

C L I F F O R D
C H A N C E

RESPONSIBLE BUSINESS REPORT 2022

**ACTING
RESPONSIBLY**

Contents

People

6,550 people

570 partners

At 30 April 2022

Our structure

Executive Leadership Group (ELG)

Partnership Council

Executive Operations Group (EOG)

Regional & Office Managing Partners

Audit & Risk Committee

ESG Board

Financials 2021/22

See our Annual Report 2021/22 for our financial performance. Our accounts are fully audited by external auditors and overseen by our Audit & Risk Committee.

This is the first year we are required to report in line with the UK Limited Liability Partnerships Climate-related Financial Disclosure Regulations 2022. We have complied in full on page 56, and we confirm that the disclosures included in this report are consistent with the TCFD Recommendations and Recommended Disclosures. Under the rules of certain US jurisdictions, this document may constitute attorney advertising. Prior results do not guarantee a similar outcome.

Our Responsible Business strategy

Our Responsible Business strategy concentrates on the issues that are most important to our stakeholders, and that have the greatest potential to affect the sustainability and success of our firm. The strategy integrates different perspectives across short-term and longer-term horizons.

Four pillars inform and guide our strategy:

- Doing Business
- Environment
- People
- Community & Pro Bono

We see these pillars in the context of three core stakeholder groups:

- Our clients
- Our people
- Civil society

Key performance indicators (KPIs) for each pillar monitor the progress of our Responsible Business strategy. We report versus the World Economic Forum's International Business Council Stakeholder Capitalism Metrics, which are arranged into People, Planet, Prosperity, and Principles of Governance pillars. Our Responsible Business strategy is aligned with the United Nations (UN) Sustainable Development Goals (SDGs).

Band 1 for ESG Risk

Band 1, ESG Risk, Global-wide, Chambers & Partners Crisis & Risk Management Guide 2022

'Role Model Firm' for Responsible Business

Level 5 (top tier), Responsible Business Policies & Targets and Responsible Business Reporting, RSGI Sustainable Lawyers Green Print 2022

UN Global Compact signatory



United Nations
Global Compact

Selected highlights from a year of acting responsibly

2,000+

people attended one of the **100+ global Code of Conduct workshops**

41% (15)

female partners promoted to partnership in 2022, more than any previous round

Best International Pro Bono Award 2021

Cornerstone Initiative in Kigali from LawWorks

Became a founding member of the Net Zero Lawyers Alliance

committed to accelerating the transition to Net Zero by 2050

Credits

Our thanks for this reporting go to all of our colleagues across the world, and the core team in London and Delhi who working together have embodied the spirit of collaboration celebrated in this year's report.

Introduction from Jeroen and Charles

Our reporting for the year 2021/2022 showcases how our Responsible Business strategy is deeply embedded in our daily work. We take this opportunity to thank our clients (paying and pro bono) and recognise our people, whose

efforts make Clifford Chance a leading international law firm known for the quality of the advice that we deliver and the responsible way that we deliver it.



Our long-standing commitment to being a Responsible Business extends from strong governance, effective policies, and professional standards through to the inclusion and wellbeing of our people, a technology infrastructure that serves to protect our clients and our business from risk, our supply chain management, our efforts to minimise the negative impact we have on the environment and the important work we do in the community, including our pro bono work.

Our global Code of Conduct

In 2021/22 our firm advised financial investors, corporate enterprises, banks, states, entrepreneurs, governing bodies, regulators and NGOs, increasingly guided by our values-based global Code of Conduct. 'Act responsibly' is one of the five principles of our Code of Conduct, which since its launch in May 2021 has become a true fabric of our firm – and in 2021/22 we continued its interactive firm-wide roll-out.

Acting responsibly came to the fore when Russia invaded Ukraine on 24 February 2022. We took action to support the people of Ukraine. Colleagues in our Warsaw office, working with our clients and

NGOs, helped co-ordinate our international efforts to channel resources where they were most needed. Our leadership team's decisions included a winding down of our operations in Russia, while supporting our colleagues in the Moscow office in that difficult time.

Solutions to climate change

Climate change is the most pressing concern facing the planet. This report highlights the steps we are taking to help our stakeholders find solutions to climate change. Working alongside the World Economic Forum on climate issues and a substantive role at COP26 are examples of our actions, which, in turn, help us stay ahead of developments in this area. We translate this vantage point into a competitive advantage for the clients we advise on climate change issues. As we double down on efforts to manage the footprint of our own operations, we are moving closer to our longer-term aim of being net zero and playing our role in helping our clients to achieve their net zero goals.

At the same time, following a series of COVID lockdowns in many of our markets, we welcomed the opportunity once again



to meet and collaborate with colleagues and clients in person. The hybrid world of work we have returned to is requiring adjustments to how we work, as we continue to accelerate the technological transformation of our business. In embracing this new reality we are guided by our commitment to deliver outstanding client work, trust in our people, and by the principles of inclusion.

Progress on inclusion

We and our clients require that our profession and our firm become more

representative of the communities in which we live and work. This report, which goes alongside our Inclusion report 2022 to be published later this year, tracks our progress on inclusion. We are seeing the benefits of our strategies to improve inclusion and taking opportunities to collaborate with our clients and other law firms through initiatives that include reverse mentoring and through our participation in the Mansfield Rule. While our annual round of partner promotions featured a record proportion of women (41%) in 2021/22,

we acknowledge the need to do more to improve female representation in our lateral hiring at senior partner levels.

Finally, as we seek to progress our Responsible Business strategy, we look forward to working together on this with our stakeholders. If you would like more information about any of the topics covered in the report, we would be very happy to hear from you, as would our colleagues on our Responsible Business Board.

Jeroen Ouwehand, Global Senior Partner
Charles Adams, Global Managing Partner

Our Responsible Business Board

The Responsible Business Board that guides and tracks our Responsible Business strategy includes:

- Global Senior Partner (chair)
- Global Managing Partner
- Executive Partner (General Counsel global)
- General Counsel US
- Chief Operating Officer
- Chief Risk & Compliance Officer
- Chief People Officer
- Global Head of Inclusion
- Pro Bono Partner
- Pro Bono Director
- Global Head of Brand, Communications and Marketing

This breadth of people and experience combined enable us to assess continuously the work we do and how we operate through a Responsible Business lens.

We differentiate our Responsible Business strategy, which is our 'own' ESG (Environmental, Social and Governance), from the advice and services we provide to clients under the banner of 'Sustainability and ESG'. However, elements of our Responsible Business strategy are relevant to our work for clients – including, for instance, diversity and inclusion, and climate change.

Our Global Senior Partner and Global Co-Head of Business and Human Rights are members of our Responsible Business Board and our ESG Board (with our Global Senior Partner as Chair of both), ensuring that what we learn from advising our clients can inform how our firm operates as a responsible business and vice versa.



How our four strategic pillars align with the UN Sustainable Development Goals (SDGs) to transform our world

 <p>1 NO POVERTY</p>	<p>COMMUNITY End poverty in all its forms everywhere</p>	 <p>2 ZERO HUNGER</p>	<p>COMMUNITY End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>PEOPLE Ensure healthy lives and promote well-being for all at all ages</p>	 <p>4 QUALITY EDUCATION</p>	<p>COMMUNITY Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	 <p>5 GENDER EQUALITY</p>	<p>PEOPLE Achieve gender equality and empower all women and girls</p>	 <p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure availability and sustainable management of water and sanitation for all</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>ENVIRONMENT Ensure access to affordable, reliable, sustainable and modern energy for all</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>DOING BUSINESS, COMMUNITY Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>ENVIRONMENT Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>	 <p>10 REDUCED INEQUALITIES</p>	<p>DOING BUSINESS, PEOPLE, COMMUNITY Reduce inequality within and among countries</p>	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>DOING BUSINESS, COMMUNITY Make cities and human settlements inclusive, safe, resilient and sustainable</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p>
 <p>13 CLIMATE ACTION</p>	<p>DOING BUSINESS, ENVIRONMENT Take urgent action to combat climate change and its impacts</p>	 <p>14 LIFE BELOW WATER</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>	 <p>15 LIFE ON LAND</p>	<p>COMMUNITY, ENVIRONMENT Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>DOING BUSINESS, COMMUNITY Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>COMMUNITY Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development</p>		

Our values in action when war hits close to home



Agnieszka Janicka
Managing Partner,
Warsaw



Sylwia Gregorczyk-Abram
Advocate,
Warsaw

While the Russian invasion of Ukraine is a humanitarian crisis that affects the whole world, for our colleagues in Warsaw it is unfolding on their doorstep. Their response embodies everything we try to be as a responsible business.

“Our daily lives changed completely and everything we normally did ceased to exist. It was work and the war,” says Agnieszka Janicka, Managing Partner in Warsaw, recalling the opening days of one of the largest humanitarian crises in Europe in our time. “With millions of people crossing the border, we had to react and co-ordinate our response immediately.

“Looking back, I think it is unbelievable what the firm has done and how we have reacted. I feel privileged to be part of an organisation whose people can act in such a way.”

To structure the response, the Warsaw office evolved its existing Business Resilience Group, which was set up to deal with the COVID pandemic, adding pro bono lawyer Sylwia Gregorczyk-Abram and turning it into the Ukraine War Group.

“Having the group co-ordinate our response was crucial, because there is no manual for dealing with a war,” says Sylwia. “Our primary concern was supporting people coming from Ukraine, but we also needed a way of responding to the hundreds of messages of support and offers of help from colleagues around our network, which this group provided.”

Most Warsaw colleagues did whatever they could, with many taking people into their homes, helping out at train stations by providing translation or other services, giving out food and volunteering to help NGOs, which were under incredible pressure. This response came despite the team in Warsaw being under intense pressure itself.

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Our primary concern was supporting people coming from Ukraine, but we also needed a way of responding to the hundreds of messages of support and offers of help from colleagues around our network, which this group provided.

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Sylwia Gregorczyk-Abram
Advocate





“The office was exceptionally busy and working to capacity,” says Agnieszka. “Then unexpectedly, we were faced with a task of a completely different magnitude – the start of the war changed the perspective of everything in our work and daily lives. So, we had to find a way of supporting our own people through this as well, because you cannot help others if you are exhausted yourself.”

The Warsaw team have also been advising clients and business partners on the changing situation and how it affects their interests in Ukraine and Russia.

“Some wanted to pull out while others halted their planned investments in Russia and Ukraine, so this had a significant business impact on our clients,” says Agnieszka. “We have a strong international

sanctions practice that has a guide for how to operate legally under these circumstances, which was extremely important and appreciated by our clients.

“In addition, we assisted Ukrainian lawyers who work for Redcliffe Partners – a partnership formed from Clifford Chance’s legacy office in Kyiv – and another law firm by offering them accommodation so they could work from Poland and ensure clients continued to receive Ukrainian legal support. Most chose to stay in Ukraine, though some moved their families to Poland.”

Many of our clients moved their operations out of Russia and Ukraine, so they consulted us about their people too.

“Companies had transferred employees from Ukraine to Poland and needed advice about work permits among other things,” says Sylwia. “They were also providing support to Ukrainians, so they had questions about healthcare, accommodation and a variety of social

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We had to find a way of supporting our own people through this as well, because you cannot help others if you are exhausted yourself.

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Agnieszka Janicka
Managing Partner
Warsaw



and employment issues. It was incredibly rewarding working with clients in this way – showing solidarity and sharing experience.”

The war also meant we took the decision to wind down our operations in Russia.

“The firm did this with good grace and with a lot of support for the Russian partners and lawyers there,” says Agnieszka. “And I think how we exited the country and helped our former colleagues create their own partnership showed the values we live by at our firm.”

With little prospect of a swift resolution to the war in sight, the Warsaw office has had to recalibrate its support towards more long-term efforts.

“In the beginning, all we concentrated on was humanitarian aid,” says Sylwia. “Now we’re looking at another level – we have to invest in different initiatives such as education and finding refugees jobs so that they can begin to start having a regular life again.

“One of our clients is the Ukrainian House, the largest Ukrainian NGO in Poland. They have opened a school here and a significant amount of money raised by Clifford Chance is being invested in the school to provide ongoing support.”

Witnessing the effects of the war, the response from aid agencies and the incredible efforts of her own team has put things into perspective for Agnieszka.

“When you see somebody arrive with nothing, it makes you reflect that we are not what we own. We are what we feel, the abilities we have and the values we live by. You can lose everything, but you don’t lose what is inside of you.

“As a firm, we have a values-based Code of Conduct and the most important thing is that we live the Code. When there are extremely difficult times and we are tested, as we have been, it’s become clear it is in our DNA.”

During FY 2021/22, Clifford Chance committed US\$1.7m through employee donations and matched funding, to the support humanitarian efforts in response to the Ukraine crisis. Offices and regions pledged an additional US\$274k. Donations were made to UNHCR, the International Red Cross, Ukrainian House in Poland, People in Need in the Czech Republic and Save the Children Romania.

