

## COMMUNICATION ON PROGRESS – CMS

### Statement of continued support by the Chief Executive Officer

9 August 2022

To our stakeholders:

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

In this annual Communication on Progress (CoP), we describe our actions to continually improve the integration of the Global Compact and its principles into our business. We also commit to share this information with our stakeholders using our primary channels of communication.

We do not underestimate the challenges ahead in bringing this commitment to life as part of our culture, strategy and how we run the business. We know that this takes time but are also ambitious to make rapid progress.

In particular, our focus this year has been on understanding how we can better align our activities, and pursuit of this agenda within individual geographies, to drive consistency and high standards across the organisation. To this end, the CMS Executive Committee has signed off an ESG Charter (see “CMS ESG Charter”) that confirms our commitment and support of UN Global Compact Principles and the UN Sustainable Development Goals as well as our commitments in relation to responsible business and environmental, social and governance factors.

As part of our commitment to the UN’s Ten Principles, our member firms in Belgium, France, Germany, South Africa and the UK are working with EcoVadis to apply rigorous assessment and measurement of our progress, including against the UN Global Compact principles. The sustainability scorecard illustrates performance across 21 indicators in four themes: Environment, Labour and Human Rights, Ethics and Sustainable Procurement.

In addition, some member firms, for example in Austria and in South America, have undergone certification processes that continuously contribute to improving their environmental footprint.

This work is ongoing as we look towards the next CoP reporting period and we will update further next year.

Sincerely yours,  
Isabel Scholes  
Executive Director  
CMS Legal Services EEIG

## Human Rights

*Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*

*Principle 2: make sure that they are not complicit in human rights abuses.*

### **Assessment, policy and goals**

- *Description of the relevance of human rights for the company (i.e. human rights risk assessment). Description of policies, public commitments and company goals on Human Rights.*

### **CMS – all firms**

In line with the UN Guiding Principles, CMS respects and supports fundamental human rights and we work to guard against complicity in human rights abuses.

We strive to avoid causing or contributing to adverse human rights impacts on our people and, through the running of our offices, on those who work for us through our supply chain. We also commit to addressing such impacts immediately should they occur.

Gender equality, as well as the rights of other groupings such as disabled people and LGBTQIA+, is a key focus for us at CMS. We see supporting people of different nationalities, genders, ethnic and religious origins and sexual orientations, through a broad range of policies, practices and procedures, as an obligation.

Our Diversity & Inclusion (D&I) strategy brings together everyone at CMS, as well as our clients and communities, whatever their backgrounds, to develop thriving careers, positive cultures and new ways of working. It is a force for change.

Our strategy is articulated around:

- Culture of Trust, Respect and Inclusion – we educate, equip and empower all our people to contribute to the shaping of our culture
- Process & Practices – we create fair access, opportunity and advancement for all, from attraction to career progression and retention
- Collaboration – we drive transformational change through internal collaboration and external partnerships with our clients, suppliers, the marketplace and our communities

Through this reporting period, we have worked to culturally embed the commitments and approach outlined by our Diversity & Inclusion Charter, which was established in 2021. It states that: “As an international organisation with clients and employees spanning a multitude of countries and cultures, we believe that diversity is of fundamental importance to CMS. Engaging and supporting a diverse and inclusive workforce that reflects the diversity of our clients and their sectors is the basis for a sustainable and successful business. We are committed to:

- Developing and supporting a diverse workplace in which all are welcome regardless of gender, marital status, race, colour, national or ethnic origin, social or economic background, disability, religious belief, sexual orientation or age
- Creating an environment that encourages new ways of thinking and working and values the contributions and perspectives of all – especially those with experience, ideas and work styles different from our own
- Supporting all staff with a broad range of policies, practices and procedures which recognise individual contribution and performance, develop each individual’s

capability and give everyone an equal opportunity to use their talent and fulfil their potential

- Providing a workplace free from discrimination, harassment and bullying, where everyone is treated with dignity and respect.

This charter serves as a framework to help firmly embed these beliefs across our organisation and foster a diverse workforce and an inclusive workplace for all at CMS. All members of the CMS Executive Committee (and the firms they represent), as well as the CMS Executive Team, have endorsed this charter and are committed to fostering diversity and practising inclusion within CMS.

### **Implementation**

- *Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.*

### **UK, CEE, China, Middle East**

We have a Modern Slavery Statement and Ethical Procurement policy. As part of our commitment to respecting and supporting fundamental human rights, we have continued to provide *pro bono* legal support to a range of charities and organisations that promote human rights and work to eradicate human rights abuses. For example, we advise the Happy Child International Foundation, which carries out campaign, research and advocacy work in order to end Child Sexual Exploitation and Abuse (CSEA), and Rights of Women, a charity working to eradicate violence against women.

Examples of our D&I strategy in practice include:

- Employee Networks: open to all, our Employee Networks help push the diversity agenda forward, providing a platform to raise awareness and discuss relevant issues. Although they each focus on a different aspect of diversity, they also work together to address intersectionality and drive change.
- *The Times* Top 50 Employer for Women: for the sixth year in a row we have been recognised as a *Times* Top 50 Employer for Women.
- Social mobility: we are involved in a range of social mobility initiatives with the aim of widening access to the legal and business world. These include developing legal apprenticeships, participating in PRIME and the Social Mobility Business Partnership and, now in its tenth year, the CMS Law Scholarship, which helps disadvantaged young people to enter the legal profession.

