

LEGAL ESG

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Thinking Beyond Business



Agenda

- TBB Introduction - Why we do what we do?
- A New Way of Doing Business
- Why we need to adapt and how it benefits our law firms
- Our methodology
- Sustainability/ESG Strategy - Internal and External View
- Leading law firms examples and Recommendations
- Questions

Thinking Beyond Business



**“Healing the world by
empowering responsible
businesses to thrive”**

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The new normal: A more conscious way of doing Business

- Pandemic, climate change, and social inequalities shifting perception on private sector - demand to balancing **profit** maximization with caring for our **planet** and its **people** -
- Individuals and companies **are more aware and understand the impact** they have in all aspects of society including social, economic, and environmental.
- World and business leaders have set ambitious targets: there is a need for innovation and finding solutions. **This creates Opportunities.**

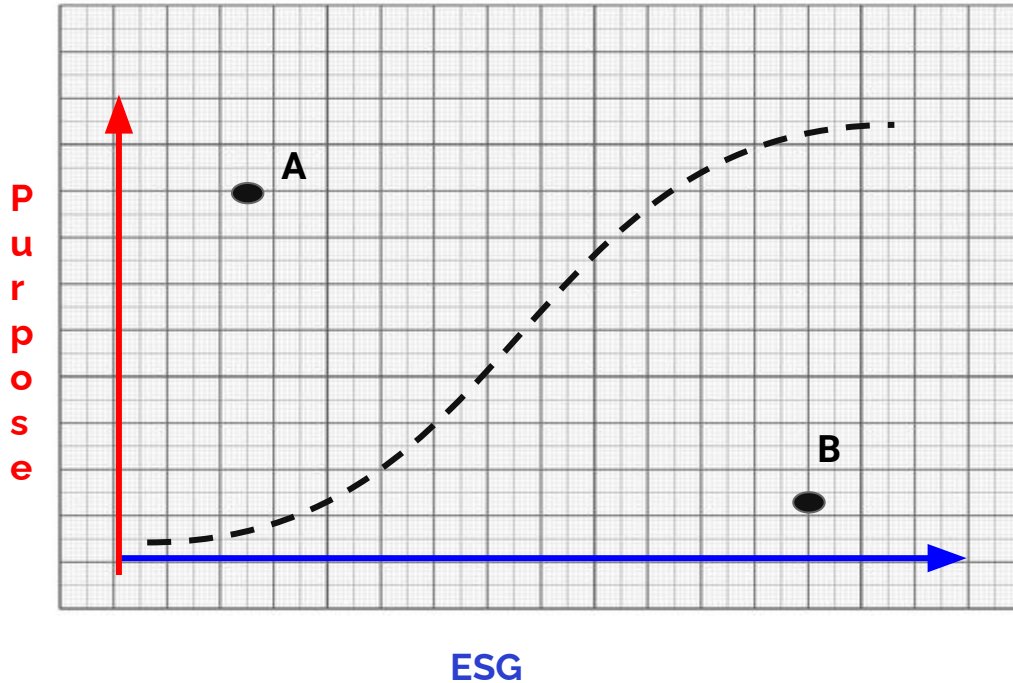


Business Case for Law Firms



- **Clients are becoming more sophisticated in ESG, and need trusted advisors** to help with the transition.
- **Law firms** are also seen as part of their **client's supply chain**.
- **New generation of talent attraction and retention.**
- **Optimization of your law firm resources.**

Purpose & ESG

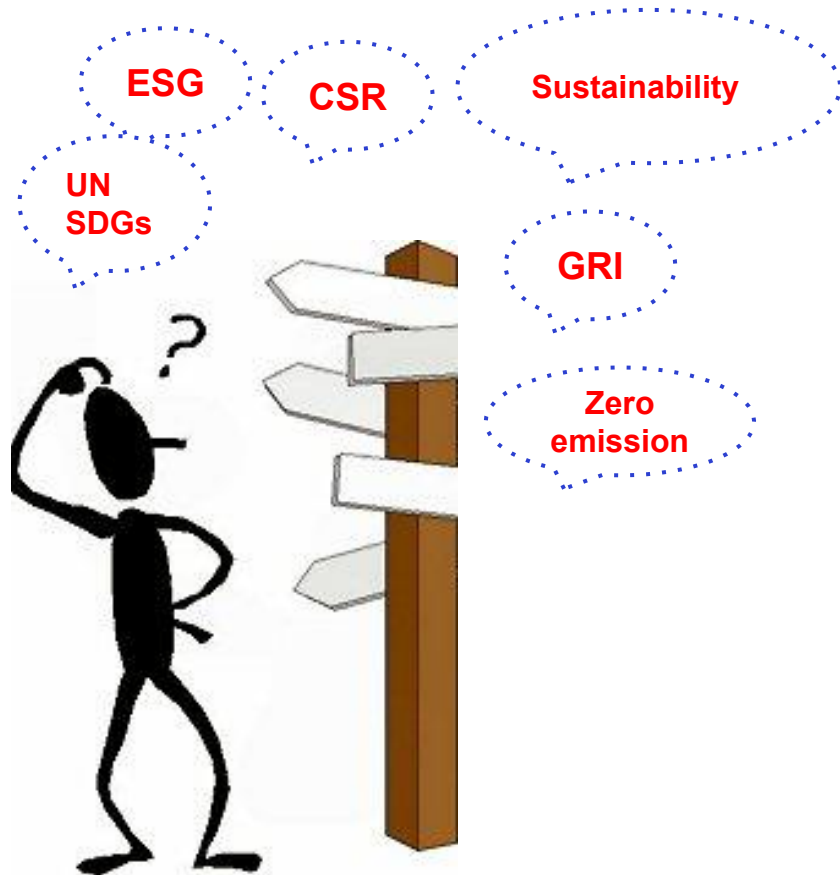


The Sweet spot is when your ESG commitment delivers the goals your purpose sets!