Investing in a sporting legacy



Steve Nickelsburg
Partner
Washington DC



David Alfrey
Lawyer
London

For the first time ever, football's world governing body FIFA has built human rights considerations into the host city bidding process for the 2026 Football World Cup in North America. We helped clarify what that could mean for the tournament's human rights legacy, for mega-sporting events and for our clients.

An international Clifford Chance team co-authored with pro bono client the Centre for Sport and Human Rights (CSHR) a report on the human rights proposals of cities bidding for the right to stage matches in the 2026 World Cup.

With large-scale sporting events under increasing scrutiny following high-profile scandals around the world, football's governing body FIFA built human rights into its host city bidding process. Clifford Chance, alongside CSHR, considered

each city's proposal and produced an independent report that examined how those submissions might support better human rights outcomes for the events, all presented in a format easily understood by a broad range of stakeholders.

After working across three different time zones for three months, we presented our report – [The Promise of a Positive Legacy](#) – at a high-profile event at our Washington, D.C. offices at the beginning of April 2022, ahead of any decision by FIFA on who the host cities would be.

“As the Centre's mission is to advance respect for and promotion of human rights in sport, in particular in mega-sporting events, they felt it important to report systematically on the human rights proposals for the World Cup and were looking for help,” says Steve Nickelsburg, partner and member of our Global ESG Board.

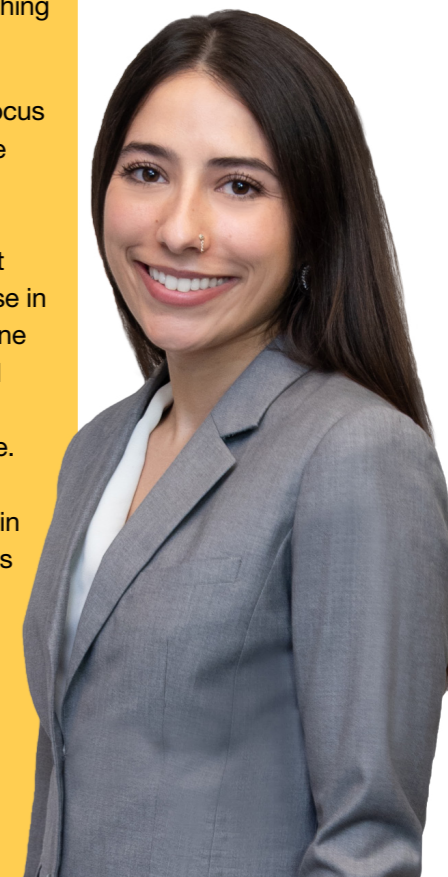
“Associate experience”

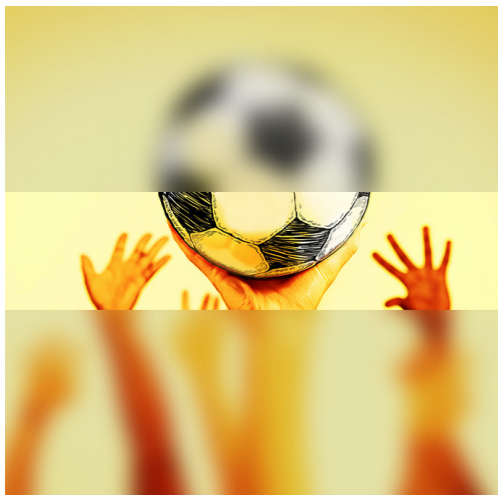
Associates Karina Bashir and Natalie Hoehl worked on the project from the outset. They found it to be an incredible opportunity to develop their skills and experience, and to be part of something which will have significant impact.

“International human rights was a focus for me not only as an undergraduate and postgraduate but also as a Fulbright researcher, so I saw this as a great chance to call on my past experience and develop my expertise in ESG. It was also exciting for someone at my level in the firm to be involved in something this high profile from start to finish, so I feel truly fortunate. One of the most valuable lessons I learned was how to frame critique in a way that encourages growth and is supportive of improvement efforts.”

Karina Bashir

Associate, Clifford Chance,
Washington, D.C.





As the bidding process was different from anything FIFA had done before, a systematic assessment of the submissions was also unprecedented. Because it was a first, working on the project shone the spotlight on the firm and its human rights practice.

“The report is gaining attention around the world (it received 500+ downloads) and it’s inspired our international colleagues too,” says David Alfrey, a lawyer in London, a member of our global ESG board and a governance specialist, who has worked on various projects with the CSHR.

What the report has done that is particularly encouraging – and one of the project goals from the outset – is help shift the dial on human rights in sport, as well as drawing attention to the firm’s ESG credentials.

“A lot of NGOs and people in civil society feel enabled by this report,” says David. “While among our clients and in our own firm, being able to talk about human rights and bringing it into the conversation through a different lens is creating new opportunities.”

“We’re also starting to see people and organisations being held to account for commitments made in these published human rights strategies, in particular on how these will be achieved,” says Steve.

Publication of the report has also prompted businesses to ask what they need to consider before partnering with sports bodies on mega-sporting events.

“We know some of our clients are approaching investment opportunities and tie-ins with major sporting events and considering how they can embed human rights throughout their lifecycle,” says

Steve. “This report creates a framework for them to articulate that.”

But the report is about much more than creating opportunities for the firm and clients to address human rights issues. As its title suggests, the potential legacy of the World Cup in 2026 from a human rights perspective is something about which both Steve and David are optimistic.

“These city submissions took a lot of work,” says Steve. “They’re the product of a real process in each city, with civic and business leaders making concrete commitments. Those pledges may not happen exactly in the way the cities have aspirationally said they will, but I’m confident that they will happen.”

For David, while the legacy will take time to come to fruition, the signs are already positive.

“We’re hopeful the 2026 World Cup will leave a legacy that can be celebrated,” he says. “There have already been some serious changes in the process, for example to ensure that workers are paid fairly.

“Engagement and collaboration”

“The project really piqued my interest because it was a true convergence of two of my passions: football and human rights. I wanted to get involved as soon as I heard about it because it sounded like an opportunity to really move the needle on human rights at major sporting events. As an Associate, I found getting direct client engagement extremely rewarding, particularly absorbing all their expertise in this area. That and the extensive level of collaboration across the firm and our clients were my personal highlights.”

Natalie Hoehl

Associate, Clifford Chance,
New York



“This report is recognised independently as starting to create the conversations that can lead to that positive legacy. And it’s important to recognise the event is four years away, so the organisers and host cities have enough time to make sure those promises become reality.”

Advancing the conversation on climate change



Janet Whittaker
Senior Counsel
Washington, DC

Jeremy Stewart
Senior Associate
London

COP26 was an opportunity for states, NGOs, the business community and the public to come together to discuss, debate and develop solutions to the climate crisis.

Clifford Chance played an active role at COP26 in Glasgow, Scotland in November 2021, including by launching a report on trade and climate change co-authored

with the World Economic Forum (WEF), speaking on several panels on critical issues for our clients, and engaging in conversations with a wide range of key partners such as the International Chamber of Commerce. The platform helped our team at COP26 further the conversation on issues including the just transition, the energy transition, and using trade policy to support the net zero strategies of businesses.

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There is an increasing awareness that the energy transition could bring about losers as well as winners, especially in heavily fossil fuel-dependent communities.

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Janet Whittaker
Senior Counsel





A report from the World Economic Forum in collaboration with Clifford Chance says trade policy action can accelerate the pace of emissions reductions.

Delivering a Climate Trade Agenda

Clifford Chance co-hosted an event with our client Scottish Power to promote a report we co-authored with the World Economic Forum titled [Delivering a Climate Trade Agenda: Industry Insights](#), which outlines how trade policy can accelerate action by businesses on climate change. The report, based on interviews conducted by the World Economic Forum and Clifford Chance with over 30 major businesses

around the world, outlined eight ways in which trade policy can help businesses accelerate the transition to net zero.

In the foreword to the report, Ngozi Okonjo-Iweala, Director-General, World Trade Organisation and Patricia Espinosa, Executive Secretary, United Nations Framework Convention on Climate Change, noted its *“valuable insights into how businesses are taking steps to enhance climate action across markets.*

Drawing on these perspectives, it identifies opportunities for trade policy to accelerate climate action, while generating new sources of economic growth and job creation.”

The release of the report was timely, with 71 WTO Members releasing a Ministerial Statement in December 2021 agreeing to engage in structured discussions on trade and sustainability, encompassing several of the recommendations referred to in our report.



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The report, as well as our presence on the ground at COP26, broadened our reach and enabled us to have a range of conversations with important clients and stakeholders.

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Jeremy Stewart
Senior Associate



“The report, as well as our presence on the ground at COP26, broadened our reach and enabled us to have a range of conversations with important clients and stakeholders, about issues which are top of mind for boardrooms and governments. There is power in a collective approach and the exchange of ideas in finding solutions to these complex issues,” says Jeremy Stewart, Senior Associate and core member of the report team.

Just Transition

While at COP26, we also shared early insights into the findings from [Just Transactions: A White Paper on Just Transition and the Banking Sector](#), which we published a few weeks later. The report was jointly authored by Clifford Chance, the Institute for Human Rights and Business (IHRB) and development finance institution BII.

“There is an increasing awareness that the energy transition could bring about losers as well as winners, especially in heavily fossil fuel-dependent communities,” says Janet Whittaker, Senior Counsel, Washington, DC, one of the report’s lead authors. “The report broke new ground in offering an early roadmap to banks on how to support a ‘just transition’ in their climate-related financing activities and the challenges and opportunities that this presents.”

There are examples of a just transition being factored into financial issuance. Kate Vyvyan, partner, London led the Clifford Chance team that advised the UK Government in relation to its September 2021 £10 billion 0% Green Gilt 2033. The UK Government’s first foray into the green bond market saw HM Treasury commit to report on the social co-benefits of the eligible underlying green projects.

Galvanising effect

The opportunity to engage with clients at COP26 also has a galvanising effect on how our firm thinks about sustainability.

“Engaging with clients on the climate-related issues they face and how they are transitioning to a greener economy helps us serve all our clients better, but it also encourages us to think about what we as a firm can do to contribute to respond to the climate crisis,” says Jeremy. “Clients, NGOs, states and individuals all have valuable insights and perspectives on how we should be responding to climate change, and in the best-case scenario we’re pushing each other towards a common objective of accelerated climate action.”

A responsible business is defined by how it engages with stakeholders, while the solutions required to address climate change demand joint and co-ordinated action by multiple actors. Bringing our legal insights and experience to COP and being part of the conversation as new regulation takes shape helps us stay ahead of developments for our clients.

Doing Business

Our policies and our global Code of Conduct – and the results we have seen from their implementation – contribute to our leading reputation for the way we do business.

Our risk management framework, business continuity planning, and global [Code of Conduct](#) help us achieve the highest standards of professionalism. We have policies on client selection, climate change and human rights. Our climate change and human rights approach was and continues to be developed with our Responsible Business Board in consultation with relevant stakeholders in the firm.

Progress highlights – read more about our progress on page 36

Ran six risk identification workshops, approximately 50 directed and panel interviews, and two internal surveys covering global and regional risks

Introduced tailored dashboards for reporting and monitoring risk at enterprise-wide, regional, group, and practice levels

New structure introduced for Global Crisis Management guidelines

Our Global IT Service Centre was 4-star rated by Service Desk Institute (for second consecutive year, building towards the three years' performance 5 stars requires)

Case studies

Embedding our global Code of Conduct and sharing the Code with our clients featured prominently in 2021/2022. Highly interactive internal workshops helped our people understand what the Code means and how to adopt it – see page 17 for further details.

We introduced our global risk management framework in 2020/21 and rolled it out at group and practice level in 2021/22. Benefits of a bottom-up approach include quicker and more efficient decision-making with teams welcoming the process and the outcomes – see page 19 for further details.

Embracing our challenges

Like many of our clients, we recognise that policy implementation is an evolutionary process. We have not achieved all our goals yet, but we are moving forward.

Technology roll-out can also take time to settle, and the migration of our client terms to a new database extends into our FY22/23 KPIs, partly because of the complexity involved in integrating a new system and migrating existing data. The take-up of our global Code of Conduct workshops, including from partners, has shown good progress. However, we aim to further increase the partner take-up (52%) by the end of FY22/23.

Living by the Code

Launched in 2020, our global Code of Conduct defines our values and the expectations of everyone working in our firm. The Code guides our behaviour with each other, our clients and all our external stakeholders.

Throughout the year in this reporting period, we have worked hard to further embed the Code within the business and make sure that we are operating according to the values it codifies in everything we do. That work is paying off. The Code of Conduct has already changed behaviours, sparked a stronger culture of speaking up and positioned the firm favourably when it comes to recruitment and retention of talent. It's also being noticed by clients and potential clients alike.

