

**Baker
McKenzie.**



**Communication
on Progress 2021**



Message from our Global Chair

Message from our Global Chair

The past year has proven that businesses can and must play an active role in advancing global efforts on some of the biggest issues facing humanity; it has also proven that resilience is possible if we all work together.

As a large business ourselves, and as advisors to many of the largest companies in the world, we recognize the responsibilities that fall to us, and we take them seriously. With nearly 13,000 people in offices across almost 50 countries, we have both the global reach and local understanding to make impactful change, and to influence and elevate the issues facing people and planet.

Our Firm became a signatory to the United Nations Global Compact (UNGC) in 2015 and we remain

committed to upholding the [Ten Principles of the UNGC](#) on human and labor rights, the environment and anti-corruption. This Communication on Progress highlights how we leverage our expertise, our reach and our relationships to support these Principles, the key tenets of which are reflected in our Firm's strategy.

The Ten Principles also reflect the commitments of our people, our clients and our communities to issues such as climate action, inclusion and diversity, wellbeing, ethics and trust.

In 2020, we named our first Chief Sustainability Officer, Alyssa Auberger — an appointment that reflects the importance we are placing on sustainability as a key strategic and commercial priority for our Firm.

I am proud to submit this Communication on Progress and reconfirm our commitments to the Ten Principles. Our Firm recently celebrated its 70th anniversary. Our hope is that over the next 70 years, we will continue to lead responsibly and grow sustainably — and support our clients to do the same.

Best Regards



Milton Zheng
Milton Zheng
Global Chair





Our Sustainability Strategy

Our Sustainability Strategy

For us, responsible business means building a Firm for the future — one that can continue to support our clients' success, while preserving our commitments to our people, our communities and our planet.

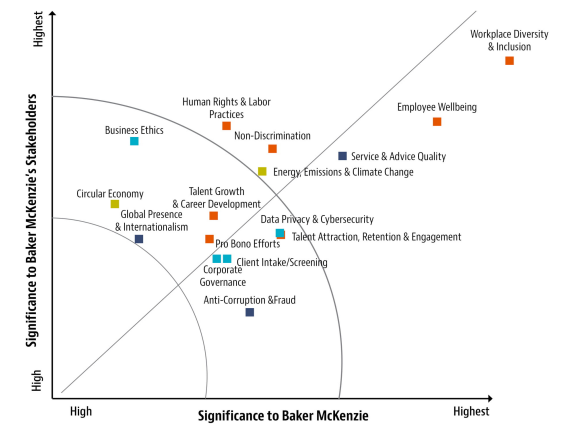
As well as upholding our commitment to the [Ten Principles](#), we have aligned our efforts with the Sustainable Development Goals (SDGs). We see the SDGs as a roadmap to achieve our vision of our Firm for the future, and an opportunity to collaborate with like-minded organizations in order to achieve our shared goals.

We have placed sustainability at the core of our business strategy for the coming decade — moving from ambition to action by meaningfully aligning our core services with our sustainability goals.

In order to ensure that our sustainability strategy was relevant to us and met our unique needs, we undertook a global materiality assessment in

2018. By conducting interviews and surveys with over 1,400 internal and external stakeholders worldwide, we were able to identify and prioritize the issues that mattered most to our people, our clients, our communities and wider society. It came as no surprise that issues such as Diversity and inclusion, well-being, business ethics and good governance, human rights, talent attraction and development, and climate were top of mind for our stakeholders.

In order to analyze our potential impact in these areas, we evaluated each of our 29 Tier 1 and 2 material topics against the 17 SDGs and 169 corresponding targets. This allowed us to identify which of the 17 SDGs to prioritize and embed in our sustainability strategy.



Our Materiality Matrix



Our prioritized SDGs are based on the outcomes of our robust materiality assessment, as well as our ongoing commitment to the Ten Principles of the UNGC.

These commitments are mapped out in the adjacent chart.



Our Materiality Assessment confirmed that we can have the greatest influence over the delivery of the above eight SDGs.

The Ten Principles	Our Prioritised SDGs							
	SDG 5	SDG 7	SDG 8	SDG 10	SDG 12	SDG 13	SDG 16	SDG 17
Principle 1	x		x	x				
Principle 2	x		x	x				
Principle 3			x					
Principle 4			x					
Principle 5			x					
Principle 6	x			x				
Principle 7		x			x	x		
Principle 8		x			x	x		x
Principle 9								
Principle 10							x	x

Our Material Issues								
Workplace Diversity & Inclusion (1:1)	x		x	x				
Employee Wellbeing (1:2)	x		x		x			
Service & Advice Quality (1:3)		x						
Non-Discrimination (1:4)	x		x	x			x	
Human Rights & Labor Practices (1:5)			x	x			x	x
Energy, Emissions, & Climate Change (1:6)		x	x		x	x		x
Business Ethics (2:7)							x	
Talent Attraction, Retention, & Engagement (2:8)	x		x	x				
Data Privacy & Cybersecurity (2:9)								x
Talent Growth & Career Development (2:10)						x		
Pro Bono Efforts (2:11)	x		x	x		x	x	x
Client Intake & Screening (2:12)							x	
Corporate Governance (2:13)							x	
Circular Economy (2:14)			x		x			
Anti-Corruption & Fraud (2:15)							x	
Global Presence & Internationalism (2:16)		x	x	x	x	x	x	x

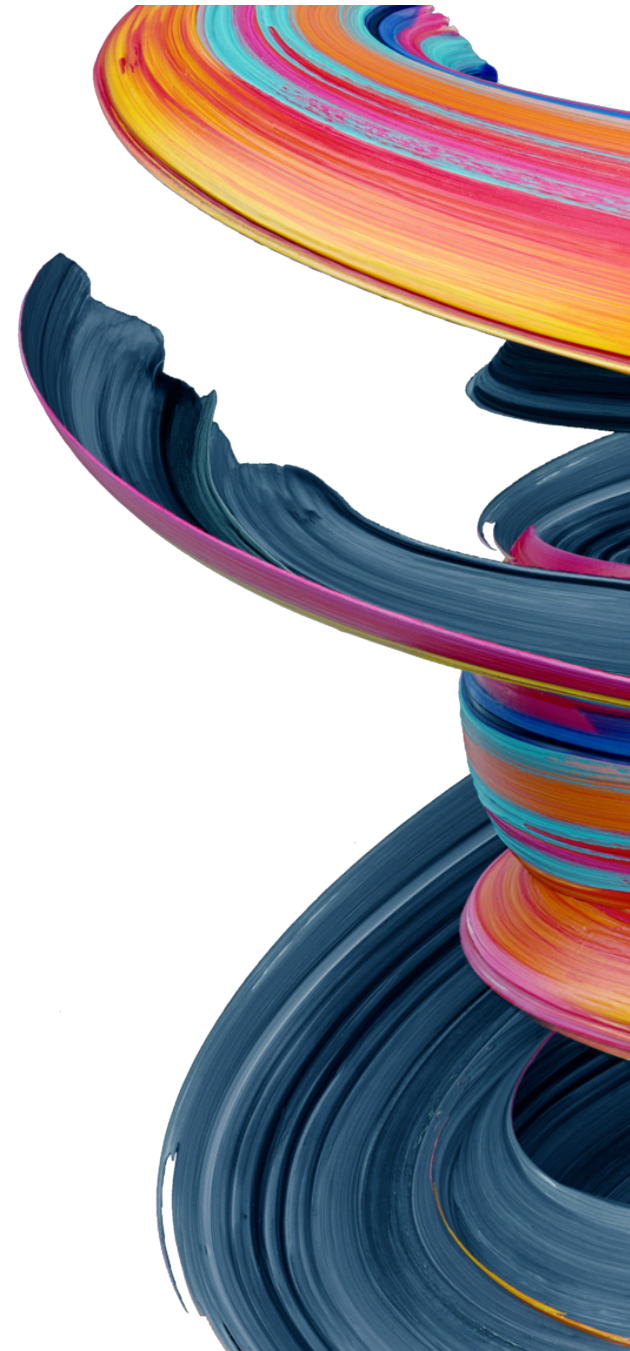
Governance

Last year, we were proud to announce the appointment of Alyssa Auberger, one of our former Paris Partners, as our first Chief Sustainability Officer, reporting into our Executive Committee and Global Chair. By embedding sustainability at the C-Suite level, this appointment reflects our commitment to placing responsible business at the core of what we do, and advancing our global sustainability strategy that is central to the Firm's overall priorities for the next decade.



I am delighted to be taking on this new role and leading Baker McKenzie's sustainability efforts. Our clients are at differing stages of their sustainability journeys and we want to do all we can to help them achieve their environmental, social and governance (ESG) goals given our own depth of experience. This means being able to understand what sustainability means to their businesses across all industries and identifying how we can help them with their ESG needs. For our own people, it means a focus on nurturing a business that aligns with and respects our own unique values, cares about communities and gives us all a sense of purpose that goes beyond the billable hour."

Alyssa Auberger, Chief Sustainability Officer



Our Response to the COVID-19 Pandemic

Throughout the COVID-19 pandemic we have been adapting our services, operations and approach in order to help guide companies as they face critical business challenges, including how to fulfil their commitments and responsibilities to people and planet.

