

UN Global Compact

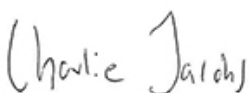
Communication on Progress



This is the final time I shall endorse a COP as Linklaters Senior Partner and Chairman. It is therefore timely to reflect on progress made and on opportunities to come. It is with pride that I see how the firm remains wholly committed to the ten principles of the UN Global Compact and, in particular, how over the years we have become an increasingly active participant through Network membership in the UK and Japan and through our involvement in the Action Platform for Goal 16. I have seen how this engagement has brought us insight, knowledge and networks and I am convinced that it is only through such collaboration that all of us motivated by purposeful business will meet the challenges ahead.

Of course, these extraordinary past twelve months have only reinforced how our connection with society, with the environment and with one another is critical to a sustainable and prosperous economy and so to the ongoing success of firms such as ours. The pandemic has reiterated the dependence of every business upon a healthy society, rising temperatures remind us of the role we must play in keeping those increases to a minimum while the George Floyd protests and Black Lives Matter movement shocked us all into greater action to work towards true equality. In these pages, you will see how we are responding to each through the drive and passion of our people and, in the year ahead, we will be using this momentum to put in place a sustainability strategy; an accountable set of priorities against which we will report annually and, again, which we will seek to accomplish by working in partnership with others.

While there remains much to do, we have made great strides in the past five years and Linklaters' commitment to responsible business is stronger than ever. As I pass on the flame to an equally committed successor, I look forward to reading of even greater progress and impact in the years ahead.



Charlie Jacobs, Senior Partner and Chairman

Our recent commitment to Science-based Targets and upcoming strategy both mark a new level of focus, target-setting and reporting for our sustainability efforts. We recognise the need to address those issues that matter most to our stakeholders and to which we can make the greatest contribution. With a leading ESG practice, it is also important that we “practise what we preach” and on matters such as human rights, renewable energy and diversity, we know that we must be bold in our ambition.

This year's COP reflects progress made in the past twelve months. We expect next year's report to talk more of disclosure and of performance against targets. We will also share details of the external benchmarks, standards and indices which we will use to define and measure our progress. In so doing, we will use the UNGC network to

inform our discussion and steer our decision-making, ensuring that our plans remain fully aligned to all principles of the UNGC and complementary to a range of associated initiatives.

We invite you to find out more at www.linklaters.com/responsibility

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1. Linklaters supports and respects the protection of internationally proclaimed human rights.

Our statement of intent on human rights makes explicit our commitment and clarifies our ambition. The statement endorses the United Nations Guiding Principles on Business and Human Rights and supports the principles contained within the International Bill of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The statement is approved at the highest level, is publicly available and is communicated internally and externally. It remains under regular review, as does the extensive supporting material provided for additional internal guidance.

Our international Business and Human Rights practice continues to advise clients on developing human rights policies, risk and impact assessments, due diligence strategies, and value chain risk management. In particular, we advise many large multi-national corporations on the implementation of the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and on emerging legislative proposals in a number of jurisdictions for mandatory human rights due diligence. Recent work includes undertaking human rights impact assessments in relation to the development of projects in conflict-affected areas, advising on value chain risk management and on responsibility for approaches to remedy.

Alongside this, we provide significant pro bono advice to further human rights. For the past five years we have partnered with those behind the "eyeWitness to Atrocities" app which allows images and video footage of violations and atrocity crimes around the world to be uploaded. The app verifies the authenticity of the footage and creates an electronic chain of custody, sending it back to eyeWitness where it is analysed and reviewed by our pro bono lawyers to ensure the files meet legal standards for use as evidence in international investigations and prosecutions. Though often immensely challenging work, it has led to successful prosecutions and is a direct way for our lawyers to address in a practical way shocking violations of human rights around the world.

Commitment: We will review our approach to human rights, ensuring that we are more clearly aligned to the UN Guiding Principles and continuing to use our pro bono expertise to tackle injustice and protect the most vulnerable.

2. Linklaters makes sure that it is not complicit in human rights abuses.

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

We continue to encourage our people to consider potential or actual adverse human rights impacts in their work. Our internal guidance on human rights at the firm provides for a discussion of actual and potential human rights impacts as part of existing consideration of wider business risk and reputational issues, particularly for higher risk areas. Our international Business and Human Rights practice delivers both internal and client-facing training to share their extensive expertise in how multi-national corporations should address human rights risks and opportunities in their operations and build capacity in this area, and regularly publish on this topic to promote awareness of this area.