"I'm really passionate about this because I believe having core values codified for

TRUST
RESPECT

ROLE MODEL
KINDNESS

people in a way they can relate to gives us a common drive," says Dorothee Vermeiren, partner, Brussels, who volunteered to run workshops aimed at further embedding the Code into the day-to-day. "It's about reinforcing and improving the culture that we already have."

"Where I think the Code is really taking hold is in the conversations we have with clients. Lots of them are on a similar journey, focusing on good governance, compliance and culture, so we have an ideal starting point to discuss the Code with them and reflect on our experience

with it. It's certainly something we include when we respond to requests for pitches, so it clearly has value for our clients. They don't just want to know that we have the right expertise; they want to be sure we have the same set of values."

"The Code is also authentic. Rather than being top down, the Code of Conduct is embodied and brought to life by our people – lawyers and business professionals. We designed it, and run workshops ourselves to explain it and make sure we have a consistent understanding across the firm. This helps people refer to it during team meetings and discuss what the Code means in practice. As a result, the Code now forms a regular part of our everyday discussions."

Dorothee says that the Code has gone together with cultural change in the Brussels office.

What is our global Code of Conduct?



Act with integrity



Be inclusive



Embrace challenge



Speak up



Act responsibly

“We are now much more comfortable with speaking up when we feel something is not right, which for me is one of the most significant achievements of the Code. One of the things highlighted before we introduced the Code was that we didn’t really have a strong enough ‘speak up culture’, but that has improved significantly.”

“Being inclusive is another important pillar of the Code. Whether we are reflecting the diversity of the firm in marketing materials, in pitch teams or at events, inclusion is always on the agenda,” she says. “We celebrate festivals from across the faith spectrum here. Small changes matter, and we give more thought to, for instance, the variety of gifts we present to colleagues as a ‘thank you’ or the type of events we organise.”

While there are people in the firm yet to attend a Code of Conduct workshop, Dorothée sees the fact that it has become part of workplace conversation as a sign of how far it is becoming part of the fabric of the firm.

“We discuss it and it’s a genuine conversation about whether something we do is compatible with our values,” she says. “And there’s probably not always a right or wrong, but it has become an integral part of the thinking we have on the topic if it arises.”

For Dorothée, the fact the firm has a Code of Conduct has also strengthened the firm’s reputation.

“We are already one of the world’s leading law firms in many ways, but having a Code of Conduct demonstrates how we treat our people and how we live our core values, which I think is something our clients can really relate to,” she says. “It helps attract the best talent too – the values in the Code are incredibly important to those who are joining our firm. Having a written document that codifies those values and the steps we’re making to live them shows we take them seriously.”

Living by the Code, one year on

We are embedding the Code in training and induction, assessment and objectives, policies, pitch materials and more

2,000+
participants in...

100+
voluntary workshops

52%
of the partnership attended workshops so far

40+
internal facilitators and producers empowered to lead conversations

“

We are already one of the world’s leading law firms in many ways, but having a Code of Conduct demonstrates how we treat our people and how we live our core values, which I think is something our clients can really relate to.

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Dorothée Vermeiren
Partner
Brussels



A unique approach to managing risk

Managing risk is good business, but it's also what our clients, people and regulators expect of us. Clients rightly expect businesses they deal with to implement effective risk management practices, as they seek to manage the risks within their own supply chain. Furthermore, we are convinced that the ability to identify, assess and manage risks associated with our operations in different markets is fundamental not only to our being a responsible business, but also to achieving success for our clients.

At Clifford Chance, we have a long-standing and mature enterprise-wide approach to risk management. In 2021/22 we embarked on a unique firm-wide programme to enhance this work further by introducing bespoke risk

assessments for our regions and practice areas. Using the same methodology that we apply to global strategic risks, we are working with each of our regions and several practice areas to identify and assess the specific risks they face, assign ownership of them, and implement mitigation strategies using all available experience gained from operating in each specific market.

Our Africa Group is one of the groups across the firm to form part of this unique risk management strategy. In a series of workshops commencing in September 2021 led by our Global Risk team, the Group examined the risks particular to their business, drawing on decades of experience working in Africa and in diverse cases and transactions spanning 20+ jurisdictions.

Uncertainty in Africa's continually evolving and dynamic operating environment, exposing the firm and our clients to potential financial loss, is an example of one of the strategic risks the Group addressed in detail. Key drivers of this risk include political instability and the

diverse operating environment; however, our approach eschewed generalisations, focusing instead on the characteristics unique to the major jurisdictions in which we and our clients operate.

The Group has allocated responsibility and ownership of each strategic risk to members of their leadership team, which has ensured that mitigations and actions to reduce the risks are carried out. Lawyers and business professionals have embraced the approach, with responsibility for risk management in specific jurisdictions now involving colleagues across our practice areas and offices. The strategic risks, individually and collectively, present a lower risk profile than before and the continuous monitoring of, and response to, emerging risks is now a key element of the Africa Group's strategy and processes.

"This exercise demonstrates the practical application of the firm's enterprise risk management framework throughout our business," says Bahare Heywood, Chief Risk and Compliance Officer. "Risk management

“

This exercise demonstrates the practical application of the firm's enterprise risk management framework throughout our business.

”

Bahare Heywood
Chief Risk and Compliance Officer
London

doesn't have to be overly complicated; what we have seen the Africa Group achieve by working with the risk team has been a really valuable exercise in collectively identifying, assessing and managing risks associated with their region and implementing a set of agreed actions to address any risks that were outside the firm's risk appetite. Put simply – we now have a very clear plan of action and ultimately, that's what managing risk is all about.”



“

Evaluating risk, taking steps to mitigate it and being ready and able to act when things happen make good professional and business sense. Our ambition is to be the best global law firm, and the world is a complicated place. So, risk management must be part of our mission, for us and our clients. Our Africa Group is proud to be at the forefront of implementing the firm’s risk management strategy.”

”

Anthony Giustini
Regional Managing Partner,
Africa

About our Africa Group

Clifford Chance has worked in Africa for over 50 years and we are recognised as one of the leading international law firms across the Continent. We bring global expertise to leading international and African corporates, banks and financial investors within a local context.

We deliver our services through our regional office in Casablanca, 25+ Africa Practice Leaders specialising in various legal products and sectors and over 200 Clifford Chance lawyers around the globe. We also maintain robust relationships with African firms

through a dedicated African Counsel Initiative, managed by our five Africa Regional teams. We have teams dedicated to pro bono, risks & compliance, training and HR/talent specifically for our Africa practice, which is run by a dedicated Africa management team.



Charles-Henri Boeringer
Partner

Edmund Boyo
Partner

Jennifer Chimanga
Partner

Delphine Siino Courtin
Partner

Ouns Lemseffer
Partner

Mustapha Mourahib
Managing Partner
Casablanca

Alex Panayides
Partner



Our people

We realise the potential of our people by creating a safe, healthy and inclusive firm.

Diversity and inclusion, wellbeing and taking the time to really listen to our people are intrinsic to being a responsible business. They also underpin the key talent themes of our long-term people strategy, which focus on the continued modernisation of our Talent Acquisition; Talent Management; Career Progression; Learning and Leadership Development, and Compensation.

During 2021/22 we achieved continued progress on our gender, ethnicity and LGBT+ inclusion targets, including our most inclusive round of partner promotions and tailored inclusion training for leaders and decision makers. Forward-looking objectives for 2022/23, with everyone in the firm now required to feature one objective related to advancing our firm's culture of inclusion, and measurable KPIs provide additional focus on our individual and collective inclusion and wellbeing goals. Shortly outside the 2021/22 reporting period, in June 2022, we appointed our firm's first ever Global Head of Wellbeing and Employee Experience to bring greater focus and alignment to our well-established focus on wellbeing.

Progress highlights – read more about our progress on page 36

41% (15)

of our new internal partner promotions in 2022 were female, more than in any previous promotion round

At least 40%

our target for female and male global partners in the firm by 2030

78%

engagement and enablement levels in our most recent People Survey, above industry benchmarks

18,267

Online training hours through our global Clifford Chance Academy

Case studies

Our participation in the Mansfield Rule, a US diversity and inclusion initiative which aims to increase the representation of historically underrepresented lawyers in law firm leadership, is being expanded into new markets. Read about the Mansfield Rule on page 22.

Transparency of our conversations with colleagues around objective setting, career development, and ongoing performance and feedback conversations is elevating our capacity to lead colleagues and also to advise and guide clients with conviction on their most critical and complex instructions. At Clifford Chance we call the approach 'Three Conversations' – see more details on page 24.

Embracing our challenges

FY22 saw us establish the framework of our people strategy. In FY23 we will evolve our firm-wide approach to wellbeing alongside our inclusion objectives and step up our efforts to actively gather input from our people about their experience of working at the firm. Post-pandemic working – and we note that not all our markets have returned to pre-pandemic 'normality' – continues to be a challenge for every business and brings specific challenges at the team and individual levels, balancing a desire to offer continued flexibility while retaining our strong culture and market-leading development of our talent.

Alongside this, the legal profession has unique pressures that require us to be bold in embedding our wellbeing strategy and setting clear KPIs against which to measure our success. We recognise that wellbeing is complex in our environment and a whole-system, firm-wide approach is required to have a meaningful impact on our people's everyday experiences. We don't have all the answers and cultural change won't happen overnight, but we are determined to make progress in this area for the sustainability and success of our people, the firm, and our clients. We will report on our progress on wellbeing in FY23.

A clear focus on Diversity and Inclusion

At the end of June 2021, the firm announced it would expand from US participation to the new UK pilot of the Mansfield Rule certification process, joining 12 other UK firms – and 160 in the US and Canada – that have signed up to the inclusion initiative.

Founded in 2017, the Mansfield Rule is a process that aims to increase the representation of historically underrepresented lawyers in law firm leadership. The standard helps law firms track and measure that they have considered at least 30% women, racial and ethnic minorities, LGBTQ+ lawyers and lawyers with disabilities for leadership and governance roles, equity

partner promotions, formal client pitch opportunities and senior lateral positions.

Since signing up to the Mansfield Rule in the US in its inaugural year, our experience is that it has been instrumental in helping to deliver our global Inclusion Strategy. By providing focus and clear measurement data on hiring and promotion processes, the initiative has already yielded impressive results and helped inspire its adoption in the UK.

To make sure we're meeting the Rule's requirements for certification, we have a team who monitor compliance regularly throughout the year and engage relevant stakeholders as needed to ensure that we are considering a broad array of lawyers for leadership and governance roles, partner promotions, client pitches and senior lateral positions.

Our Mansfield Rule US team



Fiona Grafton
Director, Client & Market Development



Mathieu Ritte-Sanders
Senior Business Development Manager



Haylin Low
Senior Lateral Partner Recruiting Manager



Praveen Penmetsa
Human Resources Systems Manager



Diana Mitchell
Sr Business Advisor for Corporate & Community Dev



Amy Flanagan
Director of Human Resources



Rita Stephanz
Assistant General Counsel



Emily Wicker
Partner



Evan Cohen
Regional Managing Partner Americas



We're in our sixth year of participation, have obtained certification every year and it has certainly led to an increase in the percentage of associates and partners we've hired from historically underrepresented groups since we became involved, including lateral hires.



Evan Cohen
Regional Managing Partner Americas

“Our experience participating in the Mansfield Rule process has been wholly positive,” says Evan Cohen, Regional Managing Partner Americas. “We’re in our sixth year of participation, have obtained certification every year and it has certainly led to an increase in the percentage of associates and partners we’ve hired from historically underrepresented groups since we became involved, including lateral hires.”

For UK operations, the firm welcomed the opportunity to take part, seeing the process as key to focusing its thinking about how it could have an impact at the senior level – on senior hires and on the makeup of internal committees to ensure increased diversity of role models in the firm.

“Key for us was the clarity of communication around what we’re trying to achieve,” says Sarah Twite,

Senior Wellbeing Manager. “The 30% diverse rule is memorable, impactful and clear, so it’s easy to communicate it with recruiters and internally.

“Mansfield has also enhanced our approach and focus on how we track progress, spotlight our measurement and ensure we report how we are doing against our targets and previous performance.”

One of the biggest challenges for the firm and the industry is ensuring diversity in senior lateral hires.

“At the partner level, when you’re hiring laterally, you’re largely faced with searching within an underrepresented talent pool,” says Global Head of Recruitment, Sarah Langton. “That’s why Clifford Chance has been strongly committed for many years to increasing access into the profession, to ensure the pool is diverse enough for the future.

“We’ve also ensured all our recruitment agencies are aware of our diversity and inclusion targets, including those supporting partner hiring, and we’re measuring and monitoring our progress.”

Our experience in the US suggests the best strategy for improving diversity at a senior level is to stay focused.

“You need to be promoting it internally, making recruiters aware of your intentions and ensuring the support and training are available,” says Evan. “You need to make sure that, by the time people are nearing partnership, there is a diverse group to consider. That is how you ensure diversity in promotions and diversity in the partnership.”