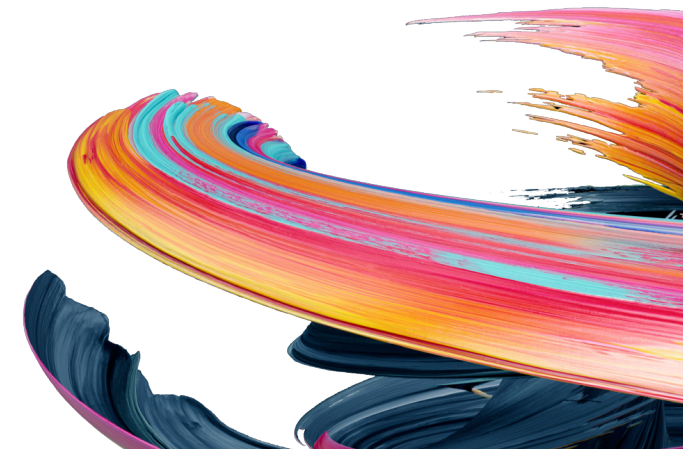
As we continue to advise clients in their approach to the legal and business impacts of the pandemic, we have also adapted our community and pro bono efforts, in order to continue meet the needs of those most in need of our support, including [Frontline Families](#) and [non-profit organizations](#).

- Our [Resilience, Recovery and Renewal](#) model is helping organizations navigate the business and legal impact of COVID-19, providing resources, guidance and thought leadership on issues from [Supply Chain Resilience](#), [Building a New Workforce Reality](#), and industry-specific analysis including [Sustainable Success](#) in the

Industrials, Manufacturing and Technology industry and what sustainability means in the [Consumer Goods & Retail](#) industry.

- [The Resilience, Recovery and Renewal Podcast](#) series expands on these topics through in-depth discussions with experts, on issues such as Diversity and Inclusion, Green Investment and Corporate Governance, all in the context of managing the immediate crisis, stabilizing operations and looking beyond to what a world after COVID-19 will look like.
- We continue to work with our partners to produce key legal resources, for example in partnership with the WBCSD we hosted a [webinar series](#) to address different challenges and opportunities related to COVID-19, ESG aspects and business.
- Our [COVID-19 Global Employer Guide](#) offers jurisdiction-specific guidance across 42 countries.
- Our Pro Bono Team have responded to the

Our Pro Bono Team have responded to the crisis by partnering with several organizations, including the [Center for International Human Rights](#) to create the [Youth Rights Resource Compass](#), a tool that helps vulnerable youth and their advocates to find the entities, organizations, governments and other agencies that are open and available to them at present. The Compass provides websites, phone numbers, social media resources, and physical addresses to help connect individuals to the resources they need in five main critical areas of care for young people during this crisis: health, education, rights, safety, and services.





Social

Social

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.

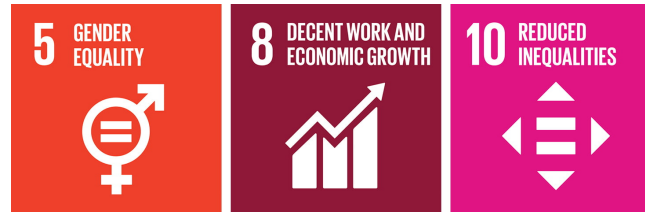
Labor

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.

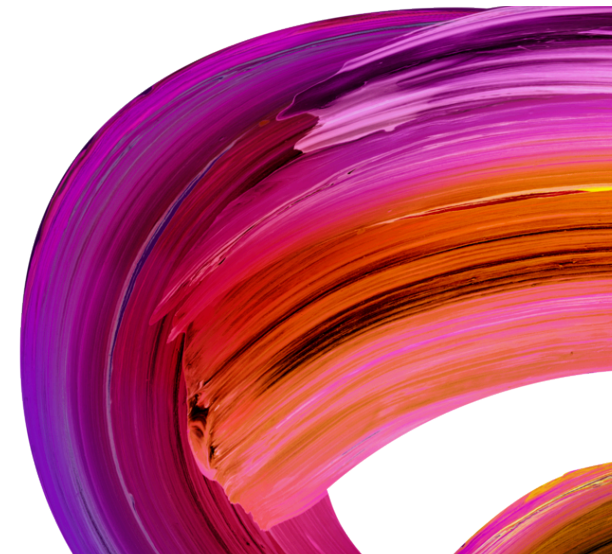


Our people are our biggest asset.

That's why we are committed to fostering an inclusive, diverse and safe workplace for all. Where development is encouraged, wellness is supported, and equality is paramount, everyone can fulfil their potential. We strive to use our skills, creativity and influence to promote dignity, human rights and equality in every aspect of what we do. Whether fostering our own internal culture, interacting with global clients, or engaging with the communities where we live and work, we are guided by these principles.



- Top Law Firms in UK Social Mobility Ranking
- The 60 Best Law Firms For Women
- The Top 25 Firms With the Most LGBTQ+ Lawyers



Gender Equality



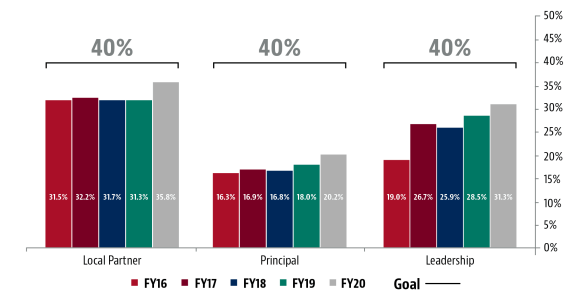
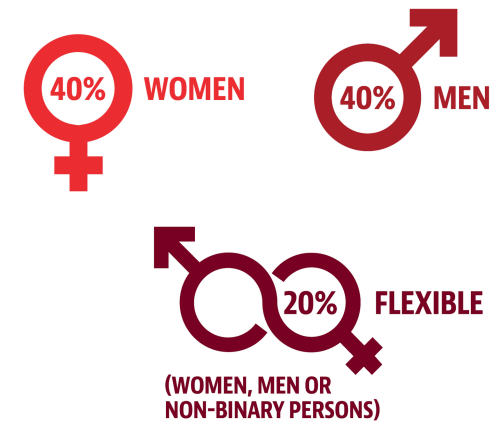
We believe that leadership at all levels of the Firm must be diverse and are investing in a gender balanced pipeline, ensuring a more equal spread of senior leadership roles across genders and engaging all our people as active allies and champions for gender diversity.

When we adopted our 40:40:20 gender global aspirational targets (GATs) in 2019, we committed to making systemic changes to drive gender equality in our Firm. A dedicated global team focuses on operationalizing the gender GATs through the following areas:

To read about our groundbreaking Fighting Domestic Violence Project [click here](#).

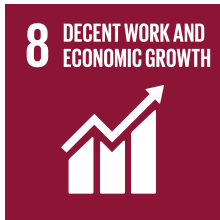
- **Firm-wide Engagement:** engaging the entire partnership and collaborating across functions.
- **Education & Communication:** educating on both the why and how of the gender GATs.
- **Reporting, Metrics & Measurement:** reporting to measure and monitor progress and proactively address challenges.
- **Sponsorship & Pipeline Development:** identifying our female leadership pipeline and engaging champions to support and advocate for their advancement.
- **Systemic Changes:** evaluating and improving systems and processes.

GENDER TARGETS FOR SENIOR LEADERSHIP



Progress towards our Gender Targets

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.

Professional Support and Development

We prioritize developing the talents and skills of our people, and we actively promote a culture of holistic development and learning.

Our Development Framework was one of the first of its kind adopted by a law firm and selected by Harvard Business School as one of its best practice case studies on talent management.

The framework outlines the skills and personal qualities employees need in order to be successful when working here, and offers a clear roadmap to success to help employees fulfil 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.

Over the last 12 months we have delivered over **40,000 learning hours** of training, all tracked and verified by our new global Learning Management System. We have moved quickly to full virtual delivery and have also seen a dramatic increase in the use of e-learning platforms (2,817 learning hours) in our three on-line resources:



Culturewizard: where content is focused on global teaming and collaboration including bias and cross-cultural working.

Harvard Spark: offering premium leadership and management content.

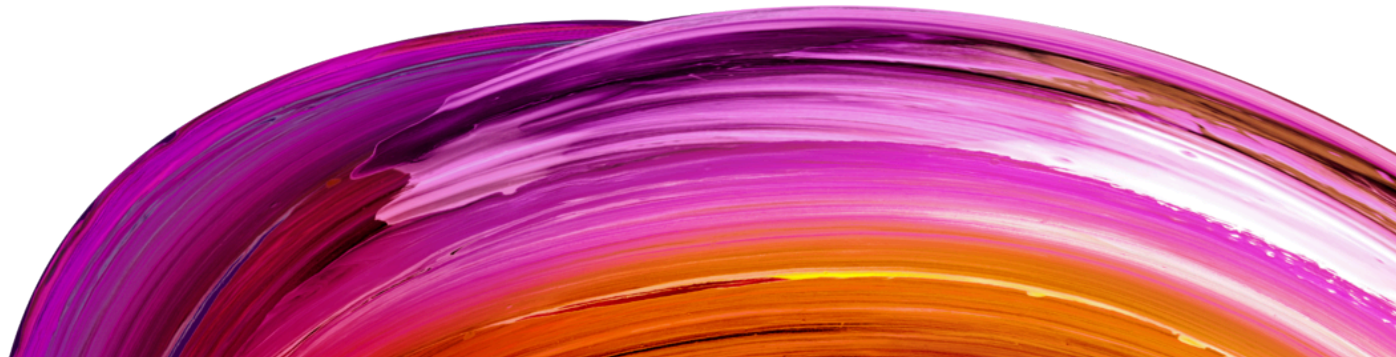
LinkedIn Learning: which provides extensive business, people and technology skills training catalogue to cover any gaps in internal training.