### **Germany**

CMS Germany is committed to respecting and upholding human rights in all our business activities as defined in our Sustainability Charter. We also apply our Sustainable Procurement Policy and Supplier Code of Conduct to identify and manage potential human rights violations along the supply chain.

We support workplace diversity and are signatories of the Diversity Charter (Charta der Vielfalt), a nationwide corporate initiative that promotes diversity in Germany's business culture. In addition, we recently set up a regular D&I Roundtable that encourages informal exchange on all topics related to diversity and inclusion. Along with strategic initiatives, we work in partnership with numerous organisations that promote equal opportunities and diverse workplaces free of discrimination, e.g. Proud@Work, a LGBTIQ+ Career Network for Lawyers, ALICE, and Nushu, a female business network. Since 2021, we have been participating in the UNGC Target Gender Equality Programme.

In 2015, CMS Germany established the CMS Foundation with the mission to provide “Access to justice. For all.” The CMS Foundation is committed to ensuring that everyone can rely on the legal system, regardless of origin, social and family status, educational background or financial means. The *pro bono* programme “CMSengage!” also provides *pro bono* legal advice to various non-profit human rights organisations. Access to justice is a fundamental human right and the basis for a self-determined life. The CMS Foundation is particularly committed to the vulnerable, including poor and under-served people, refugees and victims of violence and human trafficking. For example, CMS and CMS Foundation together support the legal aid platform [Immigration4Ukraine](#). The current CMS Foundation Report can be found [here](#).

## France

Along with some 4,100 other companies, CMS France became a signatory to the French Diversity Charter in 2021, underscoring its commitment to combating all forms of discrimination and promoting diversity.

To diversify recruitment, we support young graduates irrespective of their academic, geographic or social origins. Our firm works to promote diversity by offering young people from disadvantaged backgrounds the possibility to complete an internship through the programme, *Un stage pour tous* (An internship for everyone). It is a way to introduce them to a professional environment far removed from their local labour market and give them a chance to choose and make a success of their future career.

CMS promotes equality between women and men in terms of remuneration and professional development. The firm has put a specific policy in place to meet this objective, which is spearheaded by the Management Board and the Supervisory Board. A steering committee comprising 14 partners, evenly split between women and men, defines action plans and oversees implementation, develops indicators to track progress, and takes charge of coordination with the firm’s various stakeholders. Communications and awareness campaigns have been conducted within the firm in support of this policy.

Over the last three years, we have had an action plan in place to accompany career development for women lawyers within our firm. Achievements include the launch of two training programmes:

- Young Female Talent: on building a successful career, intended for female lawyers who have been with the firm for between three and eight years
- Self-marketing: on building a personal branding strategy, intended for female lawyers who have been with the firm for more than eight years.

## **Measurement/commitment**

- *Description of how the company monitors and evaluates performance.*

CMS’s D&I Charter sets the following specific goals:

- Work towards achieving 30% women on Boards
- Aim for equal gender representation (50:50) when selecting the heads of international Practice Area Groups and Sector groups
- Provide training to promote D&I across CMS including unconscious bias training
- Offer equal career opportunities and manage talent recruitment through processes that embrace D&I
- Foster CMS-wide support networks (women, LGBTQ+, disabilities, race and ethnicity, religion or belief).

Status as of July 2022:

- CMS-wide, 27% of Board members are women
- 26% of the heads of international Practice Area Groups and Sector groups are women
- In April, May and June 2022, we hosted a webinar series, *Diversity and Inclusion Essentials*, that was available for all at CMS to join (recordings are also available for viewing).

### **Austria, CEE, Türkiye**

Aligned with the CMS D&I Charter, we:

- Foster support networks, provide equal career opportunities and manage talent recruitment through processes that embrace D&I. In 2021, we launched our mentoring programme for women, Lead – Guide – Empower. This is our Ladies' League, which aims to strengthen, support and promote our female colleagues in professional and personal areas. We are creating our own platform within our offices where we focus on women, exchange experiences and knowledge, discover and develop potential, network and support each other.
- Have made progress with regard to our gender targets: women are 43% of the partner level, 48% of our department heads and 55% of our lawyers. (This data is based on the status as of November 2021.)
- Contribute to communities and social causes through employee volunteering and *pro bono* work. For example, we counsel women who are housed in women's shelters due to domestic violence, and provide humanitarian assistance to refugees through donations and *pro bono* legal advice.
- Have been a member of respACT in Austria since 2021. As the country's leading corporate platform for responsible business, respACT informs, networks and promotes Corporate Social Responsibility (CSR) in Austria and sets the agenda on these issues.
- Provide legal support for the Austrian Verfahrenshilfe which supports individuals who cannot afford the cost of a lawsuit. With this we ensure that everyone can rely on our legal system, regardless of origin, social and family status, educational background or financial means.
- Comply with the *pro bono* programme run by the Croatian Bar Association (as all lawyers in Croatia are obliged to do). The Croatian Bar Association provides free legal aid to underprivileged persons and victims of the Homeland War in legal matters. In the last five years, CMS Zagreb lawyers has given around 215 hours of *pro bono* legal representation to those in need.
- Provide help to the Legal Clinic of Zagreb University Law School, an organisation consisting of law school students which is dedicated to providing free primary legal aid.
- Cooperate with Start:up Slovenia to offer start-ups free legal advice on topics they often struggle with: corporate governance, employment and tax law.
- Dedicate time to *pro bono* work in Bulgaria, where CMS Bulgaria gave around 200 hours in 2021; while in 2022, CMS Bulgaria has provided assistance and help to Ukrainian refugees to obtain the necessary protection status, work permits, etc.