Our Mansfield Rule UK team



Sarah Twite
Senior Wellbeing
Manager



Sarah Langton
Global Head of
Recruitment



Ben Lester
Lateral Recruitment Team
Manager



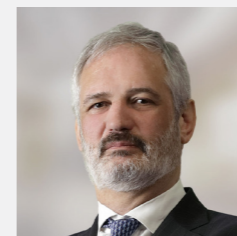
Caroline Herring
Proposals Manager



Emma Folds
Partner



Michael Bates
Regional Managing
Partner UK



Charles Adams
Global Managing Partner

Delivering on our people's aspirations and delivering leaders

We only operate at our best when our people do too. And through our Global People Survey, they told us they want more regular feedback and conversations focused on their career and development opportunities. So, we launched the Three Conversations framework to give all colleagues the right opportunities to discuss their individual performance, development, and career aspirations.



Grant Eldred, Chief People Officer (left) and Chinwe Odimba-Chapman, Global Partner for Talent (right)

“Regular feedback is critical for our ongoing development and learning,” says Global Partner for Talent Chinwe Odimba-Chapman. “When we get this right, people can thrive. And in turn, that increases our capacity to deliver value to our clients.

“Three Conversations is a consistent approach to developing our talent and aims to improve colleagues’ experience and empower them to take the lead in shaping their careers.”

“

Three Conversations is a consistent approach to developing our talent and aims to improve colleagues’ experience and empower them to take the lead in shaping their careers.

”

Chinwe Odimba-Chapman
Global Partner for Talent

Conversation One is about setting clear objectives and development goals for the year. Colleagues are encouraged to agree inspiring and challenging objectives that are exciting and energising, which make it more likely they will achieve their goals.

A mid-year review of progress against those objectives makes Conversation Two a great opportunity for colleagues to talk about their career development and identify any support they may need to achieve their goals in the second half of the year. Conversation Three is about reviewing performance and celebrating achievements.

“Three Conversations creates the space to link people’s overall contribution to the firm with what they are assessed on at the end of the year and what they want to achieve next.”

While many of these discussions were already taking place across the firm, there was no one structure to ensure that they

are robust and consistent. Colleagues around the world have welcomed the new, transparent engagement framework:

“Having an open conversation with your Career Development Partner allows you to canvass your performance and create a forum to identify opportunities to grow,” says Charlotte Shieh, Associate, Hong Kong.

“Having these conversations has been incredibly useful in connecting me to other people in the firm, and fostering a relationship with a great mentor,” says Kimara Davies, Associate, New York.

Three Conversations is clearly important for colleagues at an individual level and is critical for the ongoing success of the firm.

“There is a lot of research to show that managers who engage and coach their people are more likely to have top-performing team members,” says Grant Eldred, Chief People Officer. “As a high-performance business, this simple relationship between investing time in

your team and the resulting business performance is something we can all connect with. It certainly makes business sense to direct people’s energy towards what drives them and what they are good at.”

Managers and Career Development Partners are instrumental to the success of the framework and have a central role to play in making it work.

“Developing teams and enhancing leadership capabilities will help us build the reputation of the firm, enable us to attract and retain the best talent and create a firm with the capacity and mindset to deliver brilliantly for our clients,” says Grant. “Timely, specific, actionable feedback is a real gift and can be some of the most important conversations we have in our career. That’s why I believe Three Conversations is right for our people, for our firm and for our clients.”

“

Having an open conversation with your Career Development Partner allows you to canvass your performance and create a forum to identify opportunities to grow.

”

Charlotte Shieh
Associate
Hong Kong



Community & Pro Bono

Our market-leading international platform for community and pro bono initiatives delivers structured, well-supported and impactful opportunities for our clients and for our people to act responsibly and work together.

We leverage our high-quality legal advice in helping the world's leading NGOs to advance their missions.

Case studies

Volunteering is an important opportunity for our people to hone their client skills. David Alfrey and Pablo Serrano de Haro personify these benefits, and they share their inspiration and motivation on pages 27 and 29.

We channel a growing proportion of our resources towards climate solutions, as demonstrated in our multistakeholder approach to climate change (see page 13). Our inaugural SDG Award also focused on the environment. We are now helping the winner of the Award, the Plan Vivo Foundation, to scale up its pioneering carbon emissions certification programme (see page 28).

Progress highlights – read more about our progress on page 37

92,459 people

helped by the NGOs we work with as a result of our support

£42.87 million

charge out value of our pro bono advice

21 grants

from the Clifford Chance Foundation were used to support disaster-relief in Yemen, Afghanistan and Ukraine

34 strategic pro bono relationships

exemplify our theory of change – up from 33 in 2020/21

93 pro bono mandates

in the Americas (65) and Africa (28) – up from 79 in 2020/21

73,139

pro bono and in-kind volunteering hours – up by 4% on 2020/21

Cornerstone: eight projects and £1 million per year over a five-year period

– launched in 2019 our award-winning theory of change-oriented Project Cornerstone in Kigali, Rwanda is delivering real change for 1,000s of people

Embracing our challenges

Our lawyers have an annual target of 50 pro bono hours, which we are not achieving. While our strategy has deliberately not sought to increase hours as an end in itself, we believe that our theory of change means that lawyers can participate in our programmes knowing their contribution will translate into genuine impact.

We are making it easier for people to take on pro bono work by introducing the Paladin platform, through which our pro bono opportunities are posted and can be viewed in real time by our people globally. We are already seeing an increase in the number of people volunteering for pro bono and an uptick in our hours, which we believe will continue as the platform is embedded.

Developing our people

Our pro bono work, as well as being a global force for good, is instrumental in honing our lawyers' client skills. David Alfrey is one of our lawyers finding that impactful pro bono work also delivers personal career development.

"When I first arrived at Clifford Chance, I began working on a project to reintroduce the lynx (a wild cat that became extinct in the UK due to hunting and habitat loss) to the UK," he says. "I experienced very early that I would be encouraged to make a difference.

"Since then, I've worked on a broad range of pro bono projects and witnessed time and again the impact of our talented

colleagues, our global NGO client roster and our international network. I realised that I wanted to try and take full advantage of this platform at our disposal, and that's exactly what we did with the Centre for Sport and Human Rights.

"What is often left unsaid is that pro bono work utilises and hones the same skills that lawyers at Clifford Chance use daily. The added benefit is that pro bono clients of the firm happen to be international players seeking creative solutions to complex issues – it's always fun to be a part of that creativity journey."

For David, pro bono work has aided his own personal and professional development. "The confidence I've gained, the expertise I've developed and the connections I've made through pro bono work have given

me a different perspective and the feeling I can achieve things that are important to me. It's also helped me get more involved in the environmental, social and governance (ESG) side of things here. I've even started developing my own practice that specialises in sports governance.

"But besides being exciting and giving me a great sense of achievement," says David, "my pro bono experience is enabling me to have more meaningful conversations with clients and partners that contribute to my development. And it's not just me – the entire firm's ambition is to act responsibly through our theory of change, boost our levels of expertise and position Clifford Chance as a market leader in those fields, including ESG, where our clients need us most."

“

The confidence I've gained in essence, the platform we create when we're delivering pro bono work creates enduring impact on those we're helping, and also improves our ability to effect positive change through leveraging our global footprint and international network.

”

David Alfrey
Lawyer
London



Rewarding SDG alignment



Tom Dunn
Global Pro Bono and
Community Director

Our first ever UN Sustainable Development Goals Environment Award is helping the Plan Vivo Foundation achieve emissions reductions of 7 million tonnes of CO2.

Clifford Chance carried out a range of pro bono projects in 2021/22 aligned to sustainable solutions to climate change, including two high-profile initiatives that featured at COP26 in October and November 2021 (see article on page 13 for more details).

In the build-up to COP26, on 28 October 2021 we announced the recipient of our inaugural UN Sustainable Development Goals Environment Award, the Plan Vivo Foundation – an environmental protection charity. Plan Vivo enables communities to access carbon finance in return for emissions reductions generated through sustainable community land-use projects.

The Award will help Plan Vivo scale up its operations.

“Plan Vivo is at a stage of real growth, which is really exciting,” says Caroline Stillman, Projects & Social Impact Officer, Plan Vivo. “So, we want to scale up at the same time as keeping our holistic focus and impact on nature, climate and communities in mind. The £50,000 and 500 hours of pro bono support from Clifford Chance will strengthen our strategic plan, develop our marketing plan and also provide access to advice on carbon trading.”

Plan Vivo has made a significant impact in its 25 years of operation. The projects Plan Vivo takes on capture carbon from the atmosphere, which the projects can apply to turn into Plan Vivo Certificates (PVCs). One PVC represents one tonne of captured carbon and can be sold on the voluntary carbon market to raise funds for the projects. To date, Plan Vivo has more than 265,000 hectares of land under management in 850 communities around

the world and its activities are set to deliver emissions reductions of more than 7 million tonnes of CO2.

“Plan Vivo’s impact is as sustainable as it is compelling,” says Tom Dunn, Global Director of Pro Bono, Clifford Chance. “Working alongside Caroline and the team represents an excellent opportunity to act responsibly.”



“

Plan Vivo is at a stage of real growth, which is really exciting, so, we want to scale up at the same time as keeping our holistic focus and impact on nature, climate and communities in mind.

”

Caroline Stillman
Projects & Social Impact Officer
Plan Vivo

For the good of the public

We expect legal colleagues to carry out at least 50 hours of pro bono work every year as part of their performance and development. Providing access to legal advice and justice to those who would otherwise not afford it is not only the right thing to do, it also improves our capacity to act responsibly.

Pablo Serrano, a partner in our Madrid office and Global Practice Area Leader for Tax, Pensions and Employment, is a founding member of the steering committee that oversees the Cornerstone initiative, our five-year project aimed at improving the wellbeing of those in the poorest communities of Kigali, Rwanda.

Pablo first became involved in pro bono work in 2006. “I had read a book about the Bangladeshi Nobel Peace Prize winner Muhammad Yunus and was inspired by the idea of microfinance and how it can alleviate poverty,” he says. “It led me to contact colleagues in London and that was when I

discovered the firm was already carrying out microfinance mandates, which is when I first got involved in pro bono.

“From there, we created the first Spanish microfinance non-governmental organisation – Oportunitas – which has since helped more than 3,000 beneficiaries and won awards for its innovative approach to financing.”

This was an opportunity for Pablo to combine his expertise and experience with an area of personal interest to directly benefit people who would not normally have access to such high-quality legal advice.

“Working on pro bono matters brings a level of joy you don’t often get with billable mandates,” he says. “In our day-to-day work, we carry out corporate transactions and you may not come to see and experience their impact. But on pro bono matters, you get a genuine sense of the beneficiaries of your work – it’s inspirational. And in creating the Spanish microfinance association, I was also allowed to take initiative, despite not yet being a partner, which brought an element of personal

development and satisfaction into the equation too.”

As well as being inspiring, Pablo believes pro bono work is essential to achieving the firm’s commercial ambitions.

“For me, it’s difficult to separate the firm’s objectives from our responsible business and pro bono objectives,” he says. “I cannot imagine a Clifford Chance without these projects. They raise the motivation and energy levels of our people, which is something I see first-hand when I update colleagues on our Cornerstone achievements.

“They help attract and retain talent too – our HR teams are frequently asked by prospective candidates about the pro bono opportunities the firm offers and it’s something that genuinely differentiates us from the competition.”

Pro bono work also sparks conversations with clients that generally do not happen when dealing with billable mandates and these can often lead to both commercial and community outreach opportunities.

“We have just recently signed a joint agreement with a client on the back of conversations we’ve been having about pro bono work that will see our teams work together to provide legal advice to NGOs in Spain,” says Pablo. “So when we take on this kind of work, we’re not only delivering impact to those we’re helping, we’re also developing our capabilities to act responsibly and effect positive change in the future.”



“

I cannot imagine a Clifford Chance without these projects. They raise the motivation and energy levels of our people, which is something I see first-hand when I update colleagues on our Cornerstone achievements.

”

Pablo Serrano de Haro
Global Practice Area Leader for Tax,
Pensions and Employment
Madrid

UN SDG Education Award 2022

For many years now, the [Clifford Chance Foundation](#) has run an annual award process culminating in the award of cash and pro bono advice to an NGO. In 2021/22 we took the step to focus the Award exclusively on NGOs whose work contributes to the achievement of SDGs. The Award comprises a £50,000 donation and 500 hours of pro bono support over an 18-month period. At the time of writing this report, we are undertaking the task of reviewing 200 submissions from NGOs for our UN Sustainable Development Goal Education Award 2022. Our 2021 Award was aligned to the Environment.

Supporting education in China

The alignment of our SDG award with education reflects that we channel a large proportion of our community and pro bono resources to access to education.