A= Lack of planning to deliver purpose

B= A set of ESG initiatives with no alignment that ties them together

Thinking Beyond Business: Helping Advisors



Is your team clear about the meaning and differences of the new terminology?

Clarity helps your team hold proactive conversations with clients to:

- Provide better legal advice
- Mitigate risks for your clients
- Be open to new business opportunities

Thinking Beyond Business: Our Methodology

We meet clients where they need our help...



1- Map & assess your business



2- Establish materiality & define priorities



3- Develop policies and strengthen governance -



4- Generate Action Plan/Sustainability Strategy guided by mission/purpose



5- Measure impact/KPIs



6- Communicate impact of ESG internally & externally

Poll

Does your firm have an Sustainability Strategy in place?

- a) Yes
- b) No
- c) We have separate initiatives but no holistic approach.
- d) I am not sure

Sustainability Strategy

What is a Sustainability Strategy?

A **long-term commitment** and **business strategy** fully integrated to a company's business model in which generating profits goes hand in hand with acting responsibly with our planet and its people.



Key is taking a **holistic measured approach** to learn where the biggest impact can be made

- Move away from silos
- Set measurable goals and track progress --> **ESG reporting**

Assess External Impact

Your clients need legal advice that contemplates ESG:



Assess:

- How is ESG affecting your existing practice sectors.
- How can you listen and help your clients transition to a more sustainable practice while complying with new and coming regulatory framework
- What ESG practices could be developed with your firm's capabilities and expertise to better assist your clients' needs

Walking the Talk: Assess your Internal Impact

“.....we don't want law firms to advice us on how to target net zero if they are not moving forward with similar goals themselves”



Areas of Internal Impact



SOCIAL

- Diversity, Equity & Inclusion
- Health and Wellbeing
- Employee Engagement and Culture
- Pro Bono Work
- Community Engagement and Partnerships



GOVERNANCE

- Develop ESG mission & vision statement
- Sustainability Policies and Frameworks
- Senior Leadership roles and Special ESG Committees
- Develop KPIs/Measure progress



ENVIRONMENT

- Measure carbon footprint/Zero Emissions
- Waste Management:
- Paperless
- Responsible Procurement
- Supply Chain Management

Example of Law firms ESG initiatives: Social

Goals	Actions
Increase resilience and well-being support for our employees	<ul style="list-style-type: none">- Create support group for working parents- Mental Health support during Covid- Yoga and Meditation Classes- Virtual keep Fit Program- Leaders/Partners Presentations (own experiences and challenges - showing vulnerability)- Collaboration with GBC - Global Business Collaboration for Better Workplace
Improve Gender Balance in Partnership of the Firm	<ul style="list-style-type: none">- Set gender targets with clear deadlines- Review performance and promotion processes- Result: 30% New women partner promoted
Improve LGBT inclusion at the Firm	<ul style="list-style-type: none">- Set up inclusion targets and goals- Review Performance and Promotion Processes

Example of Law firms initiatives: Environment

Goals	Actions
Set Standards of environmental performance for all offices of the firm	<ul style="list-style-type: none">- Hired consultant/expert to facilitate discussion on materiality and scope to set targets
Reduce energy consumption, water and paper consumption	<ul style="list-style-type: none">- Carbon emission tracking- Carbon offset and accounting- Motion sensors/Lights off policy- Greener Printers and office supplies- E-filing, E-discovery and e-billing- Set up Procurement and Suppliers policy to prioritize by sustainability standards

Example of Law firms initiatives: Governance

Goals	Actions
<p>Define scope and definition of ESG for the firm</p> <ul style="list-style-type: none">- Set the Tone at the top for driving ESG	<ul style="list-style-type: none">- Partners Meetings to review/redefine mission statement, values and code of conduct- Formalized ESG policy
<p>Strengthen Board/Senior Partners oversight of ESG related policies and guidelines</p>	<ul style="list-style-type: none">- Created a Sustainability Partner position- Created a multidisciplinary Executive Committee of Partners- Founded ESG Committee in each offices of the firm (local committees report to National committee)
<p>Standardized Corporate Behavior Policies for all the firm</p>	<ul style="list-style-type: none">- Formalized business ethics, anti-bribery, anti-corruption and anti-sexual harrasment policies for all the firm

ESG law practice- Now more than ever

- **Reposition** your law firm as a responsible business
- Meet your clients' **needs and expectations**
- **Retain** new talent looking for meaning and purpose
- **Engage and motivate** your workforce
- **Attract** new group of clients demanding sustainable law firms



OPPORTUNITY



We are here to help you

THANK YOU!

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Leader's initiatives and helpful links:

[Legal ESG Summit](#)

[Latham](#)

[Latham report](#)

[Paul Weiss](#)

[Clifford Chance Sustainability](#)

[Clifford Chance Report](#)

[Covington and Williams](#)

[IBA ESG Toolkit](#)

[ESG Chambers ranking](#)