In Austria, we also support various NGOs through projects, initiatives, sponsoring and charities:

- ILGA-Europe: working for LGBTI people's safety, equality and freedom
- St. Anna Children's Hospital in Vienna
- Red Noses Clowndoctors International
- The Legal Literacy Project: a non-profit with the goal of promoting basic legal knowledge in society – only those who know their rights can exercise them effectively

- Verein Springboard: a non-profit with the goal of supporting and promoting people from socially and economically disadvantaged backgrounds on their way into working life and their integration into society
- Rotary Club Vienna in cooperation with the Austrian Red Cross.

In other parts of the region:

- In 2021, CMS Slovenia supported the local association, *Uresniči željo* (Make a Wish Come True), whose aim is to give gifts to all those from vulnerable groups during the season of giving
- CMS Bulgaria collected donations in support of Cedar, a local initiative for supporting Ukrainian refugees in Bulgaria. In addition, CMS Bulgaria made donations of books for children aged 3-16 to eight hospitals in Plovdiv and the Smolyan region
- CMS Croatia has been supporting charities and other organisations such as *Jak kao Jakov* and *Krijesnica* (helping children with malignant diseases) and *Korak u život* (providing scholarships for children without parents)
- CMS Austria, Türkiye and Croatia support their local Moot Court, a trial simulation project for law school students, with annual donations.

### Netherlands

In the Netherlands, we support NL Cares, an organisation which increases social involvement by organising meetings of volunteers with people from disadvantaged and vulnerable groups. In 2022, we will also be organising:

- a *pro bono* event for all employees to introduce our *pro bono* partners and their local initiatives to make sure that everybody is aware and enthusiastic to join at least one *pro bono* activity per person during the year
- a social clean-up that aims to educate children about the impact of street trash.

In addition, CMS Netherlands supports LGBTQIA+ rights as an active member of Stichting Forward since 2018. Its mission is to promote acceptance, recognition and visibility of lesbians, gays, bisexuals and transgender people within the Dutch legal profession.

Our commitment to promoting D&I during this reporting period also includes signing the following:

- The Talent to the Top Charter: a public commitment and code with agreements regarding the realisation of gender diversity at top and sub-top management levels
- EQUAL in LEGAL statement: this initiative of General Counsel Netherlands promotes and stimulates diversity and inclusion in the corporate legal industry. We share knowledge and initiatives related to D&I on the EQUAL in LEGAL Platform.

### Norway

In Norway, we have entered into a cooperation with the Norwegian Refugee Council to help displaced people access necessary legal guidance and advice. Loss of papers, identity, abandoned property, civil rights, finances and social rights – these important questions are part of the agenda of the Norwegian Refugee Council, and they necessitate extensive legal activities. CMS Norway contributes to strengthening the level of legal expertise by being an active contributor and partner.

### Latin America

In Latin America, we have been working on a coordinated regional Diversity & Inclusion Action Plan in line with the CMS D&I Charter:

- Gender equality: we have worked with Genderlab, a gender consultancy in Latin America, on a regional internal diagnosis to understand how we are currently delivering on D&I and what we can do to improve in this area. After receiving a roadmap including a series of recommendations, we built a regional D&I governance structure to implement key actions.

- Training on the power of diversity and unconscious bias: training is key to shape an ethical, diverse and inclusive culture in the organisation, so we organised a series of regional sessions (internal and client-facing) led by gender experts such as Genderlab, as well as a neurodiverse agency, La Casa de Carlota. We invited key clients who are leaders in D&I to help us encourage a diverse culture and break the bias in Latin America.

Over the last few years, we have been involved in several social aid initiatives – such as the Niños de Tinkuy – together with organisations such as the Teleton Foundation and the Peruvian Ministry of Education. In 2021, the office in Peru launched an internal campaign called *Pies Calzados* (Shod Feet) to raise funds for children without shoes in Matucana’s district hospital.

### **Spain**

In Spain, we engage with our supply chain to proactively ensure that our partners comply with national standards on labour, pay, working hours and health & safety. We also choose to work with organisations which focus on social impact such those promoting social inclusion. For example, we work with PRODIS, a foundation committed to people with learning disabilities that helps them with inclusion and personal development in the workplace.

### **South Africa**

One objective of CMS South Africa’s business model is equal opportunity in the workplace. To this end, we developed an interactive workshop identifying the barriers contributing to gender inequity in the workplace, including a real-time online survey which closes out with a discussion on the survey results on what is working and what needs improvement.

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## **Labour**

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

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

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

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

### **Assessment, policy and goals**

- *Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights*

### **CMS – all firms**

As a law firm, upholding the highest professional standards and complying with all laws, regulations and rules relevant to our business is an absolute priority. Our responsible business and social impact strategy aims to improve the impact of our business on society and the economies of the regions within which our offices are based. We expect the same high standards from those we work with and are committed to ensuring that there is no

modern slavery, human trafficking or child labour in our supply chains or in any part of our business.

In close cooperation with CMS Germany (CMS Foundation), CMS UK, CMS France and CMS Austria, a pilot has started to support the International Organisation for Migration (IOM) with cross-border legal support in Data Protection, Employment and Compliance.

### **Implementation**

- *Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.*

### **UK, CEE, China, Middle East**

We have a Modern Slavery Statement and Ethical Procurement policy in place which reinforces our commitment to ensuring the highest standards of behaviour in our suppliers, particularly in relation to labour and other forms of human rights.