Client Training: For the last four years our soft skills program has been open to our clients and NGOs we support. In June 2020 we opened up all these courses globally and have already had 887 registrations for training in the first three months. With many organizations having to cut back on their internal training, our soft skills program helps to fill this gap for clients and NGOs.

Wellbeing

We care about our people. We know that our professional and personal lives do not operate independently - they influence each other. We want our people to thrive. The legal industry is at a critical juncture regarding the wellbeing of its people and the sustainability of its demands on them. Amplified by COVID-19, we recognize the increased responsibility of the Firm to acknowledge the impact of these demands and to find ways to continue to operate a high-performance environment, but in a way that is sustainable for our business and our people and that supports them to thrive both personally and professionally. In 2020 we announced our intention to address this via an integrated and holistic approach to wellbeing and overall sustainable high performance. Over the next 12 months, we will:

1. Introduce a set of new BakerWellbeing Principles that will define and drive best practice actions.
2. Launch a Firm-wide campaign on world mental health day, featuring personal stories from colleagues across all offices.
3. Roll out targeted Learning and Development Programs to help educate and train our people in a range of different areas.



Interview with Peter May, Chief People Officer

How is the Firm combatting the physical and mental stress that came with the COVID-19 pandemic?

Via our BakerWellbeing program we've continued to offer resources on health and fitness, mindfulness and stress; some of our locations started to provide things such as onsite counselling programs and mental health first aiders; and we continually remind everyone of our external assistance program which provides support for resilience, as well as mental and physical wellbeing in a caring and psychologically safe environment. 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 were offices able to adapt to the changes that many people experienced due to COVID-19?

As a firm we've always worked across many different time zones so have always had to adapt to a variety of work schedules, but the pandemic also changed where, when and how we work. People suddenly had more caring responsibilities,



had to face home-schooling as well as other parental responsibilities, while — at the same time — not being able to spend time with or visit loved ones. So many offices also offered a number of alternative working arrangements including incentives to voluntarily reduce working weeks; and short-term, part-paid sabbaticals of between 6 weeks to 3 months.

What is the Firm doing to continue to address employee needs?

We knew that everyone would experience the pandemic differently, so wanted to provide a range of measures to help our people. Some of our offices are now conducting wellbeing surveys to ensure that we're offering what our people really need. It's crucially important that we continue to help everyone in managing the ups and downs, pressures and anxieties that the pandemic continues to bring.

Healthy and Safe Work Environment

A healthy and safe work environment is fundamental to maintaining a happy and high-performing workforce. We recognize our responsibility to provide a safe, respectful and inclusive space for our people to bring their whole selves to work. In 2019 we launched the PointONE program, our Firm-wide commitment to a respectful, safe and inclusive working environment. PointONE is about communicating clear expectations for behavior, and providing clear, safe paths for raising and managing concerns.



Reduced Inequalities



As a law firm and global employer, it is our responsibility to ensure equal opportunities for all our people, wherever in the world they sit. We strive to be a community where everyone can reach their full potential, a community where differences are celebrated.

DisAbility

We believe that each individual's unique skills, talents and strengths should be nurtured and developed. We are committed to providing equal access to employment opportunities to qualified individuals with visible and hidden disabilities and those with long term health conditions. We continue to utilize exciting tech innovation to break down barriers and ensure that accessible communications are available for all of our people.

Maximizing assistive technology including Digital Dictation, Speech Recognition, and Text to Speech allows us to aide and support disabilities and unique work preferences in the areas of Vision, Hearing, Neurodiversity, Learning, and Mobility.



Socio-Economic Diversity

We have a longstanding and evolving commitment to social mobility and increasing access to the legal profession.

We believe that everyone should have equal opportunity to succeed and realize their potential — irrespective of their social background. We strive to ensure we are broadening access and opportunities to talent from all backgrounds within our Firm and in the legal profession more widely. Our Global Socio-Economic Diversity Program is focused on:

- Driving best practices across our internal recruitment (including graduate), to ensure we eliminate bias in our global processes and increase the diversity of our candidates and hires.
- Creating affinity groups across the Firm to enable us to further develop our culture of inclusion from a socio-economic perspective.
- Launching an annual Baker McKenzie award focused on championing social mobility activities and driving a culture of inclusion within our Firm.

- Working with partner organizations that share our goals of providing opportunities to young people, as well as building a more diverse and inclusive legal profession.



Baker McKenzie is not neutral. We are committed to taking an affirmative stand and putting action behind our words. These actions are steps forward in those efforts, and we look forward to making meaningful, long overdue change."

Anna Brown, Chief Inclusion and Diversity Officer

Race & Ethnicity

Our diversity is our strength. Our Firm's Global Diversity & Inclusion Committee has for several years been focused on initiatives to improve the recruitment, retention, and advancement of underrepresented racial and ethnic minority groups throughout the Firm. Following recent events, and in recognition of the many social inequities faced by members of the Black community and other underrepresented racial and ethnic groups around the world, we formed a Global Task Force on Race & Ethnicity to develop strategic initiatives to:

- Provide fair and equal opportunity and remove systemic barriers for underrepresented racial and ethnic minority groups to succeed.
- Increase racial and ethnic representation among our partner, senior professional and leadership ranks.
- Promote anti-racist and non-discriminatory practices and develop strong allies and advocates.
- Establish accountability from Firm leaders for effecting meaningful change.

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.

Despite the challenges of the last year and a rapid shift to remote working, we remained committed to our efforts to create and sustain a culture of full inclusion for our LGBTQ+ colleagues.

We are incredibly proud to be one of **Stonewall's Top Global Employers 2020**.

This is the definitive list showcasing the best multinational employers for lesbian, gay, bi and trans staff.

We were also awarded the **Global Trans Inclusion Award 2020**. The award demonstrates the Firm's commitment to championing trans inclusion in the workplace. Following the implementation of a number of trans-inclusive



There is so much left to do to ensure that lesbian, gay, bi and trans employees feel able to be themselves at work, no matter where they are. We're proud to work with Baker McKenzie, who operate in some extremely complex environments, to create workplaces that are inclusive and supportive of LGBT people and equality."

Nancy Kelley, Chief Executive at Stonewall

policies in various offices across the Firm, we have strived to ensure that trans and non-binary staff are supported wherever they are across the world.

100% on the Human Rights Campaign Foundation's 2020 Corporate Equality Index. Our market-leading global LGBTQ+ policy, gender transition policies and our BakerPride+Allies global business resource group have enabled us to provide our colleagues with an inclusive work environment, in addition to our zero tolerance non-discrimination policies, ongoing allyship education and employee benefits for our LGBTQ+ colleagues.

We are also proud of our work with Lambda Legal and partnership with the Leadership Council on Legal Diversity, participating in its Fellows and Pathfinders programs, which identify, train and advance the next generation of diverse leaders in the legal profession. And, we have a thriving LGBTQ+ affiliate network that provides sponsorship, mentorship, professional development and personal connections for our LGBTQ+ colleagues across our offices.





Environmental

Environmental

Operating sustainably and responsibly underpins our Firm's purpose and strategy and reflects our commitment to our people, our clients and our communities.



The Ten Principles:

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.

Our efforts reflect our commitment to align our policies and operations with the UNGC's principles and to support the UN SDGs. We strive to integrate environmental sustainability meaningfully into our business strategies, operating models and critical processes.

Our Materiality Assessment confirmed the importance of environmental responsibility to our people, clients and communities, with topics including Circular Economy, Energy, Emissions and Climate Change among our prioritized ESG issues. We contribute to environmental sustainability through strategic partnerships, pro bono and community service initiatives, and through our Climate, Environment and Energy practice groups.



- The only Band 1 ranked Firm for Climate Change for the 13th consecutive year (Chambers 2020)
- Best Law Firm in Voluntary Carbon Market Ranking from Environmental Finance 2020



Affordable and Clean Energy



Our world leading Renewable Energy Practice is dedicated to using our expertise and scale to help drive the global transition to renewable energy, which is integral to achieving the deep emissions reductions that are necessary to address the climate crisis.

We are proud to have been part of the team of legal advisors and renewable energy experts that contributed to the Open Solar Contracts Initiative, a project initiated by the Terrawatt Initiative (TWI) and the International Renewable Energy Agency (IRENA) to accelerate the deployment of solar power worldwide by providing a package of open source, standardized contracts that help to reduce the complexity and increase the efficiency of solar power transactions.



Many of the risk allocation principles required to successfully implement solar PV projects at scale are the same around the world, and the hope is that the Open Solar Contracts Initiative will go some way to facilitating the further deployment of solar projects to the still significant portion of the world's population that does not have **access to affordable and reliable electricity.**

Marc Fèvre, Partner



Shaping Tomorrow's Hydrogen Market

Countries across the world are rapidly concluding that a successful decarbonization path cannot solely rely on renewable electricity and that a zero-carbon hydrogen solution is needed. Growing the clean hydrogen market will also be necessary to lower costs, increase the power system's flexibility and decarbonize many industries.

- **[Report: Shaping Tomorrow's Hydrogen Market](#)**

Insights on how first-movers can use government support and policies to reap the benefits of de-risked investments and shape the future of the global clean hydrogen market.

- **[Global Hydrogen Policy Tracker](#)**

Providing legal, regulatory and policy developments in relation to clean hydrogen.

We are honored to have been appointed to the **[UK Government's Hydrogen Advisory Council Working Group](#)**, as part of both the 2020's Deployment Roadmap and Sector Development working groups. The working groups will bring together Government and industry to identify and promote actions required to enable the supply of low carbon hydrogen at scale for use across the energy system, addressing near-term challenges and maximizing opportunities for business in this rapidly growing area.