For instance, our education initiatives in 2021/22 included our Shanghai and Beijing offices supporting Zhijiao 2.0 (支教 2.0) by providing a donation to build a remote classroom at the Gongtong Primary School along with resources to train volunteer teachers in Longnan, Gansu Province, China. Zhijiao 2.0 is a grassroots NGO that was co-founded by Clifford Chance alumnus Wesley Chiu. The name Zhijiao literally means “supporting education”.

What is our theory of change?

The aim of our pro bono strategy is to contribute towards the achievement of the United Nations Sustainable Development Goals (SDGs), and our theory of change provides a template for ensuring that we maximise the contribution that the investment of our time and money achieves. At the heart of the approach is our commitment to SDG 17 – revitalising the global partnership for sustainable development – and, specifically, working in partnership with our pro bono NGO clients, and our fee-paying clients, to help bring about the achievement of the SDGs.

We carefully design our pro bono, community and grant-making programmes so that whether we are investing our time, technical skills and expertise or funding into an NGO

partnership, or opening up access to our wider networks, that investment will build the capacity of the NGO so that they themselves can do more to contribute to the SDGs. Each year, we set and report against KPIs that help us to measure how effectively we are doing this.

Tom Dunn
Global Pro Bono and
Community Director



Environment

Managing our footprint not only contributes to a more sustainable world, it motivates our clients and our people. We target net zero ambitions at the same time as helping our clients with theirs. We are also aligning our community work and resources with environment-focused initiatives and climate change solutions.

We aim to reduce absolute scope 1 and 2 GHG emissions 80% by 2030 from a FY2020 base year, and to reduce absolute scope 3 GHG emissions 47% within the same timeframe.

We signed the Business Ambition for 1.5°C commitment letter in October 2021. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero.

Progress highlights – read more about our progress on page 38

Scope 1 and 2 emissions per FTE have decreased by

48.2%

from our FY18 baseline

Our paper consumption per FTE has decreased by

74.63%

from the FY18 baseline

Became a founding member of the Net Zero Lawyers Alliance, committed to accelerating the transition to Net Zero by 2050

Case studies

Our largest emissions reside in Scope 3, which presents an opportunity to work with our suppliers on our impact – in a way that is helping our suppliers to be more sustainable. Read more on page 32.

Moving to new office locations and major refurbishments enable us to think ahead about the impact of our working environments. Project Nest in Sydney, Perth and Singapore saw colleagues sharing ideas and taking a new approach to sustainability. Read more on page 34.

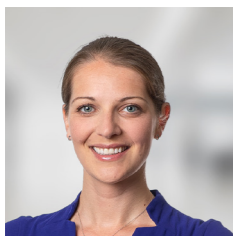
Embracing our challenges

Although we recognise that we have made progress in emissions reduction against our FY18 baseline, we have not made as much progress as we would have liked against our KPIs for FY22 (See KPIs).

We are also mindful that action has predominantly been focused on our premises, supplier management and, more recently, travel initiatives. To achieve our science-based targets, we now need to develop a detailed holistic implementation plan, including reporting methodologies, and consider the implication of our net zero strategy on our people and clients, including how our colleagues can get more involved.

Our forward-looking objectives for FY23 support us to achieve this and work collaboratively across the firm to explore how we can determine the impact of the work we do for our clients and ensure alignment with environment-related UN Sustainable Development Goals.

Responsible sourcing



Louise Zabbar
Senior Procurement
Manager (SRM &
Sustainability)
London



Andy Hier
Head of IT Vendor
Management Office
London

Action on climate change is a key imperative for us as it not only affects the firm, it also affects our clients and our suppliers. Like many responsible businesses, we have set ambitious near-term science-based targets for 2030 improving our environmental performance and supporting us with our longer-term aim to be net zero.

Our largest emissions reside in Scope 3 – those emissions indirectly impacting our value chain such as purchased goods and services, travel, waste and employee commuting. With 59.5% of our emissions sitting within purchased goods and services, it's critical we talk to suppliers about how they can manage, measure and

reduce their carbon emissions, and how we can work together to improve the way they deliver services to us.

Over the last year, we have been working to enhance our approach to supplier relationship management (SRM) and increase transparency around the minimum standards we expect from our suppliers. This includes an annual refresh of our supplier code of conduct and supplier standards, and an uplift to our standard terms and conditions to incorporate more detailed sustainability clauses. It also includes our annual supplier declaration exercise, which gives suppliers an opportunity to show they understand our values, principles and minimum expectations across the principles of environment, social and governance (ESG), and an external benchmark of our SRM

“

Through engagement with sustainability ratings provider EcoVadis, we received sustainability and carbon scorecards for our key suppliers, which has helped us better understand their environmental and social impact and allowed us to work with them to see where they can reduce the emissions related to their delivery of services to us.

”

Louise Zabbar
Senior Procurement Manager
(SRM & Sustainability)



programme, inclusive of ESG, which we've done for the last few years to help support programme maturity and growth.

"Through engagement with sustainability ratings provider EcoVadis, we received sustainability and carbon scorecards for our key suppliers, which has helped us better understand their environmental and social impact and allowed us to work with them to see where they can reduce the emissions related to their delivery of services to us," says Senior Procurement Manager (SRM & Sustainability), Louise Zabbar, who is responsible for the firm's Global SRM and Sustainable Procurement Programmes. "From these assessments, we can see where they are on their journey and work with them to support corrective action if needed."

One of our IT suppliers has already been through such an assessment, which identified environmental shortcomings.

Following the review, and discussions with Procurement and IT Contract Managers and Owners, the supplier engaged a third-party consultant to support its sustainability journey and has subsequently improved its environmental performance and reporting.

Andy Hier, Head of IT Vendor Management Office, says: "Through the SRM programme, we have made some fundamental changes to the way in which we engage our IT suppliers and improve their sustainability performance. Capturing data and embedding it in our processes, procedures and reporting has given us greater insight and allowed for more informed discussions to further drive positive change."

The assessments are tailored to each supplier and how they operate – with the intention of building relationships that foster continuous improvement. The scorecards can be accessed by other clients, which

means any improvements in performance can have a positive influence on suppliers' business prospects as well.

"Some suppliers have told us going through the assessment gave them the chance to reflect on their sustainability performance as a whole and shed light on where they needed extra work," adds Louise. "Many have gone on to create their own ESG reports, which have enabled them to engage further with their other clients."

We also walk the talk when it comes to the sustainability assessments, making sure we go through them as well so we can benchmark our own performance. Not only that, we have used the opportunity to upskill our own people as part of the overall framework.

"As this is a global initiative, we've engaged with our Contract Managers and Owners in all our regions and introduced a learning and development programme for them," says Louise. "That's given them the skills they need to maximise opportunities and support the education and continuous improvement aspects of our supplier relationships.

"If we want to meet our targets, we have to work collaboratively with all our suppliers, in particular those 'high emitters', and adapt how we connect with them for our mutual benefit and for the good of the planet."

“

Through the SRM programme, we have made some fundamental changes to the way in which we engage our IT suppliers and improve their sustainability performance. Capturing data and embedding it in our processes, procedures and reporting has given us greater insight and allowed for more informed discussions to further drive positive change.

”

Andy Hier
Head of IT Vendor Management Office
London

Sustainable work spaces



Helen Kippax
General Manager
Australia



Vanita Fulford-Brown
General Manager
Singapore

Sustainability is important for our clients and our people, so we embrace systems and initiatives that support better use of energy resources and reduce CO2 emissions. One way we are doing this is by considering sustainability as part of the process when identifying buildings for new offices.

When the leases were running out on our offices Singapore, Sydney and Perth, we established a project called Nest to find suitable alternatives and worked alongside specialist consultants to ensure that each facility was as sustainable as possible.

“Sustainability was one of the main criteria in Australia, and we only looked at buildings in Sydney and Perth that had a National Australian Built Environment Rating System (NABERS) five-star rating or above,” says Helen Kippax, General Manager, Australia. “These are exacting standards that the building has to adhere to around water quality, recycling, access to green energy, acoustics, waste and the materials used in the building.”

Among the environmental features of the new offices in Australia will be water usage monitoring, more recycling points and sustainably sourced fit-out materials. The Sydney office will be powered by green energy, while both buildings will use an online booking system to make desk usage more efficient and reduce energy consumption and carbon emissions.

“ Sustainability was one of the main criteria in Australia and we only looked at buildings in Sydney and Perth that had a National Australian, Built Environment Rating System (NABERS) five-star rating or above. ”

Helen Kippax
General Manager
Australia



This is a feature of the Singapore office too, where the project team decided to refurbish the existing office space on a single floor, which will reduce the overall footprint.

“We followed a similar procedure to the offices in Australia where possible,” says Vanita Fulford-Brown, General Manager, Singapore. “That means we’ve been asking suppliers the same questions about sustainability and have sourced a lot of the fittings and panels from recycled materials as a result.

“Small steps collectively add up to reducing our overall impact on the environment. For instance, a barista coffee station will cut single-use coffee cups usage, which was

specified in Sydney and Perth too. It’s a three-office project, so we used the same sustainability consultants, which helped create a coherent and consistent approach.”

Shared experience has not stopped there either. The Project Nest team has been in touch with colleagues in the US, Dubai, London and Amsterdam, who are all at different stages of office space procurement conversations.

“It’s less about being prescriptive and more about alerting people to things to consider,” says Helen Kippax. “The idea is to share our experiences with the wider firm so we can ensure future office moves and the buildings we occupy are as sustainable as possible.”



Sydney, Australia is one of three locations in Asia Pacific that formed part of our Project Nest.

Monitoring our progress

To ensure focus and progress, we set clear objectives and KPIs that are regularly reviewed.

● Good progress / Complete ● In progress ● Not progressed

DOING BUSINESS	STATUS
Equip our people with the training and support to do the right thing, in the right way – driving cultural change through roll out of the Code of Conduct	
Progress comprehensive programme of activities to enhance our ethical culture, including continued roll out of the Code of Conduct	●
Develop and deliver internal communications programme to ensure expectations and support available are understood by all our people	●
Roll out Anti Bribery and Corruption training piloted with Africa Group for other regions	●
Further evolve our incident and business continuity planning to increase our ability to manage the firm through a significant cyber-attack, including a robust programme of scenario rehearsals	
Continue to test and embed our cyber response plan	●
Ensure operational risk and resilience strategy is understood and embedded globally	●
Review learnings from Covid-19 experience to inform our future risk and resilience practices	●
Develop Operational Resilience Framework to pull together all of the work to date	●
Implement Fusion as the platform for managing operational resilience	●
Run a programme of operational resilience exercises across offices	●
Closely manage responsible business risks through review and negotiation of Client Terms required by clients	
All Client Terms fully reviewed and approved by Central Risk team before being accepted	●
Proper Constitution of the Disciplinary Committee	
Disciplinary procedures refined	●
Implement Intapp Terms	
Terms implemented and existing client terms migrated/uploaded to the new database	●
Promoting expertise/thought leadership on ESG and climate issues/assess climate impact of new mandates	
Internal awareness, e.g. Energy Transition Initiative; evolution of climate policy; promotion of capabilities; COP26 involvement	●

PEOPLE	STATUS
Review our People Strategy in line with firm strategy and internal / external talent dynamics	
Establish a Business Advisory Group to provide input to strategy	●
Establish key talent themes that will form the basis of a long-term People Strategy	●
Establish priority projects and associated KPIs that align to firm strategy.	●
Establish talent pipeline reviews	
Set up regional and global committees for pipeline reviews.	●
Establish infrastructure to provide data and track follow up actions.	●
Pilot pipeline reviews for sub-set of Associate population.	●
Redefine the role of Career Development Partner	
Reset expectations of CDPs.	●
Establish a framework for key conversations that take place during the year, including objective setting, career development, feedback and performance.	●
Establish infrastructure for capturing upward feedback for CDPs, to be implemented in 2023.	●
Review our wellbeing strategy	
Analyse results of our Global People Survey to inform strategy.	●
Analyse exit survey and absence data to inform strategy.	●
Establish global strategy that includes resource allocation, working patterns, and access to benefits and resources.	●
Leverage the work of the Global Wellbeing Group to increase engagement around wellness, resilience and mental wellbeing.	●
Increase awareness of the firm's global Employee Assistance Programme through continued communication and targeting areas of specific interest in each location, including a global campaign for World Mental Health Day.	●