We are dedicated to maintaining a fair, ethical and inclusive workplace for all our staff. We comply with all applicable employment legislation relating to recruitment, including right to work evidence. We have clear Whistleblowing, Grievances and Dignity at Work policies which are published on our intranet site; if there are any concerns about wrongdoing or breaches of law, these can be raised in confidence without fear of disciplinary action.

Through our social impact programme we are working to eliminate discrimination in the wider communities we operate in. We have created a Social Impact Fund which empowers our people to support community projects across the world that contribute to the UN Global Sustainable Development Goals. In particular we are focusing on Reducing Inequalities and Access to Justice and eliminating discrimination in these areas. In 2021, the Social Impact Fund has supported over 70 organisations across the world and we are currently inviting applications for the 2022 Social Impact Fund.

We also provide *pro bono* support to a range of charities and organisations that work to eliminate discrimination. For example, CMS has been the Official *Pro Bono* Legal Sponsor of Pride in London since 2012, and has been sponsoring and walking in many more Prides – both in the UK and in Europe – since 2017.

### **Germany**

Our Sustainability Charter describes our commitment to responsible business practices. To ensure high standards in working conditions, fair and respectful treatment of employees and ethical labour practices we have set up a Supplier Code of Conduct.

Our New Work Policy defines rules for mobile working and aims to give all employees more flexible working conditions, and is a result of an internal survey on mobile working experiences and its effects on team collaboration.

For us, offering community engagement is part of a healthy and humane work culture, which is why *pro bono* legal advice is organised in an established process.

We actively promote exchange through internal and external expert groups, secondments and networks. For example, we are a member of Nushu, a business network for women that brings academics from various industries and professions together. As a cooperation partner of the Women into Leadership initiative, we contribute to the development of female leaders. To raise awareness for sustainability within our company, we have launched a regular virtual sustainability lunch. This enables all employees to exchange ideas on sustainability topics.



## France

Our firm took part in the project organised by the Institut de l'Entreprise around the 2022 French presidential elections, which drew up 15 proposals concerning issues identified as important: employability, new ways of working and quality of life at work, the best methods for giving employees a stake in a company's economic success, and the energy and climate transition.

In 2021, we participated in the tenth edition of the Inclusion and CSR Dialogues, whose main aim was to promote the idea of business as a genuine force for positive change.

With a view to helping young people and attracting the best talent, the firm pursues a proactive policy focused on students through several initiatives:

- Job fair: for the past five years, our firm has held its own annual job fair to allow students to apply for internships in all practice areas: 145 CVs received, 59 interviews conducted, 21 participating lawyers
- Opportunities to meet: we meet regularly with students at the firm or on campuses. Many of the firm's lawyers give presentations and engage in discussions with students at universities and law schools
- Sponsorship: through skills sponsorship initiatives, our lawyers offer support to a number of student associations, including the PSL-Dauphine Legal Clinic and the Association des Juristes de Sciences Po
- Awards: we nurture young talent through awards presented by the firm to the most deserving students:
  - DJCE Award recognises the best students of the 11 Corporate Legal Advice postgraduate degree programmes in France for their project management skills as part of a multidisciplinary team
  - DPRT Award for graduates of the master's programme in Labour Law and Relations at Université Paris Panthéon-Assas recognises the best thesis of the previous academic year
  - Employment Law Research Award is given to the student in the corresponding master's programme at Université Paris Panthéon-Assas with the best academic performance
  - MEJI Award is presented to the three best students in France studying for a master's in Real Estate Law.

Since 2018, we have been advocating for equal opportunities alongside Alliance pour l'Éducation, a member of United Way Worldwide, to open the eyes of students from disadvantaged backgrounds to other worlds, in particular to that of our firm. On days set aside to find out more about various professions, our lawyers who are sponsors of the organisation travel to middle schools. Their presentations and the subsequent discussions give students an overview of the various legal professions available.

During their Year 10 work experience internships, students selected by Alliance pour l'Éducation are able to directly observe the various professions present at our firm. Having initially completed the organisation's *Défi Jeunesse* programme, students get to rub shoulders with lawyers in different practice areas as well as the firm's other employees and to ask them questions about what they do.

In 2021, we forged a partnership with Article 1. Having volunteered to serve as mentors for students, lawyers and other employees of our firm focus their efforts in two main areas – Sharing and Passing on knowledge.

In 2021, the teams at CMS expanded their partnership with La Mie de Pain after more than ten years of collaboration. La Mie de Pain, an organisation serving the most vulnerable among us, has two main missions:

- Providing shelter and sustenance for homeless people and helping them regain their place in society
- Helping the long-term unemployed return to work by training them in the catering and cleaning trades.

To supplement La Mie de Pain's food collection programme, we launched a hygiene product collection drive within our firm. Twelve lawyers and employees became mentors for former residents of La Mie de Pain's emergency accommodation and integration centre. Their role is to support their mentees during their training in the catering industry: a guided tour of the training site – the kitchens of La Mie de Pain – for mentors to gain an understanding of the day-to-day professional lives of their mentees; helping the mentees to articulate their skills and experiences with confidence; recasting of mentees' CVs to be presented to potential employers at job fairs.

### **Austria, CEE, Türkiye**

The foundation of our work revolves around a dedicated mentoring programme. Mentorships are a fantastic way to help new employees get to know their day-to-day tasks and to support them. Through advice and guidance, mentors can help employees develop their full potential or entrepreneurial mindset in the workplace.