In relation to our supply chain, our [Sustainable Procurement Policy](#) and [Modern Slavery Statement](#) are available online and set out our commitment to responding to human rights concerns, not only in the selection of suppliers but also in their ongoing management. No concerns have been identified but we continue to track this through supplier review across our global network.

Commitment: In partnership with key suppliers, we will develop a more rigorous approach to protecting and enhancing human rights in our supply chain.

3. Linklaters upholds the freedom of association and the effective recognition of the right to collective bargaining.

We have a firm-wide policy in place that we maintain employment arrangements and agreements that do not prohibit or discourage freedom of association or collective bargaining.

Commitment: We will continue to implement this policy across all our operations.

4. Linklaters upholds the elimination of all forms of compulsory or forced labour, and

5. Linklaters upholds the effective abolition of child labour.

We have a firm-wide policy in place that we will not use, be complicit in, or knowingly benefit from forced, compulsory or child labour. We will engage our people on the basis of recognised partnership, employment, collaboration and consultancy arrangements established through national law and practice.

For several years, we have been advising clients on the implications of the UK Modern Slavery Act. We have also been reviewing our own operations to ensure that we are already complying with the new legislation, not only in setting out a policy, but also in monitoring our suppliers and by being prepared to act where we have concerns. Our Modern Slavery Statement (expanded, in fact, to cover broader human rights) is refreshed annually and an interactive guide to the legislation is freely available on our website.

Again, pro bono activities support this principle.

- > The [Remedy Project](#) aims to prevent forced labour and trafficking through legal advocacy and strategic collaborations with NGOs, corporations and financial institutions across south east Asia. Our Hong Kong Office has been providing employment advice to the project to enable it to grow its staff.
- > [La Colmena](#) is a community-based organisation working with day labourers, domestic workers and other low wage immigrant workers in Staten Island through organising, education, culture and equitable economic development. Lawyers in our New York office are supporting the charity to strengthen its governance structures by amending its certificate of incorporation, updating its bylaws and drafting a conflict of interest policy that the charity can implement.
- > A team of Linklaters associates from the New York office worked with [Lawyers for Good Government](#) and [Lawyers for Racial Justice](#), partnered with the [Child Labor Coalition](#), on a comprehensive report to aid in the investigation of child labour laws in the US agricultural industry where children as young as twelve are legally permitted to work seven days a week.

Commitment: We will review and reinforce how we monitor labour risks across our supply chain, supported by greater alignment to the UN Guiding Principles and enhanced engagement with key suppliers.

6. Linklaters upholds the elimination of discrimination in respect of employment and occupation.

Linklaters opposes all forms of unlawful discrimination. We are committed to providing equal opportunity to everyone in all aspects of work, including recruitment, selection, training, promotion, redeployment, performance improvement measures, disciplinary and grievance procedures, redundancy situations and terms and conditions of employment. We believe that individuals should be treated on their merits and that employment-related decisions should be based on objective job-related criteria such as aptitude and skills. Additionally, Linklaters is committed to ensuring that all professional dealings with third parties will be free from any discriminatory behaviours.

We are committed to ensuring a safe and inclusive working environment, free from bullying or harassment. Our bullying and harassment policy (applicable to employees and contractors) sets out the responsibilities of individuals and managers in eliminating workplace bullying and harassment, as well as explaining what

support is available. The policy is published on our intranet and is regularly referred to in core skills training for managers and in internal communications.

We know that we must also ensure that our culture enables people to raise issues promptly, confident in the knowledge that they will be supported and that issues will be dealt with swiftly, sensitively and in accordance with our values and local law or regulation. The firm has an internal global whistle-blowing policy for employees to raise concerns as well as an external hotline for those outside.