The UK is aiming for 5GW of low carbon hydrogen production capacity by 2030. We are very pleased to have the opportunity to support the UK Government in its efforts to encourage the acceleration of technologies to get us to Net-Zero.



Responsible Consumption and Production



Reducing humanity's environmental footprint requires urgent and lasting changes in the way that we produce and consume goods and resources. As advisors to some of the world's largest companies, we can help support and help guide their shift towards sustainability.

The Firm has worked to support clients in understanding the emerging regulation of plastics, along with increasing expectations and requirements around extended producer liability for packaging and products.

Responsible Mining

The metals and mining sector is increasingly exposed to ESG risks, including concerns around emissions, water use, deforestation and community relations. At the same time, ESG reporting obligations, and institutional and other investor interest in what resource companies are doing in this space, are rapidly multiplying across the globe. We help guide our clients through this increasingly complex landscape, outlining key considerations and monitoring recent developments.

"Mining companies need to build long lasting benefits for the communities they operate in. It is not enough to merely provide job opportunities, pay taxes and comply with law and regulations, but through deep engagement with their workers, local communities, governments and regulators, they need to make investment decisions that meet the needs of the communities they operate in." - [Mining and Metals 2020 Trends: Responsible and Sustainable Mining](#).



Climate Action

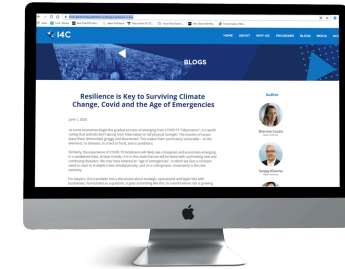


Climate change is a priority and a concern for many of our people, our clients and our communities. One of the most pressing issues facing humanity, everyone — including Baker McKenzie — must take immediate action to reduce greenhouse gas emissions, without delay.



Our Climate Change Practice

With our world-leading climate change practice, we assist clients around the world in a wide range of activities. Our clients have included nation states, sub-national governments, and companies spanning the globe and various industries. We are increasingly providing advice on compliance with laws and regulation relating to climate change and climate risk, as well as helping clients prepare for increased climate ambition linked to the Paris Agreement.




I4C Blog: Resilience is Key to Surviving Climate Change, COVID and the Age of Emergencies

As a large global business in our own right, we also recognize our responsibilities and potential impacts too. We continue to take steps to improve our environmental performance across our operations, through our Greener Meetings Initiative, our commitment to develop a Business Air Travel strategy and our Carbon Offsetting Program.

Sustainable Finance

We are in the midst of a paradigm change in the way global business operates. Climate change considerations have moved rapidly to the very heart of decision-making. The increasing importance of ESG considerations in financial markets opens up new opportunities, but also new challenges for market participants navigating the ever-evolving sustainability ecosystem. As a pioneer in climate and sustainability for more than 20 years, our firm is a global leader in sustainable finance. Combining our world-leading Clean Energy and Climate Change Practice with our creativity and understanding of this new area of financing, we are superbly placed to partner with our clients from a variety of industries to help them develop their sustainability investments and strategy.

Report: [Sustainable Finance: A Growth Opportunity for Business](#)

 Climate Risk & Finance Advisory <p>As the market leaders on climate change for 20 years, we are the trusted advisor to corporates on climate change and ESG Issues and trends, and how to manage risk, meet sustainability goals, drive profitability and maintain a positive company reputation. By inputting into and gaining insights into business decisions at the C-Suite level, we leverage mandates on the investments into low carbon and sustainable technologies, projects and actions.</p>	 Clean Energy Development and Financing <p>We have global reach with unparalleled comparative energy market insights in multiple jurisdictions across the latest innovation and industry trends of the energy transition. With our deep, collective industry knowledge we are the perfect partners to take our clients into new markets and adopt new clean energy technologies.</p>	 Green Debt Products: Green Bonds & Green Lending <p>By combining our market-leading climate and clean energy expertise with our global Debt Capital Markets and Banking & Finance expertise, we help borrowers fund their transition into sustainable economy by advising corporates and financiers on structuring and issuance of green bonds, green loans and other emerging debt products.</p>
 Impact Investment Funds <p>We draw upon global expertise across diverse industries and practice specialities to deliver comprehensive advice on the set-up of Impact Investment Funds and the range of ESG regulatory, reporting and auditing issues that arise in investing under these funds.</p>	 Clean Energy Pool Investment Platforms <p>With leading global expertise in clean energy transactions and advising infrastructure funds, we help institutional investors design and identify pooled investment platforms that enable them to significantly scale up their future investment into clean energy and low carbon infrastructure and that meets their desired risk/return thresholds.</p>	 Disruptive Technologies for the Low-Carbon Economy <p>Through our market-leading IP and Technology expertise, we provide clients active in sustainable finance a leading transactional and advisory practice in acquiring and deploying disruptive technologies and processes which are driving expansion and innovation in sustainable finance markets.</p>

Our Global Carbon Targets

In 2019, our Firm publicly announced a plan to significantly reduce our global carbon emissions over the next decade.

These targets drive our internal environmental efforts across the Firm, are an integral element of our wider sustainability strategy and support of the UN SDGs.



To reduce emissions from our energy consumption **by 92% by 2030**

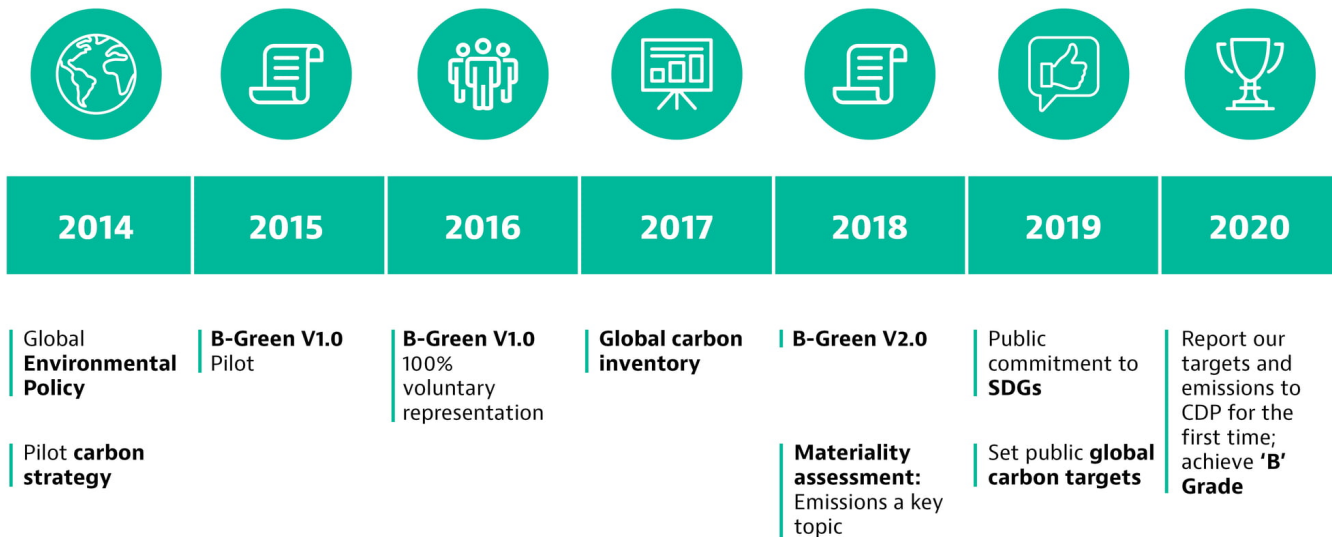


To set business air target and strategy by **FY22**



To publicly report our **targets and emissions** by 2021

Our Green Journey so Far

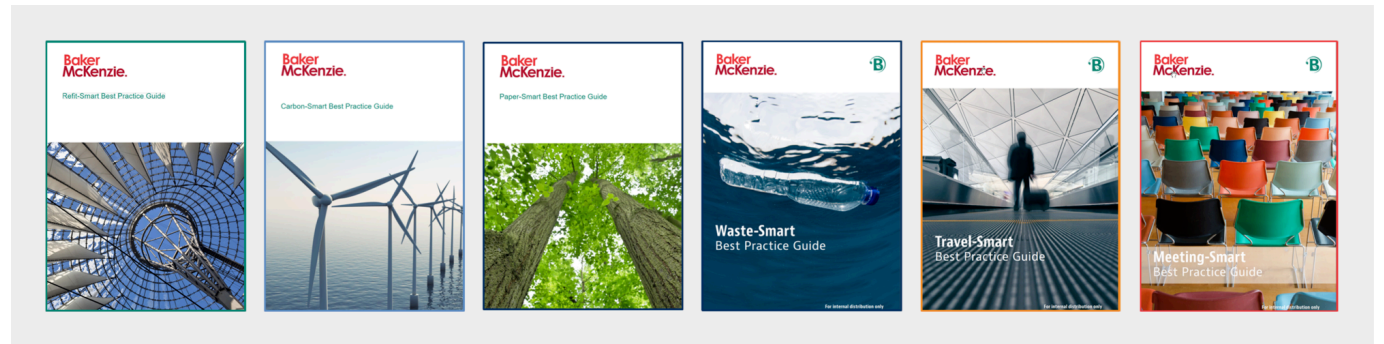


B-Green Program

In April 2016, we launched B-Green, our internal global environmental management program, designed to help our offices around the world to “green” their operations.

The program provides a road map for each office to follow, along with tools and guidance to help them measure, evaluate and incrementally improve their environmental performance. The program provides training, guidance, best practice materials, and a bespoke software platform that allows each office to assess its performance, record carbon emissions data, and set goals for improvement year on year. It also forms the base of our global carbon emissions reduction targets and report to the CDP, for which we earned a “B” Grade in 2020.