● Good progress / Complete ● In progress ● Not progressed

PEOPLE	STATUS
Improve the gender balance in our partnership	
Report against the regional and leadership group gender targets announced in 2020	●
Establish more Accelerate>>> affinity groups across our offices, increase regional connectivity and build regional Accelerate>>> structures	●
Continue to implement Mansfield program in the US and introduce the program in the U.K. to help sustain greater diversity in recruitment and promotion	●
Improve the ethnic diversity of our firm	
Report against the regional and leadership group ethnicity targets announced in 2020.	●
Establish more REACH affinity groups across our offices, increase regional connectivity and build regional REACH structures.	●
Review outputs of third party analysis of the Partner selection process.	●
Improve LGBT+ inclusion in our firm	
Report against the global LGBT+ targets announced in 2020.	●
Establish more Arcus affinity groups across our offices, increase regional connectivity and build regional Arcus structures	●
Design and deliver first regional Arcus off-site conferences.	●
Improve inclusion of disability within our firm	
Establish more disability affinity groups around our global network to understand better our colleagues' experiences and to progress towards the commitments we have made as part of Valuable 500.	●
Work with the #WeThe15 campaign to engage clients, advance disability equality in the firm and in the campaign in broader society.	●
Engaging and activating the global firm population as advocates for inclusion	
Develop global and regional inclusion campaigns that allow all people to engage in the inclusion project and raise awareness.	●
Partners to attend Code of Conduct workshops, live by the Code and embed the Code of Conduct in their teams.	●

PEOPLE	STATUS
Increase the alignment of our learning and development programmes with our inclusion strategy	
Develop and deliver active campaigning inclusion training to the firm	●
Ensure all leadership groups receive active campaigning inclusion training	●
Continue to embed inclusion as a key component of milestone learning programmes, including New Partners Course and Future Leaders Programme	●●
Increase the number of reverse mentoring pairings across the firm and report on reverse mentoring of leaders in the firm	●
Develop online "Speak Up" training	●
Develop a global programme of inclusion 'Lunch and Learns' to raise awareness and understanding within the firm	●
Develop collaborative inclusion capacity building events with clients	●
COMMUNITY	STATUS
Continue to develop pro bono and community outreach opportunities in business-critical regions	
Number of pro bono mandates in Africa and the US that help to develop the firm's position in these regions	●
Continue to undertake pro bono and community outreach work that strengthens the capabilities of our people and our relationships, and maximises the value we add to our pro bono clients' capacity to achieve their mission	
Pro bono involvement in innovative services and products	●
Number of strategic pro bono relationships that exemplify our theory of change	●
Number of pro bono mandates allocated through the Paladin platform	●
The number of our people who are serving on the boards of not-for-profit organisations	●
To contribute to the achievement of the SDGs by continuing to develop long-term strategic pro bono and community outreach relationships with the world's best NGOs	
The number of long-term global and local office strategic pro bono and community outreach relationships and the number of projects within these relationships	●
The proportion of our pro bono work that is carried out within these relationships	●

● Good progress / Complete ● In progress ● Not progressed

COMMUNITY	STATUS
The number of such relationships with an environmental focus and the number of projects carried out within these relationships	●
The proportion of Clifford Chance Foundation grants that contributes to the achievement of the SDGs	●
Collaborate with clients on projects for these NGOs	
The number of GSC, other clients and significant civil actors with whom we collaborate	●
Deliver our pro bono and community outreach services through partner-led, client-focused and properly resourced teams, effectively supported by the pro bono team	
Our pro bono and community outreach practice will provide all of our people, at all levels, with the opportunities to practice and enhance the skills that are key to their development, making them more effective and well-rounded The proportion of lawyers who reports skills enhancement as one of the benefits of doing pro bono work and satisfaction with the support provided by the pro bono team	●
Support the delivery of the firm's diversity and inclusion programme and the enacting of the firm's values	
The number of diversity and inclusion-related pro bono mandates and joint pro bono and diversity and inclusion events	●
Continue to develop and refine our capability and that of our clients, to support effectively the widest range of civil society organisations, from small community-based organisations to international NGOs	
The number of offices with a relationship with a local school or educational institution	●
In-kind (hours) and direct financial investment in our pro bono and community outreach work	●
The number of people helped by the NGOs we work with, as a result of our support for them	●
Number of collaborations across the pillars of the responsible business strategy that contribute to the firm responding effectively to external events	●
Internal and external communications articulating how our responsible business strategy, ESG practice and SDG alignment differentiate us	●
External validation of our pro bono work, including recognition of our standing as significant actors within sectors that our pro bono practice supports	●
To develop contingency planning that enables the firm to deploy its internal resources in response to external events, e.g. health and natural disasters and social unrest, efficiently and impactfully	
Effective co-ordination by the global Foundation of the firm's disaster-relief grant-making at local office, regional and global levels	●

ENVIRONMENT	STATUS
Gather and analyse systematic data on our environmental performance across our business	
Ensure accurate reporting of all global data is monitored and analysed	●
Targets for Scopes 1, 2 & 3 validated by Science Based Targets initiative	
Submit targets for validation to Science Based Targets initiative	●
Set standards of environmental performance for all offices and monitor achievements as a commitment to continuous improvement	
Set, measure and monitor local targets and initiatives	●
Participate in UN World Environment Day	●
Conduct at least one local environment awareness campaign a year	●
Continue to reduce energy consumption	
Reduce Scope 1 and 2 emissions by 5% from FY18 baseline per FTE by FY22	●
Continue to reduce paper consumption	
Reduce procurement of paper by 10% per FTE from FY18 baseline by FY22	●
Minimise waste	
Improve waste segregation in all offices	●
Monitor and reduce water consumption	
Implement a means of measuring water consumption	●
Improve employee engagement	
Develop local and global communications strategies	●
Participate in local and global sustainability events and campaigns	●
Extend our sustainability	
Promote local initiatives to protect our surrounding environments and habitats	●

Stakeholder Capitalism Metrics

This year we are reporting for the second time using the World Economic Forum's Stakeholder Capitalism Metrics, rather than the GRI framework we have used to date.

We believe that the Stakeholder Capitalism disclosures will provide greater clarity on the firm's commitment and progress across a range of areas that are relevant to our journey, as a professional services firm, to integrate sustainability into our core strategy and operations. We hope the widespread adoption of the Stakeholder Capitalism Metrics will allow stakeholders to better understand and compare different organisations' adoption of ESG strategies, and catalyse progress towards a more sustainable world.

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
GOVERNANCE	Governing purpose	<p>Setting purpose</p> <p>The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p>	Core	<p>Clifford Chance is a leading global law firm, with clients which include corporates from all the commercial and industrial sectors, the financial investor community, governments, regulators, trade bodies and not-for-profit organisations. We are committed to providing clients with the highest-quality advice and legal insight by combining the firm's global standards with in-depth local expertise. We always strive to exceed the expectations of our client and act responsibly, creating long-term sustainable value that supports the future success of all our stakeholders.</p> <p>We are working as a firm to explore our purpose in more detail and to ensure we have a shared and consistent understanding of that purpose. The programme to embed our Code of Conduct is contributing to this work, facilitating discussion across colleagues in all roles and geographies.</p> <p>https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/code-of-conduct.html</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
GOVERNANCE	Quality of governing body	<p>Governance body composition</p> <p>Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.</p>	Core	<p>The firm's top-decision making body, the Executive Leadership Group (ELG), sets the firm's strategy and oversees its implementation. The ELG is chaired by the firm's Global Managing Partner.</p> <p>The ELG comprises 15 members (9 men, 6 women). This includes:</p> <ul style="list-style-type: none"> • The Managing Partner – a senior partner in the firm who is elected by the partnership who are the owners of the firm • The Executive Partner and General Counsel – a senior partner with a broad background of working in the firm internationally • The Chief Operating Officer and Chief Financial Officer – who each bring extensive experience from multiple sectors • Senior partners who lead each of the firm's business lines and major regions - they bring deep expertise in their regions and areas of expertise • A specialist Employment lawyer who acts as our Global Partner for People and Talent, and who works closely with the firm's Chief People Officer (who also attends the ELG) <p>Internally the development and oversight of our responsible business strategy, including governance, risk management and to support implementation of our 2030 near-term science-based targets, is delegated by the Executive Leadership Group (ELG) to the firm's Responsible Business Board, also chaired by the Global Senior Partner, bringing together client-facing ESG experience from across the firm globally. The Responsible Business Board also includes the Global Managing Partner, General Counsel, Chief Operating Officer, Chief Risk & Compliance Officer, Chief People Officer, Global Head of Inclusion, Pro Bono Partner, Pro Bono Director and the Global Head of Brand, Communications and Marketing.</p>
GOVERNANCE	Stakeholder engagement	<p>Material issues impacting stakeholders</p> <p>A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.</p>	Core	<p>An updated materiality assessment is planned for the next 12 months and will include input from our people, our clients and our wider communities.</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
GOVERNANCE	Ethical behaviour	<p>Anti-corruption</p> <ol style="list-style-type: none"> Total percentage of governance body members, employees and business partners who have received training on the firm's anti-corruption policies and procedures, broken down by region. <ol style="list-style-type: none"> Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and Total number and nature of incidents of corruption confirmed during the current year, related to this year. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. 	Core	<p>Clifford Chance has a policy of zero tolerance of bribery and corruption. We expressly prohibit the giving or receiving of any form of bribe and we are committed to fully comply with the anti-corruption laws of all the jurisdictions in which we operate. All of our partners and employees globally are required to complete training on the firm's anti-corruption policies and procedures. In addition, all partners and employees are required to provide an annual certification that includes confirmation of knowledge of, and compliance with, relevant policies and practices, including anti-bribery and corruption.</p> <p>No incidents of corruption involving the firm or its employees have been confirmed in the current year, whether relating to this year or previous years.</p> <p>We have clear internal procedures for firm members to report concerns about values, ethics and professional conduct. We also have a dedicated mailbox monitored by a global team of compliance and legal professionals where everyone in the firm can seek advice on a number of topics, including any concerns around ethical and lawful behaviour as well as professional standards.</p> <p>Clifford Chance's responsible business strategy includes a focus on establishing and promoting market-shaping practice in relation to ethics, professional standards and risk management. Our firm supports external initiatives which promote responsible and ethical business practices. We regularly engage with relevant bodies and organisations, including the Institute of Business Ethics, Professionals Against Corruption and Partnership Against Corruption. Our firm is actively involved in the WEF Global Futures Council on Transparency and Anti-corruption.</p>
GOVERNANCE	Ethical behaviour	<p>Protected ethics advice and reporting mechanisms</p> <p>A description of internal and external mechanisms for:</p> <ol style="list-style-type: none"> Seeking advice about ethical and lawful behaviour and organisational integrity; and Reporting concerns about unethical or unlawful behaviour and lack of organisational integrity. 	Core	<p>We have launched and promoted our Code of Conduct, which includes "Speak up" as one of its five core values. If an employee witnesses bad, inappropriate, disrespectful, aggressive or unethical behaviour, as well as any potential or actual misconduct internally or externally (including in interactions with clients, service providers and other third parties), they are encouraged to call it out and report it through the relevant channels of the firm.</p> <p>In addition, we recognise there are times when colleagues may feel the need for an opportunity to raise a concern or as a question without coming forward directly to a colleague. For these instances, the firm has engaged Navex Global as an independent and impartial service available 24/7 to all our people to report concerns confidentially, to the extent permitted by law.</p> <p>See our global Code of Conduct: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/code-of-conduct.html</p> <p>See our Policies: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards.html</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
GOVERNANCE	Risk and opportunity oversight	<p>Integrating risk and opportunity into business process</p> <p>Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.</p>	Core	<p>Clifford Chance deploys an enterprise-wide approach to risk management that looks to aggregate risk across regions and business functions in order to articulate the most prominent risks that may affect delivery of the firm's objectives.</p> <p>This Enterprise Risk Management (ERM) initiative is designed to address the likelihood and consequences of risks materialising, as well as to inform strategic decisions, successful delivery of change and increased operational efficiency. The framework allows the firm to continue to be entrepreneurial in delivering legal services of the highest standard, whilst adopting a prudent approach to risk management.</p> <p>For example, a key risk area we focus on is cyber and information security. Control of client information is particularly important for Clifford Chance given the nature and type of information often held by the firm. The firm operates multi-layer defences against cyber activity, including a full-service approach to identify and frustrate attempts to access the firm's network. This is supported by a series of global policies governing IT use and access, data loss prevention tools and training and regular awareness activities across the firm.</p> <p>The firm also considers legal and reputational risks when assessing potential new clients and new matters. The assessment goes beyond mandatory AML requirements and takes into account matter-specific considerations (including potential human rights or adverse environmental related concerns). Where risks are identified a matter may be subject to specific clearance conditions or we may decline to take the matter on altogether.</p> <p>See this article on our Compliance Framework: https://www.cliffordchance.com/insights/resources/blogs/responsible-business-insights/2021/11/a-framework-for-responsibility.html</p> <p>See our Responsible Business report 2021 on our Climate Change Policy: https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2021/responsible-business-report-2021.pdf</p> <p>See our global Code of Conduct: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/code-of-conduct.html</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES																		
PLANET	Climate change	<p>Greenhouse gas (GHG) emissions</p> <p>For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions.</p> <p>Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.</p>	Core	<p>We report our fuel and electricity consumption (scope 1 and 2 emissions) in accordance with the GHG Protocol Reporting Standard. The table below provides visibility of our consumption overtime, taking into account temporary office closures during the global pandemic:</p> <table border="1" data-bbox="1609 479 2803 555"> <thead> <tr> <th>Financial Year</th> <th>FY15</th> <th>FY16</th> <th>FY17</th> <th>FY18</th> <th>FY19</th> <th>FY20</th> <th>FY21</th> <th>FY22</th> </tr> </thead> <tbody> <tr> <td>Global tCO2e per FTE (Fuel and Electricity)</td> <td>4.55</td> <td>4.06</td> <td>2.98</td> <td>2.78</td> <td>2.41</td> <td>1.99</td> <td>1.44</td> <td>1.44</td> </tr> </tbody> </table> <p>We commenced independent detailed analysis of our GHG Scope 3 emissions, which revealed they comprise 96% of our global emissions (S1, 2 and 3). Scope 3 emissions are those emissions indirectly impacting our value chain such as purchased goods and services, travel, waste and employee commuting. With 59.5% of our emissions sitting within purchased goods and services, we've chosen to partner with sustainability ratings provider EcoVadis to help us better understand our suppliers' environmental and social impact and work with them to reduce the emissions related to their delivery of services to our firm. Through detailed carbon scorecards, we have a comprehensive view of our suppliers' GHG / carbon management based on primary data and are able to empower suppliers for action with training and tools for improvement. We are committed to reporting the progress we are making as part of our sustainable procurement programme and you can read more about our programme and our progress on our website: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards.html</p>	Financial Year	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	Global tCO2e per FTE (Fuel and Electricity)	4.55	4.06	2.98	2.78	2.41	1.99	1.44	1.44
Financial Year	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22														
Global tCO2e per FTE (Fuel and Electricity)	4.55	4.06	2.98	2.78	2.41	1.99	1.44	1.44														
PLANET	Climate change	<p>TCFD implementation</p> <p>Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.</p>	Core	<p>In line with the UK Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022, we confirm that the disclosures included in the Responsible Business Report 2022 are consistent with the TCFD Recommendations and Recommended Disclosures - see TCFD report here.</p> <p>Key elements to highlight include, but are not limited to:</p> <ol style="list-style-type: none"> 1. We aim to reduce absolute scope 1 and 2 GHG emissions 80% by 2030 from a FY2020 base year, and to reduce absolute scope 3 GHG emissions 47% within the same timeframe. Clifford Chance has signed the Business Ambition for 1.5°C commitment letter in October 2021. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero. 2. Our annual CDP response provides further disclosures on our approach to climate change (cdp.net/en). 3. In May 2022 Our Responsible Business Board approved our updated Energy & Environment Policy which supports the firm's approach to deliver its near-term science-based targets by 2030. <p>See the Policies section of our website: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies.html</p>																		

