Law Firm Antiracism Alliance in the US, which is committed to using pro bono resources to address systemic racism, and continued to work with them throughout 2021.
- We also became a signatory to the Race Fairness Commitment in 2020, in which we were one of 35 UK law firms that participated in groundbreaking data analysis, and which we continued to provide data for in 2021. The data analysis specifically identifies the challenges of retaining Black talent and encourages the use of data trends to help improve and strengthen our recruitment and retention strategy.
- We have implemented billable hour credit for up to 125 hours annually in the US and Canada for I&D work.
- In 2021, as part of our Inclusion & Diversity 2021 Virtual Series, we hosted panel discussions on: "Black Lives Still Matter: Where Are We Now?" and "Asians Speak Out: Exposing the Myth of the 'Model Minority'" and produced summaries of the key themes from each panel.
- In March 2021, the Johannesburg office ran two events on racial literacy and micro-aggressions in the workplace led by a locally based consultant.
- We established Juneteenth as a paid holiday in the North America region. To commemorate Juneteenth, in June 2021 our North America region hosted a "Conversation with Dr. Eddie Glaude," New York Times bestselling author and chair of Princeton's Department of African American Studies. This event was open to clients.
- Our London office celebrated UK Black History Month with several events in October 2021, including:
- "Join the Conversation: Let's Explore Allyship": Inclusion and Diversity Partner Sarah Gregory and Steve Craggs, global director of Leadership & Learning, led a session on defining and becoming an anti-racist ally.
- "Learn about the Race at Work Charter with Business in The Community": Launched by Business in the Community, the Race at Work Charter aims to tackle ethnic disparities in the workplace and provides a practical framework that signatories can follow to meet the five calls to action — ensuring all levels are represented.
- "Pride in our Ethnicity Mentoring Circles": Driven from our BakerEthnicity's talent development core focus, the Mentoring Circles support our Black, Asian and minority ethnic colleagues as they navigate their careers at our Firm.
- We hosted a client event in collaboration with the Black British Business Awards on "Increasing Regulatory Focus on Culture, Diversity and Inclusion: Implications for General Counsel, Investors and Companies." This discussion encouraged senior business leaders to consider the impact and influence of I&D and broader ESG matters in investor relationships
- In March 2021, Alicia Garza, principal at Black Futures Lab, author of "The Purpose of Power" and co-creator of #BlackLivesMatter and the Black Lives Matter Global Network joined us for a powerful discussion focused on the premise that "Hashtags don't start movements. People do."
- In April 2021, Dr. Kenji Yoshino, chief justice Earl Warren Professor of Constitutional Law at NYU School of Law, joined us for a program entitled "Uncovering Talent." He discussed the phenomenon of "covering," the strategy through which individuals downplay a stigmatized identity to blend in at work.
- Also in April 2021, our North America affiliate networks hosted an eye-opening discussion on the immigrant experience, race and professional life. The panelists shared their own immigrant experience and unique challenges and how the experience has positively shaped them.

- As part of our ongoing education on anti-racism, the North America I&D Committee and the North America Anti-Racism Taskforce hosted workshops in August 2021 with Paradigm, who are experts in discussions on race, anti-racism and allyship. These workshops helped to equip participants with a framework and tools to be effective allies, to combat racism in the workplace and in the world. Participants learned how to develop ally skills through everyday interactions, in-the-moment interventions and ongoing advocacy, and how to continue the journey toward effective allyship.
- In November 2021, as part of our ongoing education on anti-racism, the North America I&D Committee and the North America Anti-Racism Taskforce hosted a workshop entitled "Understanding Anti-Racism," facilitated by Paradigm, experts in discussions on race, anti-racism and allyship. This session was specifically for our leaders in the North America region. The session was designed to deepen participant awareness around what racism is, help them learn to analyze the various ways it can manifest within organizations, provide strategies on how to take action to combat racism in its various forms, and highlight the importance of collective accountability for sustaining change.

#### LGBTO+

- The UK celebrated LGBT History Month in February 2021, and the London Baker LGBTQ + Allies network put together a set of LGBTQ+ focused events with the aim of raising awareness of LGBTQ+ history and combatting prejudice against the LGBTQ+ community. The virtual events to celebrate the month included:
- A procurement suppliers I&D meeting, as part of the London office supplier diversity program, which focused on an awareness of common language, challenging myths and preconceptions, and building a shared understanding of trans equality in the workplace and beyond
- "Breaking Down Barriers to Workplace Equality: A Transgender Perspective," a candid fireside chat about personal experiences, practical allyship and normalizing the workplace experience for transgender colleagues
- As part of our **Inclusion & Diversity 2021 Virtual Series**, we hosted a panel discussion "Her Story, Their Story," where panelists shared how they have supported others and how allies have supported them, both from within, and external to, the LGBTQ+ community, and produced a summary of the key themes
- In May 2021, a Baker McKenzie partner from the Budapest office shared her knowledge and expertise at the LGBTQ+ Workplace Inclusion International Symposium in Hungary. Representatives from both multinational and Hungarian businesses attended the symposium, as well as members of Hungarian LGBTQ+ civil society, and members of the diplomatic community (including the Swedish and US embassies). This event was noteworthy because LGBTQ+ individuals have become increasingly marginalized in Hungary in the past year.
- In June 2021, the Asia Pacific BakerPride + Allies committees hosted a panel to celebrate Pride Month in June entitled "Beyond the Closet: Stories of Coming Out and How we Can All Make a Difference." The program included discussions relating to coming out in the workplace and the importance of allyship. The virtual panel event included opening remarks by Global Chair Milton Cheng and was moderated by Asia Pacific Chair Michael Wong.
- In June 2021, the London office hosted a joint session with the American Express PRIDE+ Network, "Breaking Down Barriers to Workplace Equality: An Intersex Perspective" where an American Express trainee and a Baker McKenzie Employment senior associate moderated an expert panel to discuss personal experiences, legal barriers, practical allyship and normalizing the workplace experience for intersex colleagues.
- In June 2021, BakerPride + Allies North America hosted a panel discussion on trans and nonbinary inclusivity, with individuals who identify as trans and nonbinary. The panelists shared their experiences and discussed best practices on how fellow co-workers and humans can be good allies.
- In November 2021, the Tokyo office hosted a webinar titled "Pink Friday LGBTQ+ Inclusion at Baker." Participants heard from two transgender speakers who shared very powerful personal stories, before an interactive discussion.

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