The program also uses internal newsletters, social media, podcasts and events to build an understanding of climate issues internally, a community of support and culture of idea-sharing, and to drive environmental performance among our 77 offices.



Resources and Guidance: Our offices have access to a suite of online resources including detailed Best Practice Guides





Governance

Economic and Governance



Good governance is a cornerstone of good business. We are committed to promoting transparency, ethical behavior, and accountability both within our operations, and externally through our influence, counsel and strategic partnerships.

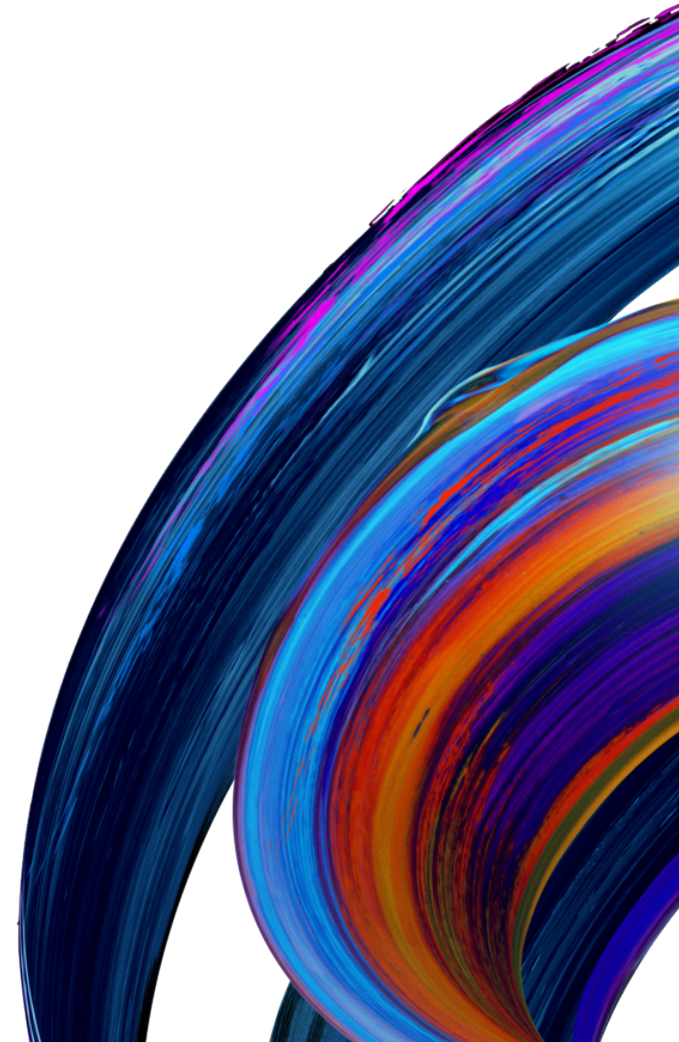
We believe business must take a central role in fostering and championing sustainability and that the rule of law is an essential foundation for economic growth and development. Where the rule of law is strong, business leaders can feel optimistic about investing in the future.

That's why we are proud to partner with like-minded clients, international organizations, governments and NGOs to amplify the role of business in developing and maintaining standards of best practice in both corporate and global governance issues.

The Ten Principles:

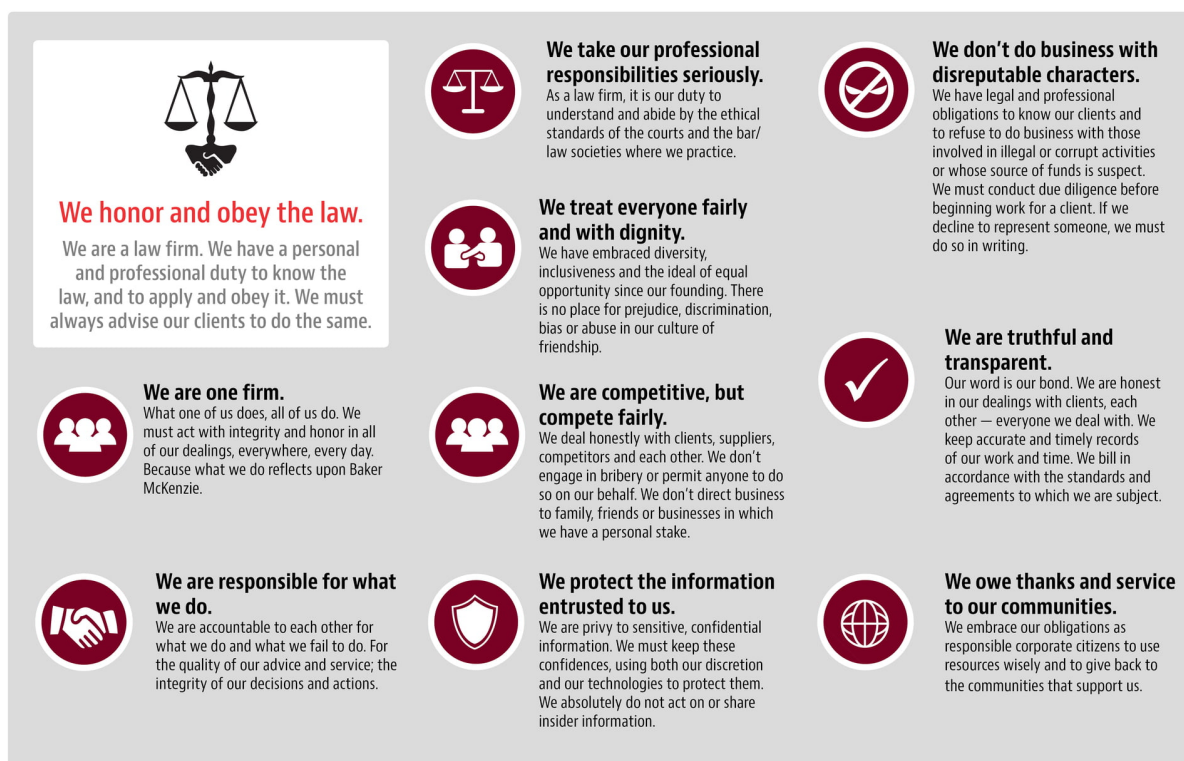
Anti-Corruption

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




[Our Code of Business Conduct](#) sets out the behavior we expect from our people in relation to issues such as compliance with anti-corruption laws, dealing with sanctions, the prevention of money laundering, and the avoidance of conflicts of interest, among other topics.


It is required reading for all of our people, and is supported by our Code of Business Conduct Hotline, which provides an additional tool to help ensure that everyone complies with the Code. The Hotline allows anyone in the Firm to ask questions, seek guidance or report concerns confidentially and, where permissible, anonymously, by phone or through a dedicated web portal, EthicsPoint.





The infographic is a grey rectangular box containing ten principles of the Code of Business Conduct. Each principle is accompanied by a circular icon. The first principle, 'We honor and obey the law', is highlighted with a white background and a red icon of scales. The other principles are arranged in three columns. The right side of the infographic is partially obscured by a colorful, abstract brushstroke graphic.



We honor and obey the law.
We are a law firm. We have a personal and professional duty to know the law, and to apply and obey it. We must always advise our clients to do the same.



We take our professional responsibilities seriously.
As a law firm, it is our duty to understand and abide by the ethical standards of the courts and the bar/law societies where we practice.



We don't do business with disreputable characters.
We have legal and professional obligations to know our clients and to refuse to do business with those involved in illegal or corrupt activities or whose source of funds is suspect. We must conduct due diligence before beginning work for a client. If we decline to represent someone, we must do so in writing.



We treat everyone fairly and with dignity.
We have embraced diversity, inclusiveness and the ideal of equal opportunity since our founding. There is no place for prejudice, discrimination, bias or abuse in our culture of friendship.

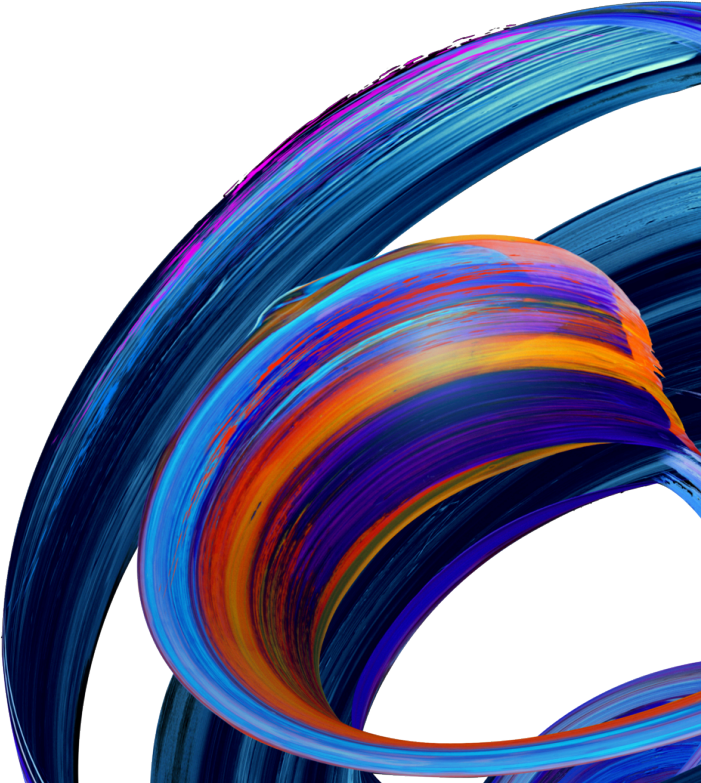

We are truthful and transparent.
Our word is our bond. We are honest in our dealings with clients, each other — everyone we deal with. We keep accurate and timely records of our work and time. We bill in accordance with the standards and agreements to which we are subject.