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
PLANET	Nature loss	<p>Land use and ecological sensitivity</p> <p>Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).</p>	Core	According to the www.keybiodiversityareas.org database there are no Clifford Chance offices in the immediate vicinity of Key Biodiversity Areas (KBA's), accordingly our offices are in the centre of major cities. The office nearest Ras Al Khor Wildlife Sanctuary (c. 10 km from our Dubai office)
PLANET	Freshwater availability	<p>Water consumption and withdrawal in water-stressed areas</p> <p>Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool.</p> <p>Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.</p>	Core	According to WRI Aqueduct water risk atlas tool. 5 of our office locations are within Cities of extremely high baseline water stress and 9 are in locations of high baseline water stress.
PLANET	Climate change	<p>Paris-aligned GHG emissions targets</p> <p>Define and report progress against time-bound science-based GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. This should include defining a date before 2050 by which the firm will achieve net-zero greenhouse gas emissions, and interim reduction targets based on the methodologies provided by the Science Based Targets initiative, if applicable.</p> <p>If an alternative approach is taken, disclose the methodology used to calculate the targets and the basis on which they deliver on the goals of the Paris Agreement.</p>	Expanded	We aim to reduce absolute scope 1 and 2 GHG emissions 80% by 2030 from a FY2020 base year, and to reduce absolute scope 3 GHG emissions 47% within the same timeframe. Clifford Chance signed the Business Ambition for 1.5°C commitment letter in October 2021. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero. Read more in our Responsible Business report 2022.
PEOPLE	Dignity and equality	<p>Diversity and inclusion (%)</p> <p>Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).</p>	Core	Inclusion Reporting FY21/22 https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2022/inclusion-reporting-fy22.pdf

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
PEOPLE	Dignity and equality	<p>Pay equality (%)</p> <p>Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.</p>	Core	<p>Clifford Chance is committed to creating an inclusive environment, providing equal employment opportunities for all members of the firm and future employees.</p> <p>It is the firm’s policy to treat all employees and job applicants fairly and equally regardless of their gender, marital or civil partnership status, race, colour, national or ethnic origin, social or economic background, disability, religious belief, sexual orientation, or age. Furthermore, the firm will ensure that no requirement or condition will be imposed without justification which could disadvantage individuals purely on any of the above grounds. The policy applies to recruitment and selection, terms and conditions of employment including pay, promotion, training, transfer and every other aspect of employment. The firm will regularly review its procedures and selection criteria to ensure that individuals are selected, promoted and otherwise treated according to their relevant individual abilities and merits.</p> <p>Clifford Chance complies with all applicable pay equity reporting laws, including the United Kingdom’s gender pay gap reporting obligations. We were the first law firm to include the total annual earnings of partners in our UK pay gap data, so that we could show ourselves and the world the true distance that has to be travelled to deliver equal opportunities for everyone in our firm. In 2018, we added ethnicity, LGBT+ and disability data to our reporting, alongside gender, not because we had to but because we felt we needed to if we are to truly drive change. In 2022 we also published our social mobility data, and were the first law firm to do this. We continue to report this way and examine closely the causes of our pay gaps. We also continue to design and implement a range of strategic interventions to address these causes, which we consistently monitor and review. Our latest UK pay gap report is available here [link]</p> <p>The career and compensation structure for all Clifford Chance employees is based on market analysis, external insights and comprehensive and objective benchmarking. Individuals are placed within a predetermined range based on legitimate, non-discriminatory factors, including, as applicable, relevant skills and experience, and geographic location. Clifford Chance operates to ensure that all employees are paid equitably throughout their careers, and the view of employees is sought throughout their career with Clifford Chance via employee engagement surveys.</p> <p>The Clifford Chance partnership includes both equity and non-equity partners. Admission to the partnership follows a thorough evaluation of the business case as we assess the personal strengths for each candidate, and admittance to the partnership requires a vote of all partners. Partner pay is based on a modified lockstep structure reflecting the point of each partner in their practice, and against a framework of expectations and KPIs. The processes for agreeing partner pay are reviewed by the Partnership Council. Individual equity partner remuneration is shared with all partners.</p> <p>Clifford Chance continues to take steps to increase its public commitment to global social responsibility principles, including those pertaining to pay equity. The firm formally supports the Women’s Empowerment Principles, the UN’s Guiding Principles on Business and Human Rights, the UN’s Standards of Conduct for Business for Tackling Discrimination against Lesbian, Gay, Bi, Trans and Intersex (LGBTI) People; and we have signed a global partnership with The Women’s Forum for the Economy & Society (WEFCOS).</p> <p>See Our Commitments: https://www.cliffordchance.com/about_us/responsible-business/reports-data-and-insights/our-commitments.html</p> <p>See our UK Pay Gap report 2021: https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2021/pay-gap-report-2021.pdf</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
PEOPLE	Dignity and equality	<p>Wage level (%)</p> <ol style="list-style-type: none"> Ratios of standard entry level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO. 	Core	<p>Clifford Chance is committed to paying all colleagues a living wage. As our pay is based on thorough and objective benchmarks and market insights from multiple external sources, our lowest compensation ranges are well above minimum wage including for entry level positions. As part of our standard terms, we encourage our UK suppliers, who can afford to do so, to ensure that their employees receive a wage that meets the cost of living and not just the Government minimum.</p>
PEOPLE	Dignity and equality	<p>Risk for incidents of child, forced or compulsory labour</p> <p>An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to:</p> <ol style="list-style-type: none"> type of operation (such as manufacturing plant) and type of supplier; and countries or geographic areas with operations and suppliers considered at risk. 	Core	<p>Clifford Chance is committed to preventing slavery and human trafficking in our business and our supply chain. We are actively committed to the UN Global Compact's 10 principles and our global human rights policy states our support of, and respect for, internationally recognised human rights. We promote ethical values and report annually on our progress in the core areas of human rights, labour, anti-corruption and the environment. You can read more about our progress in the Responsible Business Report. Our ethical approach is further reinforced by our global employment and labour policies, such as those relating to inclusion and diversity https://www.cliffordchance.com/about_us/inclusion-and-diversity.html</p> <p>We acknowledge that slavery and human trafficking exist in many jurisdictions in which we operate, and from which we procure goods or services. We seek to refresh and update our risk assessment regularly to ensure that we better identify, manage and monitor any risks associated with our firm and our supply chain. We are a professional services firm strictly regulated by professional regulatory bodies in each of the jurisdictions in which we operate and our ongoing assessment is that we are at low risk of slavery or human trafficking occurring within our own business, but that there is a greater risk of slavery and human trafficking occurring within our supply chains. This assessment is based on a number of factors, including that our business primarily comprises permanently employed, skilled colleagues in a client-focused service sector regulated within strict ethical frameworks. We also implement high workplace standards globally and have remuneration policies that are designed to be competitive within the professional services market. We do not employ migrant workers.</p> <p>We undertake independent analysis and review of the sustainability performance of our key suppliers, which includes those categories where there is the highest risk of modern slavery; cleaning, construction, hospitality, transportation and electronics.</p> <p>You can read more about our sustainable procurement programme and progress here: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards.html</p> <p>Supplier Standards: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards/supplier-standards.html</p> <p>2021 Modern Slavery Act: https://www.cliffordchance.com/content/dam/cliffordchance/About_us/legal-statements/modern-slavery-act-2021.pdf</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
PEOPLE	Health and wellbeing	<p>Health and safety (%)</p> <ol style="list-style-type: none"> 1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. 2. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers. 	Core	<p>As a professional-services firm, the risks of work-related injury is low. We however support our people through employment benefits and wellbeing programmes designed to maintain the health, safety and physical and mental wellbeing of our people. For example, all offices provided financial and other support to enable our people to work safely from home during the pandemic, notably to ensure a healthy workstation set up with budget available for chairs, desks, screens, etc. We actively promote a wide range of resources to help our people in managing their mental wellbeing, including on-site psychologist support in our London office. The firm is a founding partner of the Global Business Collaboration for Better Workplace Mental Health.</p> <p>https://www.cliffordchance.com/news/news/2021/01/clifford-chance-collaborates-with-business-leaders-to-launch-the.html</p>
PEOPLE	Skills for the future	<p>Training provided (#, \$)</p> <p>Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees).</p> <p>Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).</p>	Core	<p>Lifelong learning is highly valued at Clifford Chance and is enshrined in our culture, with an emphasis on 'soft skills' – including managing wellbeing and resilience – as well as the development of business and technical capabilities.</p> <p>See our Academy statistics 2021/22: https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2022/cliffordchanceacademystats2122.pdf</p>
PEOPLE	Dignity and equality	<p>Pay gap (% , #)</p> <ol style="list-style-type: none"> 1. Mean pay gap of basic salary and remuneration of full-time relevant employees based on gender (women to men) and indicators of diversity (e.g. BAME to non-BAME) at a company level or by significant location of operation. 2. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country. 	Expanded	<p>See our UK Pay Gap report 2021: https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2021/pay-gap-report-2021.pdf</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
PEOPLE	Dignity and equality	<p>Freedom of association and collective bargaining at risk (%)</p> <ol style="list-style-type: none"> Percentage of active workforce covered under collective bargaining agreements. An explanation of the assessment performed on suppliers for which the right to freedom of association and collective bargaining is at risk, including measures taken by the organisation to address these risks. 	Expanded	<p>All employees, in all of our offices, are free to join collective bargaining agreements but the specifics vary significantly from one office to the next, partly dependent on local employment legislation and general practice.</p> <p>As part of our assessment of the sustainability performance of suppliers, we measure what they're doing to monitor the percentage of their total workforce across all locations who are covered by formal collective agreements concerning working conditions and terms of employment, inclusive of wages, working hours, vacation days, etc. Independent verification of the documents provided by our suppliers is undertaken by EcoVadis ESG specialists. We expect all suppliers to comply with the applicable laws in the countries within which they operate. You can read more about our sustainable procurement programme and progress here: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards.html</p>
PEOPLE	Dignity and equality	<p>Human rights review, grievance impact & modern slavery (#, %)</p> <ol style="list-style-type: none"> Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. Number and type of grievances reported with associated impacts related to a salient human rights issue in the reporting period and an explanation on type of impacts. Number and percentage of operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: <ol style="list-style-type: none"> type of operation (such as manufacturing plant) and type of supplier; and countries or geographic areas with operations and suppliers considered at risk. 	Expanded	<p>We acknowledge that slavery and human trafficking exist in many jurisdictions in which we operate, and from which we procure goods or services</p> <p>A member of the central procurement team is responsible for the development and oversight of third-party risk management processes, including due diligence, and, in conjunction with the central compliance team, seeks to educate those individuals who manage third-party relationships on the practical implementation of our Slavery and Human Trafficking Policy. Our overall objective is to establish and maintain relationships with our suppliers that will minimise the risk of slavery or human trafficking occurring within our supply chains. Our approach is guided by the UN Guiding Principles on Business and Human Rights.</p> <p>Our 'Human Rights & Modern Slavery' Supplier Standard outlines what we expect from our suppliers https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards/supplier-standards.html</p> <p>In March 2022, we undertook a central risk assessment for any recorded human rights issues, including modern slavery, with respect to our top 100 global spend suppliers in sectors identified by our external modern slavery consultant as highest risk for modern slavery: cleaning; construction; hospitality (catering and hotels); transportation (airlines and car services); and electronics.</p>
PROSPERITY	Employment and wealth generation	<p>Absolute number and rate of employment</p> <p>Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region.</p>	Core	<p>In FY22 Clifford Chance hired 1277 lawyers and business professionals globally.</p>