CMS Slovenia has taken the first step towards obtaining the "Socially Responsible Employer" certificate, thus committing itself to pursue the UN Global Compact goals in its business practices. The commitment as such is the highest level of responsibility that we, as a company, are accepting towards all stakeholders at all levels of our business. CMS Slovenia has policies protecting workers' rights in place: a policy on bullying in the workplace, a policy on health promotion at the workplace and a policy on prohibiting sexual and other harassment or mistreatment in the workplace. CMS Slovenia is also in the process of joining the Slovenian Diversity Charter community.

In CMS Austria and Croatia, every employee must go through health & safety in the workplace training. We are determined to mitigate risks that can occur while working including injuries, professional illnesses, diseases connected to work, or other material and immaterial damages.

### **Netherlands**

To ensure that we select the best person for the job, we use the Brainsfirst selection tool. This tool promotes D&I as it is set up to increase cognitive diversity. The tool ensures a match between brain and job. In the past few years, dozens of junior associates have been recruited with the help of the Brainsfirst tool.

We have been partnering with Emma at Work for years now. With over ten years' experience, Emma at Work is an expert in the field of job placement for young people aged 15-30 with a physical disability. Emma at Work supports young people, from secondary vocational education (MBO) to university level, to secure permanent, temporary and holiday jobs. A number of employees with a physical disability are working for us via the Emma at Work foundation.

### **Measurement/commitment**

We aim to continue to:

- Implement our labour policies across all our operations.

- Strive to be as diverse and inclusive as possible.
  - Support CSR and *pro bono* initiatives that focus on eliminating discrimination.
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## Environment

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

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

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

### **Assessment, policy and goals**

- *Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.*

#### **CMS – all firms**

We recognise that in providing our global legal and tax services, our day-to-day operations have an impact on the environment and cost to society. We are committed to reducing these adverse impacts and, where we can, to having a positive impact on the environment.

CMS's Sustainability Committee – chaired by our CMS Executive Director and with members from across different geographies and business functions – advises the CMS Executive Committee on sustainability issues. It meets monthly to share best practice, provide updates on sustainability initiatives and discuss joint projects.

Details are provided below of our UK business's establishment of science-based targets with a commitment to be a net zero business by 2025. At an organisational level, we are working with our UK business to understand how this best practice approach can be used to help our businesses in other jurisdictions to enhance their strategic focus on the environment in a science-based manner.

### **Implementation**

- *Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.*

#### **UK, CEE, China, Middle East**

Our climate commitments include:

- Board commitment: sustainability is a central, strategic priority for the firm at Board level. Our Sustainability Committee, led by the Senior Partner and Chair of the Board, meets regularly to prioritise and oversee implementation of our climate change and sustainability commitments
- Net zero by 2025: we have led the legal sector in the UK by setting science-based targets for carbon reduction, aligning ourselves with the UN Goals for Sustainable Development and committing to an ambitious goal of net zero by 2025. A number of other firms within CMS are looking to adopt this approach
- Science-based targets: CMS UK was the first of only two law firms globally to announce and set science-based targets to measure its carbon reduction progress.

Our targets have been independently verified by the Science Based Targets initiative (SBTi). A number of other firms within CMS are looking to adopt this approach

- CDP measurement: the UK firm is ranked by CDP, the highly respected non-profit which measures how organisations are reporting and managing their impacts on the environment. We score “A-” for both our own activity and for our work with our supply chain
- *Pro bono* legal support: we provide *pro bono* legal support to a range of environmental charities and organisations. For example we partner with The Chancery Lane Project, a collaborative platform to develop new model clauses and contracts to address climate change.

## **Portugal**

We are currently a member of BCSD Portugal (Business Council for Sustainable Development).

In order to further our progress on the environmental agenda, the following are included in our Code of Conduct, Environmental Practices Policy and Electronic Waste Management Policy:

- CMS Portugal is committed to social responsibility and sustainability causes. We aim to hold employees accountable by:
  - making them aware of what they can contribute to these causes by providing examples and projects they can participate in
  - encouraging socially and environmentally conscious behaviours.
- The firm takes into account the product choice and frequency with which it acquires electronic equipment by considering its environmental impact during production, packaging and distribution. We also aim to make better choices by recycling and repairing our electronic resources as much as possible or looking for better ways to dispose of them in a damage-free way.

We try to do this by:

- Reusing materials such as cardboard boxes, paper and wrapping plastic as much as possible when sending outgoing mail
- Repairing and reconditioning old/broken/malfunctioning electronic equipment as a way to prolong its lifecycle and giving spare parts on new lease on life
- Using and acquiring materials which can be recycled when their time comes
- Properly destroying or disposing of electronic and toxic materials so as to minimise the negative impact these end-of-life resources might have on animals, people and ecosystems. In this category, we are specifically referring to equipment such as printers and toners, computers and batteries among other products
- As part of our E-Mobility Pact, we have also acquired electric motorcycles and bicycles which employees can use to meet clients or commute; and since moving to a more modern and up-to-date building, we also have the ability to charge electric car batteries in our parking garage
- The creation of our Green Lounge, a rooftop vegetable garden in the centre of Lisbon, is also aimed at supporting carbon capture and environmentally friendly practices.

## **Netherlands**

In 2022, we will be operating solely from the Amsterdam office as the Utrecht and Amsterdam offices will be merged. This is a good example of our ambition to minimise our ecological footprint. The office is located close to the Amsterdam-Zuid train station, and CMS has a transport plan in place that includes ‘pool bikes’. These bikes can be used by all CMS employees for short and long work-to-work distances.