We are one firm.
What one of us does, all of us do. We must act with integrity and honor in all of our dealings, everywhere, every day. Because what we do reflects upon Baker McKenzie.


We are competitive, but compete fairly.
We deal honestly with clients, suppliers, competitors and each other. We don't engage in bribery or permit anyone to do so on our behalf. We don't direct business to family, friends or businesses in which we have a personal stake.


We protect the information entrusted to us.
We are privy to sensitive, confidential information. We must keep these confidences, using both our discretion and our technologies to protect them. We absolutely do not act on or share insider information.


We owe thanks and service to our communities.
We embrace our obligations as responsible corporate citizens to use resources wisely and to give back to the communities that support us.



Peace, Justice and Strong Institutions



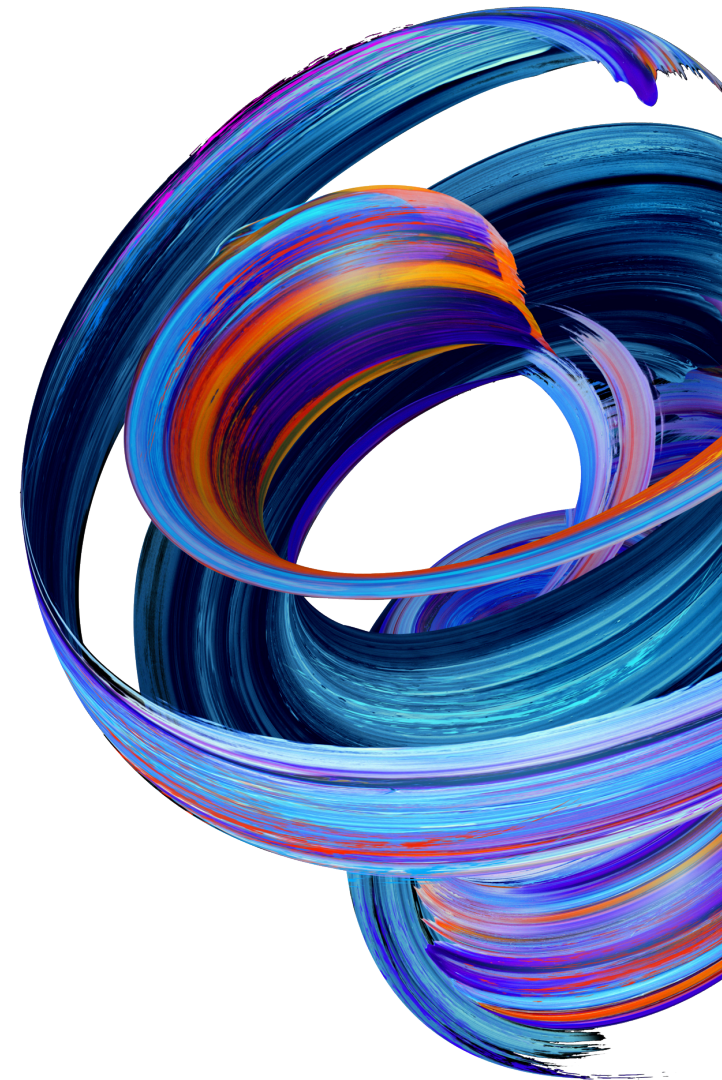
We consider the rule of law to be fundamental. We also believe that business can play a vital role in advancing peaceful, inclusive societies and effective and accountable institutions at all levels. We are committed to fostering trust and accountability through our own ethics and through our influence as a global firm, advising on corporate and global governance.

Our leading Corporate Governance practice helps companies navigate the challenges of operating in today's increasingly regulated and complex environment, working across borders to find creative solutions to identify and manage governance risk. Advising both private and public

companies, our lawyers combine deep regulatory and industry knowledge with extensive experience working with companies worldwide to plan, prepare and implement tailored programs that manage every aspect of legal, reputational and operational risk at all stages of the company life cycle.

Beatriz (Bea) Araujo, Partner and Head of our Corporate Governance practice has been appointed as a [Fellow to the World Economic Forum's Platform on Shaping the Future of Investing](#). She is part of a coalition of over 100 companies, policy-makers, pension funds, asset managers and insurance companies, working together to drive consensus on investment reforms that address global challenges.

We continue to leverage our expertise and strategic partnerships to produce marketing-leading resources and thought leadership in the space.



The Trust Continuum

The [Trust Continuum](#) thought leadership campaign examines the link between trust and sustainable corporate success via a series of articles discussing how organizations can meet new expectations in the era of stakeholder capitalism by building long-term trust based on purposeful, transparent and consistent actions and interactions.



We are firmly in the age of stakeholder capitalism, and for companies, real change will come when the stakeholder voice is seen as a normal part of the decision-making process of the board. A clear corporate purpose and good stakeholder governance, which underlie effective ESG strategies, are what boards must pursue."

Beatriz Araujo, Partner

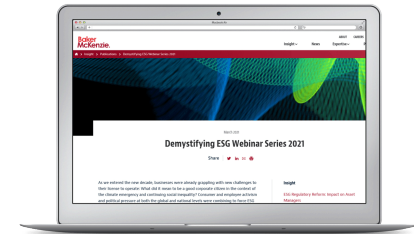
Connected Compliance

This year's Connected Compliance report, "[The Currency of Connection: Mobilizing technology for compliance integration](#)," presents the results from our landmark survey of over 1,500 compliance leaders worldwide regarding the major risks associated with the race to digitization in response to COVID-19, including in data privacy and cybersecurity, anticorruption and fraud and ethics and trust in the shift to remote-working.

The associated [Connected Compliance Dialogues](#) are a series of short videos with key industry compliance, ethics and integrity experts covering a wide range of topics, including: the impact of the pandemic and the measures taken by their organization, how supply chain resilience and sustainability are shaping the future of compliance, the importance of Speak Up culture and the Black Lives Matter movement and its impact on the future of compliance, diversity and inclusion.

Demystifying ESG Webinar Series

This series of ESG-focused thought leadership webinars shares insights and practical guidance from experts in labor and human rights, corporate reporting, green finance and regulation for businesses considering what ESG means for them in the context of the current crisis and beyond.



Demystifying ESG Webinar Series

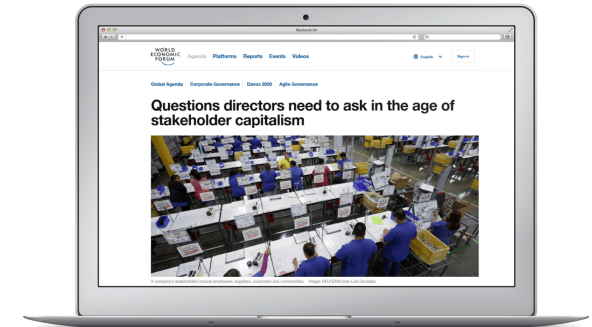
The Future of the Corporation

In collaboration with the World Economic Forum, we launched "[The Future of the Corporation: Moving from Balance Sheet to Value Sheet](#)", a new whitepaper discussing COVID-19 and the renewed pressure on companies to ensure that they are considering the needs of all stakeholders, the important role corporate governance plays in addressing the ESG challenges that companies face, provides insights on implementing stakeholder governance, and lays out a set of actions and a framework which boardrooms and the executive can use in their own organizations.

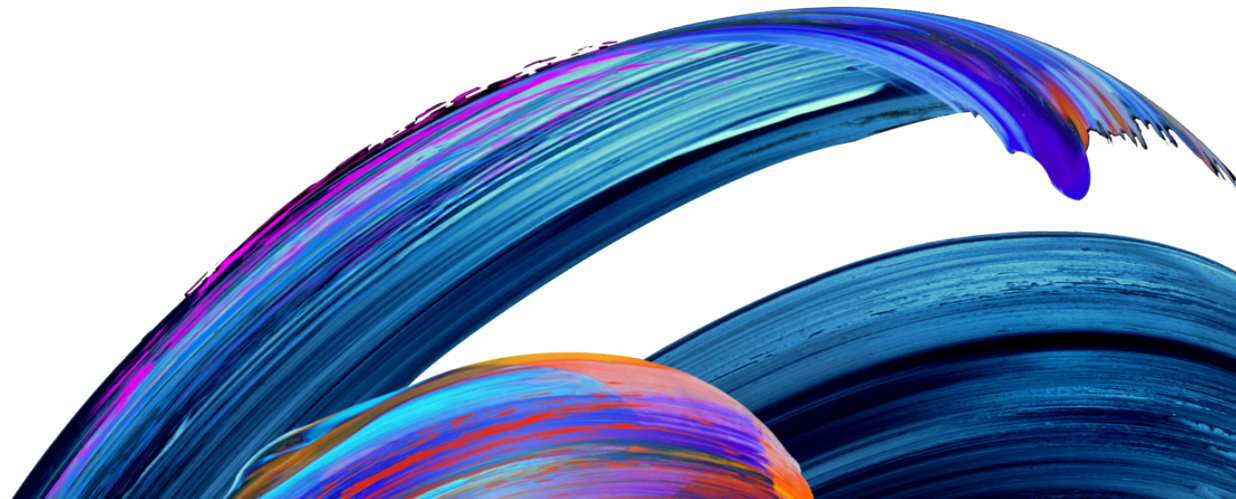


Good governance is a journey of continuous improvement that needs to evolve constantly to meet and shape the context in which it operates and the associated opportunities and responsibilities placed upon an organization both internally and externally."