PILLAR	THEME	METRICS AND DISCLOSURES	CORE OR EXPANDED METRIC	INFORMATION AND REFERENCES
PROSPERITY	Employment and wealth generation	<p>Economic contribution</p> <p>1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organisation's global operations, ideally split out by:</p> <ul style="list-style-type: none"> - Revenues - Operating costs - Employee wages and benefits - Payments to providers of capital - Payments to government - Community investment <p>2. Financial assistance received from the government: total monetary value of financial assistance received by the organisation from any government during the reporting period.</p>	Core	<p>In FY22 Clifford Chance recorded revenues of GBP £1,969 million.</p> <p>Read our Annual Review 2022 for further information https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2022/annual-review-fy22.pdf</p>
PROSPERITY	Employment and wealth generation	<p>Financial investment contribution</p> <p>Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy.</p> <p>Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.</p>	Core	<p>Read our Annual Review 2022 for further information https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2022/annual-review-fy22.pdf</p>
PROSPERITY	Innovation of better products and services	<p>Total R&D expenses (\$)</p> <p>Total costs related to research and development.</p>	Core	<p>Innovation in the design, development and delivery of legal services is a core pillar of Clifford Chance's strategy. Beyond the development of new products or processes, it is integral to our knowledge and solutions delivery to clients. As such, we cannot accurately calculate the cost of our investment in R&D.</p>
PROSPERITY	Community and social vitality	<p>Total tax paid</p> <p>The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.</p>	Core	<p>Total Tax Contribution for FY22 was GBP £686 million.</p> <p>Read our Annual Review 2022 for further information https://www.cliffordchance.com/content/dam/cliffordchance/About_us/responsible-business/2022/annual-review-fy22.pdf</p>

Task Force on Climate-related Disclosures

These Task Force on Climate-related Financial Disclosures (TCFD) provide information about what the firm is doing to mitigate the risks of climate change and the way in which these are governed. The governance related to TCFD is outlined in this table; see the Stakeholder Capitalism Metrics for further reporting on the firm's governance, risk and metrics – see Monitoring our progress for further information on the firm's progress towards its targets.

METRICS AND TARGETS	DISCLOSURE
Governance	
<p>1. Describe the board's oversight of climate-related risks and opportunities</p>	<p>Clifford Chance has established a global taskforce ("ESG Board"), chaired by the Global Senior Partner and bringing together representatives across Clifford Chance's practices and markets, to focus on helping organizations to navigate and bring about the accelerating global shift towards more sustainable businesses and societies.</p> <p>Internally the development and oversight of our responsible business strategy, including governance, risk management and to support implementation of our 2030 near-term science-based targets, is delegated by the Executive Leadership Group (ELG) to the firm's Responsible Business Board, also chaired by the Global Senior Partner, bringing together client-facing ESG experience from across the firm globally. The Responsible Business Board also includes the Global Managing Partner, General Counsel, Chief Operating Officer, Chief Risk & Compliance Officer, Chief People Officer, Global Head of Inclusion, Pro Bono Partner, Pro Bono Director and the Global Head of Brand, Communications and Marketing.</p> <p>Our firm has an Environment Board, which reports into the Responsible Business Board. Our Environment Board takes a global approach and comprises representatives from across our firm from the UK, Americas, Continental Europe and Asia Pacific. The Environment Board's mission is to reduce the firm's carbon emissions and to ensure that the firm does its part to abate the effects of climate change and aims to illustrate to both the firm's colleagues and suppliers how much individual behaviours matter in achieving this goal.</p>
<p>2. Describe management's role in assessing and managing climate-related risks and opportunities</p>	<p>In addition to the above, the Environment Board Sponsor will ensure the Responsible Business Board is updated on progress against targets, including any risks or issues that could impact the firm achieving its near-term 2030 science-based targets and underlying policies. The Responsible Business Board will report to the Executive Leadership Group, as appropriate, on the firm's compliance with such policies and progress against agreed objectives and targets.</p>

METRICS AND TARGETS	DISCLOSURE
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Strategy	
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<p>Strategy</p> <p>1 & 2. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term, including impact on the organization's businesses and financial planning</p>	<p>We aim to reduce absolute scope 1 and 2 GHG emissions 80% by 2030 from a FY2020 base year, and to reduce absolute scope 3 GHG emissions 47% within the same timeframe. Clifford Chance has signed the Business Ambition for 1.5°C commitment letter in October 2021. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero.</p> <p>Although we recognise that we have made progress in emissions reduction against our FY18 baseline, we haven't made as much progress as we would have liked against our KPIs for FY22 (See Monitoring our progress on page 38) We are also mindful that action has predominantly been focused on our premises, supplier management and, more recently, travel initiatives. To achieve our near-term science-based targets for 2030, we will develop an implementation plan to include reporting methodologies, and consider the impact on and engagement with our people and clients. Our forward-looking objectives for FY23 support us to achieve this and work collaboratively across the firm to explore how we can determine the impact of the work we do for our clients and ensure alignment with environment-related UN Sustainable Development Goals.</p> <p>As part of the programme, and to ensure we deliver against the commitments we have made, we have carved out our climate related risks into three aspects; those that we can address in the short term (<1 year, including changes in legislation and regulations, financial) those that we can address in the medium term (>1 year and <3 years, including business travel, reporting methodologies) and those that we can address in the long term (>3 years and <8 years including extreme changes in temperature and weather conditions). These will help inform the actions we will take, and which will be documented in our near term 2030 science-based target implementation plan. Key areas of focus include, but are not limited to, physical, financial, legal and environmental related risks, including our premises, sustainable procurement and responsible travel initiatives.</p> <p>PHYSICAL RISKS</p> <p>As a global firm operating in 21 countries and 31 offices, we could be exposed to acute physical risks related to climate change, including, hurricanes, flooding, cyclone and temperature extremes. Chronic risks such as sea-level rise and heat stress could also impact our firm.</p> <p>TRANSITION RISKS</p> <p>Financial: As a result of the global energy crisis, and circular energy shortages, we are impacted financially with rising costs for gas and energy.</p> <p>Legal & Regulatory: As climate action has become a key imperative for businesses worldwide, this has caused us to think about how we deliver services to our clients and our colleagues and placed greater importance on reducing our emissions. Legislative targets and obligations, pressure from external stakeholders, and growing commitments on disclosure and transparency, have led to the setting of a clear set of targets for our firm to support our environmental commitments.</p> <p>Travel: There is a risk that the firm reverts to pre-pandemic travel patterns and behaviours impacting our ability to achieve our environmental targets. We are seeking to develop our 'responsible travel' approach. The firm is not able to accurately assess its carbon footprint based on inaccurate and/or lack of emissions data provided by its supply chain and regional offices.</p> <p>Targets: Our ability to meet our targets, reduce our emissions and improve our carbon footprint will depend on our level of ambition, legal obligations and 'emitters' playing their part. If we do not 'act responsibly' then there is the risk that we will not meet our targets. There is also a risk that we associate ourselves with client programmes that are not 'green' and which do not support our responsible business strategy. The risks from target setting require careful management to avoid under-promising (leading to claims of greenwashing and reduction in client confidence) and overpromising (where we don't achieve the targets we have set, which could impact our reputation, client confidence and means that our competitor organisations gain competitive advantage).</p> <p>Opportunities: We have seen a shift in consumer preferences; clients are seeking more legal expertise on climate related matters, which provides Clifford Chance with the opportunity to drive the business and enhance growth.</p>
<p>3. Describe the resilience of the organization's strategy, taking into consideration different climate related scenario's, including a 2°C or lower scenario</p>	<p>We have applied a climate related scenario analysis in order to align our strategy with climate science and ensure we fulfil our near-term 2030 science-based targets and alignment to 1.5 degrees. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero. The scenario analysis builds resilience into our strategy and strengthens our commitment to manage climate related risks. We will continue to apply science-based scenario analyses to inform qualitative and/or quantitative disclosures until we meet our ambition.</p>

DISCLOSURE RECOMMENDATION	DISCLOSURE
Risk Management	
<p>1. Describe the organization's processes for identifying and assessing climate-related risks</p>	<p>The firm deploys an enterprise-wide approach to risk i.e., one that looks to aggregate risk across regions and business functions to articulate the most prominent risks that may affect delivery of the firm's objectives. The Enterprise Risk Management Framework and programme enables the firm to address the likelihood and impact and consequences of risks materialising, inclusive of climate related risks, and works with the business to put controls in place to mitigate and manage them.</p> <p>Some climate related risks are identified and assessed through our Business Continuity Planning (BCP). BCP processes seek to safeguard our colleagues and minimise the inconvenience to our clients, through having contingency plans that operate if our usual business state is interrupted. Interruptions cover a range of risk types, including climate related risks. These may relate to natural disaster (floods); utility outages (power failure/energy supply issues), etc., and we have also considered our working from home policies as part of our risk assessment and review.</p>
<p>2. Describe the organization's processes for managing climate-related risks</p>	<p>We have a process in place to manage climate related risks associated with upcoming legislations. We seek to keep up to date with any future climate related regulations that might impact our operations and our progress against agreed targets is reviewed and monitored as part of regular Environment Board meetings.</p>
<p>3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</p>	<p>The firm deploys an enterprise-wide approach to risk i.e., one that looks to aggregate risk across regions and business functions to articulate the most prominent risks that may affect delivery of the firm's objectives. The Enterprise Risk Management Framework and programme enables the firm to address the likelihood and impact and consequences of risks materialising, inclusive of climate related risks, and works with the business to put controls in place to mitigate and manage them.</p>

DISCLOSURE RECOMMENDATION	DISCLOSURE
Metrics and Targets	
<p>1. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process</p>	<p>We aim to reduce absolute scope 1 and 2 GHG emissions 80% by 2030 from a FY2020 base year, and to reduce absolute scope 3 GHG emissions 47% within the same timeframe. Clifford Chance signed the Business Ambition for 1.5°C commitment letter in October 2021. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero.</p> <p>We are committed to reporting regularly to our stakeholders on how we understand our role as a responsible business, and the progress we are making against our objectives. You can read about the progress we're making in the Monitoring our progress section on page 38</p>
<p>2. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</p>	<p>Our total baseline emissions (FY2020) were 131,694 tCO2e which comprised - Scope 1: 1,304 tCO2e, Scope 2: 3,869 tCO2e and Scope 3: 126,521 tCO2e. We have partnered with Greenstone, who provide sustainability reporting software solutions in order to monitor progress towards our targets. This meets the requirements of global reporting frameworks such as CDP. We have again submitted an annual CDP response for our latest financial year end (https://www.cdp.net/en/dashboards/corporate)</p> <p>Our Scope 3 emissions comprise purchased goods and services, travel, waste and employee commuting, with purchased goods and services making up 59.5% of our overall Scope 3 emissions (96%). We have partnered with EcoVadis to help reduce our firm, and suppliers' negative environmental and social impacts. Through detailed carbon scorecards, we have a comprehensive view of our suppliers' GHG / carbon management based on primary data and are able to empower suppliers for action with training and tools for improvement. We are committed to reporting the progress we are making as part of our sustainable procurement programme and you can read more about our programme and our progress on our website: https://www.cliffordchance.com/about_us/who-we-are-and-how-we-work/policies/supplier-standards.html</p>
<p>3. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets</p>	<p>We aim to reduce absolute scope 1 and 2 GHG emissions 80% by 2030 from a FY2020 base year, and to reduce absolute scope 3 GHG emissions 47% within the same timeframe. Clifford Chance signed the Business Ambition for 1.5°C commitment letter in October 2021. In March 2022 our near-term science-based targets for 2030 were independently assessed and validated as a key element to our longer-term aim of being net zero.</p>

C L I F F O R D
C H A N C E

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