## Monaco

In November 2019, our firm signed the Monegasque National Energy Transition Pact (Pacte National pour la Transition Énergétique). We are the only law firm in Monaco to have done so. The organisation offers audits and expert opinions on how each company can reduce its environmental impact. We plan to engage a dedicated consultant who will assess our firm and help us choose fitting strategies and solutions.

## Norway

Our sustainability initiatives in Norway include:

- Collaboration with the environmental foundation Zero, an independent non-profit that believes that political leadership and a forward-looking business community are crucial to solving the climate crisis. CMS Norway advises on framework conditions that promote green growth, including renewable energy; biofuels and carbon capture and utilisation (CCU); state aid regulations; public procurement; EU taxonomy; and GDPR. The agreement means that the two parties contribute to each other's competence development in fields where we have a common interest and are involved in each other's networks and activities.
- CMS Norway is certified by Eco-Lighthouse.
- CMS Norway is a climate positive company. This means reducing our climate impact and compensating for the climate impact we have. In this way, we will remove more greenhouse gases than our business creates. We buy CO<sub>2</sub> climate quotes to compensate for our environmental impact in addition to other initiatives and activities.

## Measurement of outcomes

- *Description of how the company monitors and evaluates environmental performance.*

## Germany

In early 2022, we published an [Environmental Policy](#) to reflect our commitment to minimising our environmental impact. The policy also provides an overview of the firm's initiatives towards achieving net zero by 2030.

To do so, we first calculated our 2019 carbon footprint and established it as our baseline. Working together with KlimAktiv, we reliably captured our greenhouse gas emissions (GHG emissions) according to the Greenhouse Gas Protocol (Scope 1-3). Next, we will define reduction targets to reach our net zero goal.

We are aiming for a Deutsche Gesellschaft für Nachhaltiges Bauen (DGNB) certification for all our buildings. The DGNB System for Buildings is a transformation and management tool that supports building operators, owners, and users in the development of a sustainable and climate action-oriented real estate strategy. Our office in Cologne completed the process with a Silver Standard.

Our legal experts in the field of environmental and planning law advise project developers and relevant authorities in complex approval procedures on environmentally sensitive projects. For this purpose, we have developed an advisory concept that combines legal and environmental advice.

Furthermore, we support start-ups from environmental and climate sectors on a *pro bono* basis to increase impacts in these areas. For example, we partner with Climate Farmers, a non-profit that builds infrastructure to scale regenerative agriculture in Europe and reverse climate change.

To reduce environmental impact in our supply chain, our Sustainable Procurement Policy outlines the minimum binding standards for the procurement of goods and services, as well

as relevant eco-labels such as the Blauer Engel, FSC Deutschland, TCO Certified or the Energy Star.

### Austria, CEE, Türkiye

In 2020, we became the first law firm in Austria to be certified as an ÖKOPROFIT company by ÖkoBusiness Vienna. Companies participating in the programme must prove through an environmental report that appropriate improvements have been implemented and that new measures are already planned for the following years.

With the Environmental Report 2020 and the ÖKOPROFIT award, CMS was certified, among other things, for committing to improved management of:

- Energy: reduction of energy consumption by adjusting the indoor temperature; reduction of energy consumption for office activities; sustainable power supply
- Resources: reduction of office supplies; reduction of non-sustainable office supplies and cleaning products; establishing more sustainable food & beverage offerings (e.g. increase in the share of organic and Fairtrade products)
- Waste: extensive recycling programme to increase the recycling rate; reduction of the amount of waste
- Mobility: reducing CO<sub>2</sub> emissions during business trips; sustainable mobility within Vienna: significant CO<sub>2</sub> savings thanks to the “job ticket” (an annual public transport pass) for employees.

The focal points and goals for 2021 and 2022 are:

- Further improvement of our efforts and the reduction of energy consumption in our daily office activities and in the area of indoor climate
- Renewed reduction in office supplies and the amount of waste
- Expansion of the use of video and telephone conferences to reduce our business travel carbon footprint
- Continued promotion of sustainable mobility within Vienna
- Introducing an environmental policy and targets for Vienna and CEE.

We are active in the following organisations:

- respACT: we have been a member of respACT since 2021. As Austria’s leading corporate platform for responsible business, respACT promotes CSR in Austria, setting the agenda on these issues. respACT promotes the exchange between business, politics and civil society in order to enable sustainable business in Austria.
- Glacier: we support the climate protection initiative Glacier. CMS is a founding member of Glacier and has been enthusiastic about the climate tech start-up’s core idea from the very beginning: to determine CO<sub>2</sub> footprints simply, and then to identify, implement and measure tailor-made reduction measures

#### Greenhouse gas emissions tonnes of CO<sub>2</sub> equivalent

	2019	2020	2021
Scope 1 direct emissions	176	194	189
Scope 2 indirect emissions from the consumption of purchased energy	328	348	364.2
Scope 3 other indirect emissions not covered in Scope 2	156	36.8	67.2
<b>Total greenhouse gas emissions</b>	<b>660</b>	<b>579</b>	<b>620.4</b>
<b>Total per member</b>	<b>0.89</b>	<b>0.64</b>	<b>0.84</b>

**-26%**  
between 2020  
and 2021

- Campaign for Greener Arbitrations: this is an initiative to reduce the environmental impact of international arbitrations. Our Managing Partner in Istanbul, Dr. Döne Yalcin, is a member of one of its steering committees.