- Introduction, "The Future of the Corporation: Moving from Balance Sheet to Value Sheet"



Article: Questions directors need to ask in the age of stakeholder capitalism



Partnerships for the Goals



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.

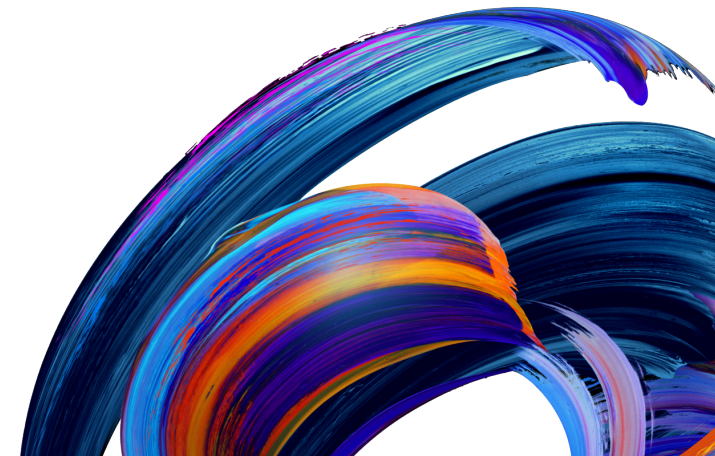
United Nations Global Compact (UNGC)

We are proud co-patrons of the UNGC [Action Platform for Peace Justice and Strong Institutions](#), a partnership convening business, governments, civil society and UN agencies to combine efforts towards achieving peaceful and inclusive societies, the provision of justice for all, and effective and accountable institutions at all levels.

In 2020, in our role as Action Platform patrons, our Firm conducted and facilitated interviews and roundtable discussions with business leaders from around the world. These discussions provided key insights that will form the base of the forthcoming framework report for business — a set of global standards to help business understand, implement and report on their engagement in advancing peace, justice and strong institutions. It will explore global trends related to Goal 16 that require responsible advocacy, agenda setting and commitment to

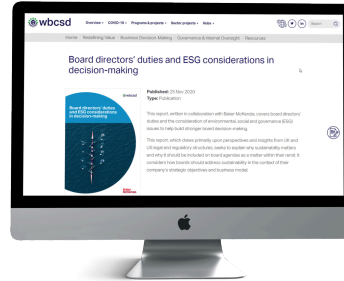
action by businesses, governments and civil society alike.

To mark the 75th Anniversary of the UN, the Action Platform launched the powerful "[Statement from Business Leaders for Renewed Global Cooperation](#)", calling for renewed support for the United Nations and inclusive multilateralism. The Statement was signed by more than 1,200 Chief Executive Officers from companies in over 100 countries, including our Global Chair Milton Cheng.

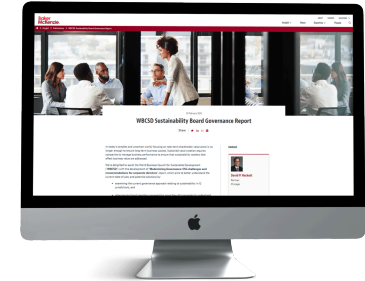


World Business Council for Sustainable Development (WBCSD)

In 2017, we became the first law firm to join the WBCSD. We serve as legal advisors in the development of multiple projects and work streams that the WBCSD and its corporate members are pursuing. In particular, we collaborate closely to facilitate high-level roundtable discussions, produce market-leading resources and thought leadership around corporate governance, including:



Board directors' duties and ESG considerations in decision-making



Modernizing Governance: ESG challenges and recommendations for corporate directors



It is imperative that directors understand the nature of their fiduciary duties; in that context, good stakeholder governance is not only an imperative from a legal risk perspective, but also from a societal perspective."

Beatriz Araujo, Partner

World Economic Forum

We are proud partners of the World Economic Forum 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. Learn more about our valued partnership and collaborations [here](#).

Thomson Reuters Foundation (TRF)

We continue to partner with the Thomson Reuters Foundation and Omnia Strategy LLP to help businesses address issues related to human rights and supply chains.

In 2020, the group facilitated virtual roundtables for leading brands from various sectors to discuss and share best practices on due diligence, regulation and risk.

The Firm worked with TRF to develop the criteria used in TRF's [Stop Slavery Award](#), which recognizes companies, non-profits and individuals that are making vital contributions in the fight against slavery. We were honored to sponsor the 2021 awards ceremony.



There has been a fundamental shift away from voluntary international initiatives to a growing global regulatory legal framework requiring companies to take steps to address human rights issues in their enterprise as well as supply chain."

Kevin Coon, Partner



Partnering on Pro Bono

We believe the key to achieving lasting, impactful change lies in working together towards our shared vision for a better world. Inclusive partnerships at the global, national and local.

Legal Atlas for Street Children

The [Legal Atlas for Street Children](#), a visual, intuitive tool that offers a comprehensive look at the laws affecting street children around the world in order to better protect them from legal and policy-based discrimination, has become our Firm's largest pro bono project ever. The Legal Atlas was created in collaboration with the [Consortium for Street Children](#) and 20 of the Firm's clients, amounting to thousands of volunteers from all over the world, and was awarded PILnet's [Award for Exemplary Partnership](#) in October 2020.

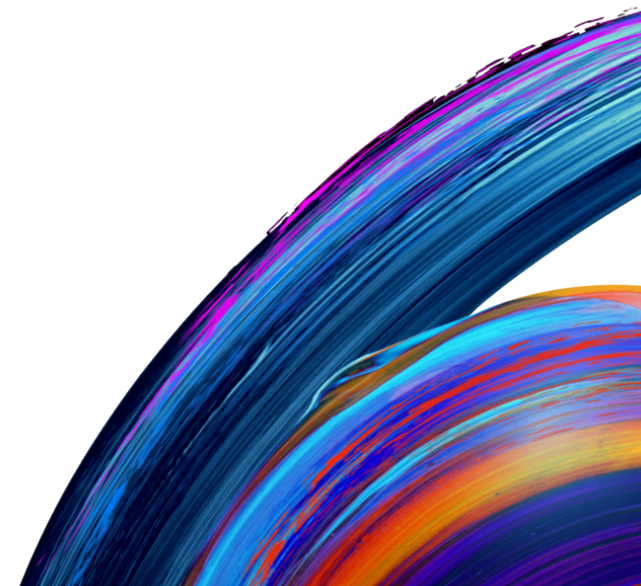
Real Rights: A Racial Justice Project

Racial injustice is in direct conflict with our values and beliefs as a Firm. We are united in our commitment to eliminate it and Real Rights is our latest pro bono project tackling these issues.

The Real Rights Project is a global pro bono initiative developed to provide youth from communities of color with city-specific guides for interactions with police, so those who are brought into contact with law enforcement have a clear understanding of their rights.

From initial contact, through detention and complaint, the resource will provide clear, accessible answers to questions such as *"Can the police search you and your surroundings?"*, *"What should you do if you are arrested?"*, and *"How can you respond to bad treatment or harassment by the police?"*

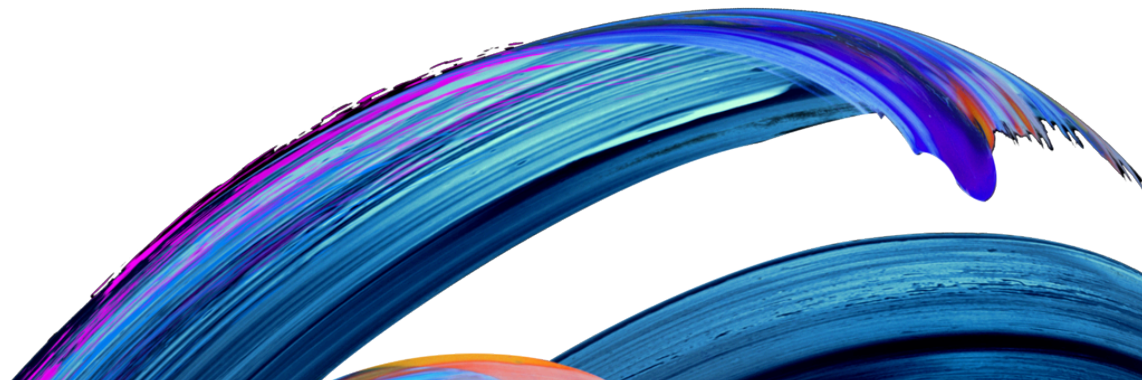
In this short video, our Executive Director of Pro Bono, Angela Vigil, discusses the project with HP Inc.



Children's Rights Summit 2020

In December, we had the pleasure of hosting the 7th annual [Children's Rights Summit](#), focused on youth of color reflecting on racism in our justice systems. The virtual program, *2020 Vision: Examining Child Rights Through an Anti-racism Lens*, brought together in-house counsel from leading companies, children's rights advocates, and young people themselves for candid discussions and interviews.

In this short video, **Yorri Berry-Harris**, Director of Youth Partnerships, National Network for Youth, makes closing remarks following a day of reflection and learning.



Fighting Domestic Violence: the Right Project at the Right Time

Our pro bono work is a core pillar of Baker McKenzie's sustainability strategy. We are proud to partner with our clients on pro bono projects around the world that protect the human rights of the most vulnerable in our societies.