- CMS Slovenia will produce its first non-financial report for 2021 in the upcoming months. The plan for the office is to build our supply chain on the foundations of the circular economy wherever possible (office supplies to be sustainable and, where possible, zero waste, food and beverages from local suppliers, promote e-mobility (car sharing, office bike,...). CMS Slovenia is a member of CER. CER is the first and largest partnership for a sustainable economy in Slovenia and a platform for the promotion of green transition and the use of green technologies in all sectors.
- CMS Bulgaria commits to various measures to decrease its CO2 footprint: improved energy management, improved resource management and improved mobility management.
- CMS Croatia is planning initiatives to reduce its environmental impact, e.g. less use of paper and printing; ordering office food supplies from sustainable vendors; promoting sustainable commuting to employees; avoidance of unnecessary water consumption.
- CMS Türkiye has donated to reforestation initiatives after the devastating forest fires and has started a programme where donations are made to reforestation initiatives instead of marketing give-aways.

### **Latin America**

In this region, there is a prolific growth in environmental laws – and their implementation is not always easy. To help companies be compliant with the latest regulations, at CMS we provide innovative tech such as George, a software-based solution that identifies in real time the regulations that come into force and provides each company with a database regarding the applicability of these regulations. This tool, developed over 15 years ago by CMS Peru in partnership with a third party, is being used in several markets in Latin America and is hugely appreciated by clients from very different industries to help them implement the latest environmental regulations.

We have also advised the non-profit Insolar on various corporate and regulatory matters including the drafting of a consortium agreement relating to its projects to install rooftop solar distributed generation in underprivileged Brazilian communities.

### **France**

CMS has adopted an environmental policy under which teams across the firm work to avoid, reduce and compensate greenhouse gas emissions. Recycling, reducing waste and sustainable management of our office buildings are our main areas for action. In all, around twenty members from across the firm lead the implementation of this policy on a day-to-day basis.

To decrease the impact of our legal and advisory services on the environment, we are focusing efforts on our two main sources of greenhouse gas emissions:

- Purchase and use of digital equipment: we have been working to reduce the environmental impact of digital use at our firm since 2018. Our strategy involves the systematic recycling of equipment as well as lifecycle extensions (up to four years for a workstation) and retaining all working monitors. Other actions help reduce the impact of our digital use: integration of environmental criteria in equipment purchases, optimisation of printing practices and a rational approach to using emails. In addition, our teams use applications and platforms that pool resources and limit their travel or exchanges of e-mails. These tools include DocuSign (an online electronic signature solution) and Collaborate or RegIT (co-working spaces).
- Operation of our premises: BREEAM- and HQE-certified since 2015, our premises use only green energy, and boast optimised consumption. In 2021, we put ourselves on track to meet the targets of the new French decree on service sector buildings, which stipulates a reduction of at least 40% in energy consumption by 2030, much

earlier than required. In 2022, we will be taking another step to reducing our energy consumption by setting up an energy performance contract.

Another factor is the gradual day-to-day transformation of the way we work: recycling, green mobility, responsible food consumption and sustainable event management must go hand-in-hand. To ensure that every action in our daily routine helps protect the environment, we work on several fronts:

- Keeping waste to a minimum: two key commitments guide our everyday actions in our offices: “Recycle more and better” and “Say no to plastic”. Our efforts complement each other: selective sorting, exclusive use of FSC- and PEFC-certified paper since 2019, glass bottles in meeting rooms and the canteen, plastic-free meal trays and, since 2021, coffee beans instead of capsules in all our coffee machines. Between 2018 and 2019, we reduced our annual volume of reams purchased by 5 tonnes and of paper to be recycled by 3 tonnes. Each year, we avoid the use of 215,000 disposable cups and 180,000 aluminium capsules, amounting to 700 kg.
- Responsible mobility: to encourage responsible mobility and reduce the impact of our commutes and business travel, we have introduced new practices: green taxis are ordered as standard; charging stations for electric vehicles; secure storage for bicycles; development of remote working.

In early 2021, we took another step forward in our environmental policy: a new partnership with the French National Forests Office (ONF). We are highlighting an essential imperative for the planet and its inhabitants by playing our part in the collective drive for carbon neutrality. To this end, we have made a choice: planting trees in French national forests.

Our annual volume of greenhouse gas emissions is around 700 tonnes. In 2021, through our partnership with the ONF, our carbon offsets amounted to 407 tonnes. To achieve this, we selected the project to restore the Ourscamp-Carlepont national forest near Compiègne: 2.5 hectares of trees have been planted. Between now and 2025, our aim is to compensate all our emissions and obtain the Label Bas-Carbone, a French low-carbon certification. When we commit to reduce and compensate our emissions, the aim is also to maintain existing ecosystems.

For CMS, our involvement in support of the environment also means that we must play a role in conserving biodiversity. Our partnership with the non-profit Noé began in 2008. Since 2012, CMS’s partnership with Noé has revolved around the financing of a participatory scientific programme, the Observatoire de la Biodiversité des Jardins, focusing on butterflies and snails. Its aim is to raise people’s awareness of biodiversity in their daily environment and encourage them to take part in the scientific study of the species concerned. Two other initiatives complete this partnership:

- Members of Noé organise talks and workshops to help raise awareness among our employees
- Volunteer lawyers from CMS provide legal, employment and tax assistance to the organisation.

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## Anti-Corruption

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



### **Assessment, policy and goals**

- *Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.*

### **All CMS firms**

Every CMS firm has an obligation to adhere to ethical and professional standards of behaviour according to global and local rules.