One such group is the victims of domestic violence. For many women and girls, the threat looms largest where they should feel safest — in their own homes. As femicide and related statistics show, their plight has worsened during the pandemic lockdowns and restrictions. On behalf of two NGOs, Global Rights for Women and Every Woman Treaty, and together with over 500 volunteers from Baker McKenzie, Google, Merck Sharp & Dohme, 3M, Cummins, HP and Accenture, we have been working on an ambitious project designed to improve the lives of victims of domestic violence.

The **Fighting Domestic Violence** project's goal is to produce the most comprehensive and up-to-date analysis of domestic violence laws

around the world and to make that content readily available on a digital platform to any individuals and organizations who can put it to good use. Our volunteers have been mapping local laws on domestic violence, and assessing law enforcement practices and related social protection and security measures with the aim of identifying any gaps between the status quo and the standards set in international and regional frameworks, such as the Council of Europe's Istanbul Convention.

"What was initially planned to be a modest project in parts of EMEA quickly evolved into a project covering over 75 countries, thanks to the tremendous response from our people and our clients. I was overwhelmed by the willingness of so many people who were prepared to give up a substantial amount of their time because they knew this was an important cause and were committed to making a difference." said Fiona Carlin, our EMEA+ Chief Executive, and global sponsor of this project.

Agnieszka Purves, Senior Counsel at Google LLC, explains why this project was important to her. "We have worked on a number of pro bono projects with Baker McKenzie in the past, and during the pandemic, we really wanted to identify a cause that was facing severe impact due to lockdown. Domestic violence has increased exponentially during this time, and that really concerned our lawyers. Put simply - we wanted to help to change this. I was so proud to see that 80 volunteers from Google's legal department wanted to dedicate their time."

John Parsons, Executive Director, Legal & Compliance at Merck Sharp & Dohme (MSD), agrees. "Our international team volunteered very quickly. Sometimes you get a slightly subdued response to a pro bono email. Not because people don't care, but perhaps they can't see how they can personally make an impact. This one was different, there was a lot of interest, and people were really engaged and affected by it. It was the right topic at the right time and allowed us in our way to also stand up for the victims of domestic violence."

The next steps in the project involve digitizing the content to make it widely available as a working tool in two formats.

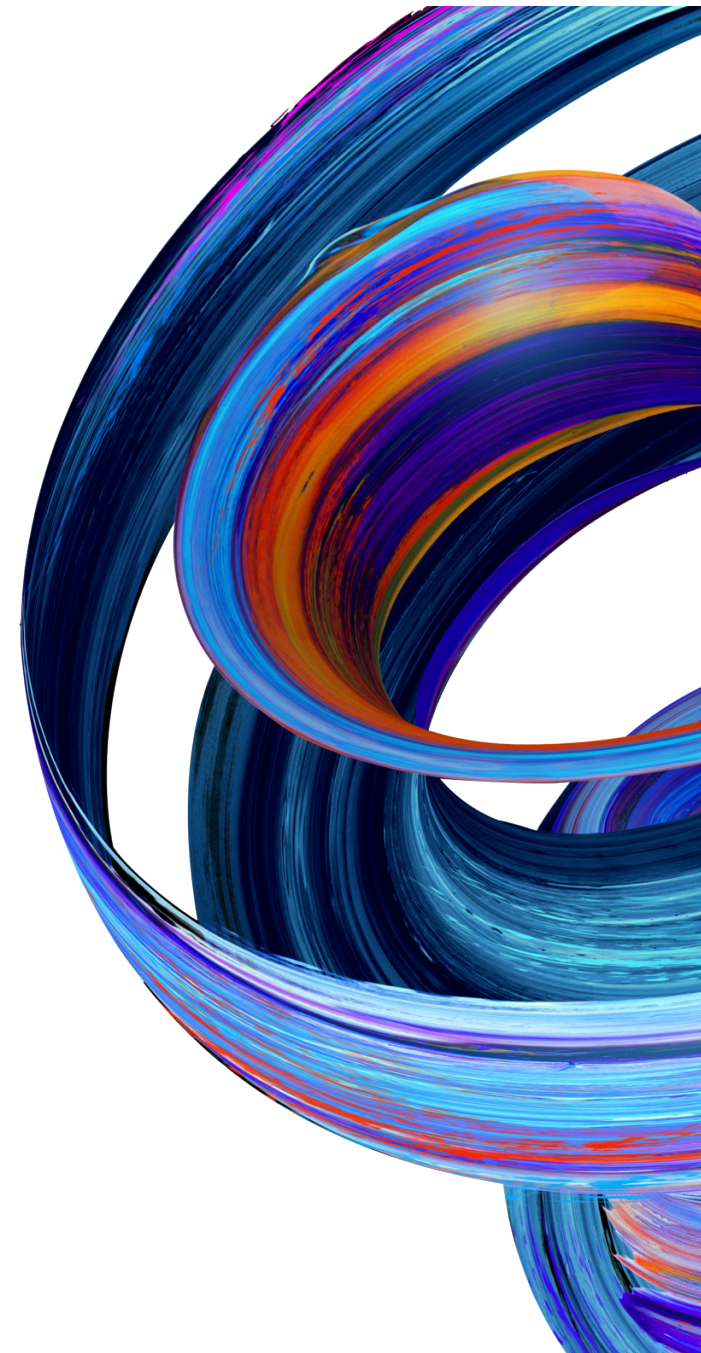
We are building a powerful comparative tool that will allow for a rapid analysis of national legislation measured against model domestic violence conventions and between countries. This is designed to help local, national and international NGOs, and public and governmental authorities assess relative effectiveness and to identify where there is room for improvement.

We are also in the process of consulting a number of local organizations around the world who provide on the ground support to victims of domestic violence on how best to develop an application that will allow advocates and the women affected to easily access practical information on their rights and steps to receive protection.

Cheryl Thomas, Executive Director of Global Rights for Women, who has helped us to develop a template for these reports, explains that organizations like hers are grateful for the level of global support we have given the issue of domestic

violence. "As a sector, corporate law is very busy, and aimed towards the needs of clients. I was delighted to see so many people stepping up, dedicating their valuable time, and making a huge contribution to raise awareness, knowledge, and experience about the depth and breadth of violence against women. It's going to be a step forward in our ability as an international community to better address violence against women."

By working together we can bring about meaningful change. And in so doing, we can also change how we see the world. Brian Daly - Head of Legal and Compliance, Europe & Canada at MSD, explains: "The fact is, this project has been an education, a really important one, which made me feel both shame and resolve. Shame for knowing so little about this project beforehand; but resolve, because I have been awakened to such a critically important issue; and am working with a team to help change the system. Ultimately, the people who fight for this issue have been outnumbered and under resourced. By lending our support and working together we can help some of the most vulnerable women in the world at a time when they need it most."



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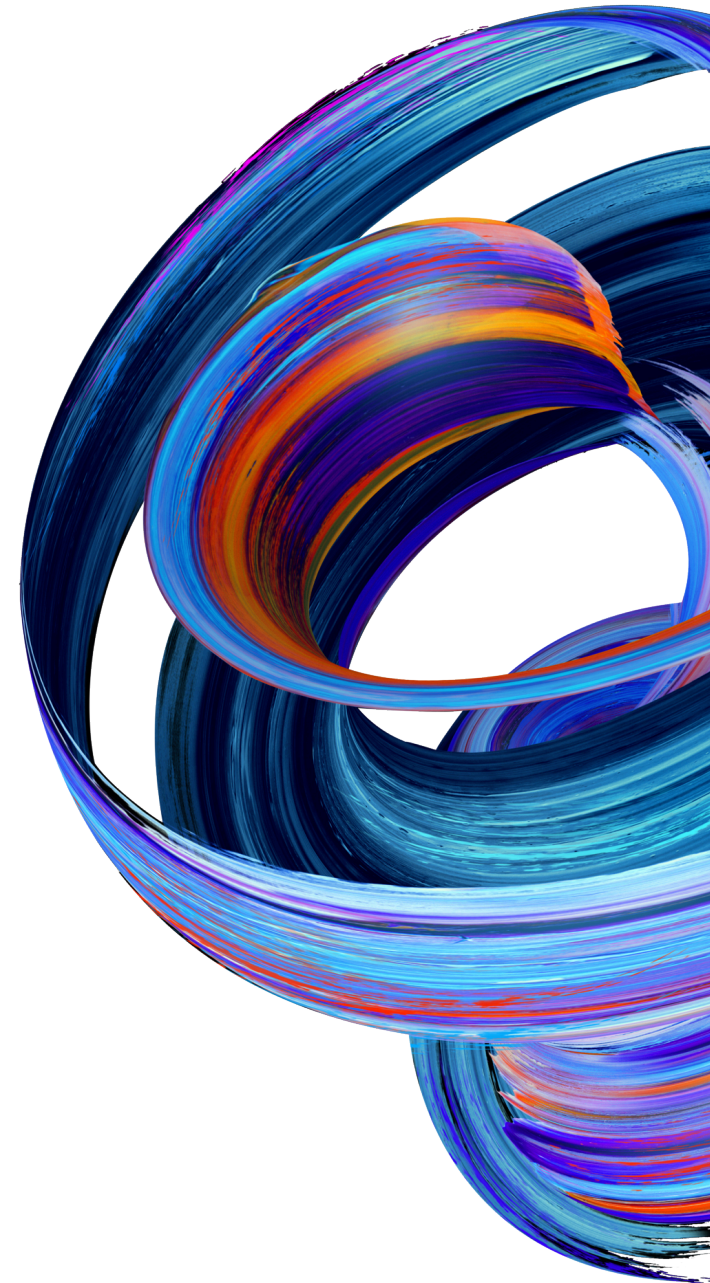
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Thank you for reading

Communication on Progress 2021