Each CMS member firm is bound by its own local lawyers' bar ethical regulations and code of conduct. This commitment derives from the CMS membership agreement and the client code of conduct. In the CMS Membership Agreement, the section *Functions of CMS and obligations* states: "Each Member shall be committed to the highest ethical standards; such provision shall be based on first class legal knowledge and understanding and commercial awareness and shall be made in an inspiring and service-focused environment."

Risk and Compliance are key areas of the CMS global strategy. Compliance Officers and the Data Protection Officers of all CMS member firms meet regularly in calls to discuss standards, issues and programmes to continuously improve standards across CMS. Focus areas are:

- Client service
- Professional standards and ethics
- Conflict check
- Data protection
- Compliance with anti-money laundering (AML) regulation.

A CMS due diligence protocol for new clients and matters, signed in July 2022, sets guidelines and obligations with respect to new client and matter inception, with reference to AML regulation and the United Nations Global Compact:

- UN Global Compact "Ethics/anti-corruption", including "Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery"
- The FATF Recommendations (<https://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatf-recommendations.html>), The Bribery Act (UK 2010), Foreign Corrupt Practices Act (USA 1977), 5th Anti Money Laundering Directive (EU 2018).

Apart from setting principles, the protocol provides specific requirements for documentation for Know Your Client checks and AML procedures. All CMS partners have an obligation to share serious violations to the UNGC, as they become apparent during the client and matter opening process.

In all our firms, procedures are in line with the standards which are set by the local law society/bar association or in the respective penal codes:

- CMS UK and its subsidiaries in Central and Eastern Europe follow the UK Bribery Act (UKBA)
- In France, the Spain II Law is modelled on the UKBA and the Foreign Corrupt Practices Act (FCPA)
- In Switzerland, Germany, Chile and Belgium, the existing local rules are in line with the principles of the FCPA or UKBA although the acts are not directly applied

- OECD recommendations are followed in the other countries where CMS is present.

Sustainability has this year been added to our due diligence procedure for new CMS offices and also for new suppliers.

### **Implementation**

- *Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.*

### **All CMS firms**

We have robust policies and procedures on client and matter onboarding, anti-money laundering and bribery and corruption which we review regularly. Our people are encouraged to raise concerns quickly and confidentially and we provide regular training on these subjects.

We advise our clients on all aspects of risk, regulation and governance, and as part of our commitment to working against corruption in all its forms, we provide *pro bono* legal support to a range of charities and organisations that work in this area.

### **Measurement/commitment**

- *Description of how the company monitors and evaluates anti-corruption performance*

We continue to keep all our risk and anti-corruption processes and policies under constant review and will enhance it where appropriate.

### **UK, CEE, China, Middle East**

We have an established risk team who review the firm's Anti-Bribery and Corruption Policy and procedures. We perform periodic risk assessments to identify those areas which represent a higher risk to the firm in this space and implement control measures to combat the threat. The firm's gifts and hospitality policy operates alongside our ABC policy, providing appropriate thresholds and necessary approvals. The firm has a whistleblowing policy and an online system, which allows for anonymous reports. Training and guidance are provided to our Partners and staff on an on-going basis, to ensure they remain alert to the risks in this area, through a number of mediums, including e-learning, newsletters and face-to-face training sessions.

### **Germany**

Our Compliance Office is responsible for compliance with regulatory requirements associated with the practice of law. This also includes AML and anti-corruption measures, wherein CMS acts in line with the standards established by the local bar association, relevant penal codes and other laws.

Moreover, our Compliance Office ensures that we comply with all professional law requirements regarding data protection, information security and antitrust & competition law. The following relevant internal policies are in place:

- Grant Policy
- Conflicts Policy
- Money Laundering Policy

In 2022 a whistle-blower system was launched to report on the following categories (anonymously, where permissible):

- Irregularities regarding commercial activities (corruption and other economic crime, anticompetitive violations)
- Conflicts of interest regarding the attorney-client relationship
- Money laundering
- Harassment and discrimination
- Data protection violations
- Violations of professional regulations and standards

### **France**

We have an internal anonymous whistleblowing procedure in place regarding anti-corruption issues. A third-party control procedure is in place regarding ethical issues.

### **Monaco**

We have recently welcomed to the team a new Compliance Officer, who has created a detailed internal policy and provides training for new joiners, associates and all staff on AML and compliance policies.

### **South Africa**

Our policies are drafted by our Compliance Officer along with relevant legal experts to the required field, then approved by our Management Committee (constituted by equity partners and the Chief Financial Officer); and lastly reviewed on an annual basis.

Flowing from the complex ecosystem of legislation in South Africa focusing on anti-corruption, data protection, cybercrime and anti-money laundering, our specialist lawyers run internal and third party training and workshops on various pieces of legislation. Internally, policy training is conducted on an annual basis, as well as for new employees joining the organisation. Examples of the legislation covered include:

- Prevention and Combating of Corrupt Activities Act (PRECCA)
- Financial Intelligence Centre Act (FICA)
- Protection of Personal Information Act (POPIA)
- Cybercrimes Act.

Training is saved on our shared network.

### **Peru**

CMS has implemented a Criminal Compliance Management System certified by AENOR and based on:

- ISO 37001:2016 international standard
- Anti-bribery management systems
- Law No. 30424, Law regulating the administrative liability of legal persons, and its regulations.

The objective of this system is to prevent, detect and deal with risks derived from commercial activities related to the aforementioned crimes. One of the pillars of the system is the Compliance Policy (<https://cms.law/en/PER/About-Us/Compliance-Policies>).

In addition, CMS promotes the reporting of irregularities related to illicit practices or contravention of our policies through the “Ethics Line”, which is available to all members and third parties of the organisation.