Our Global Diversity and Inclusion (D&I) Strategy and Action Plan engages our people, raises awareness and sets out the role that each colleague plays in creating an inclusive culture. Our strategy is governed by our most senior leadership bodies – Executive Committee, Partnership Board and our People Committee. We have a specific steering group accountable for implementation of our [Race Action Plan](#). Key activities include:

- > **Setting goals** – measuring progress against our gender and ethnicity targets. In 2020, we increased our target to 40% for new female partner elections and set a new 15% minority ethnic target for new partner elections in the UK and US, as part of our Race Action Plan.
- > **Collecting global diversity data** – gathering the data to measure how effectively we attract, retain and progress diverse talent, noting legal restrictions to collecting data and a need to explain to our people why we need this information. We also use regular surveys and engagement tools to seek feedback from our people about how they experience the firm.
- > **Ongoing education** – educating our people about the importance of D&I at every stage of their careers, including pre-joining and in regular firmwide communications. Supporting our people to learn more about the experiences of Black and minority ethnic colleagues and communities has allowed us to engage in courageous conversations about race, a key part of our Race Action Plan.
- > **Embedding D&I training** – in all our learning and development programmes and running specific sessions on unconscious bias, inclusive culture and Let's Talk about Race workshops.
- > **Ensuring local relevance** – using the principles set out in our global D&I strategy, supporting each office in developing their local D&I plans to ensure that cultural nuance and context is captured. This has been of particular importance in developing our race strategy.
- > **Engaging D&I partners and D&I champions** – leveraging this network (and senior champions from our top leadership committees) to drive awareness and behaviour change across our priority diversity strands. Using local D&I champions across all levels of the firm to identify actions and initiatives to accelerate progress.
- > **Shifting attitudes** – establishing the policies, systems and programmes to support changes in our culture, including targeted talent programmes for underrepresented groups, developing an anti-racism statement, a new domestic abuse support package (UK), offering enhanced benefits for new parents and embedding agile working.

Our commitment to D&I is not limited to within our four walls:

- > We are working with [Disability Law Service \(DLS\)](#) on its campaign to end discrimination against autistic children by local authorities in the UK. Many require that in addition to autism, a child has an additional impairment or a formal diagnosis, both of which are unlawful requirements. We are assisting in engagement with local authorities to ask them to change their approach and will be preparing with DLS a report to the Equality and Human Rights Commission to highlight those authorities which refuse to reform
- > Since 2014 we have been supporting [PathFinders](#), an organisation in Hong Kong assisting female migrant workers and their babies. Given the size of its operations and diverse needs, PathFinders decided to spin off its legal services into a separate entity, [Equal Justice](#) and our employment team provided pro bono legal advice on the transfer of employees.

- > Our report for [Penal Reform International](#), which surveyed how 18 different jurisdictions treat women involved in drug crimes. The findings were stark – the number of women and girls in prison globally has increased by more than 50% since the start of the century – and has led to ongoing conversations on how this might be challenged, tackling issues such as poverty, vulnerability to violence and coercion.

Our community investment work focuses on supporting individuals from lower income backgrounds or under-represented groups in the workforce. Since the pandemic, we have been working with longstanding charity, social enterprise and school partners in different ways including a £1m Covid-19 emergency fund to provide additional investments to help these groups make the necessary shifts to remote service provision and adapt services to reach people in new ways. In New York, we helped [Legal Outreach](#) deliver virtual mentoring and establish an emergency fund to meet urgent family need while our partnership with [Fundación Tengo Hogar](#) in Madrid saw funds used to cover basic needs and employment support through job coaching and training. In Hong Kong, our people continued to mentor students in Cambodia, holding one-to-one “virtual conversations” and webinars to discuss career tips.

Commitment: Our success on this to date inspires us to do more and we commit to ensure that our D&I work will remain “best in class” wherever we operate. We will also apply our learning to not-for-profit organisations working in communities around us.

7. Linklaters supports a precautionary approach to environmental challenges.

The Environment and Climate Change Group advises clients on climate change, policy, emissions abatement, product stewardship and decommissioning legacy management. The group is well known for its standalone expertise across law, regulation and soft law application to environment issues, and functions seamlessly with market-leading corporate, projects, financial regulatory and derivatives teams.

In support of the cutting-edge expertise Linklaters lawyers provide, the firm-wide Environmental Policy commits the firm to minimising the harmful effects of our services and operations and ensures we focus on a programme of continual improvement. The firm-wide Environmental Management System (EMS) is overseen by a sub-committee of the Partnership Board, a group which prioritises:

- > resource conservation;
- > climate change;
- > waste management;
- > supporting biodiversity; and
- > pollution prevention.

Our greenhouse gas emissions are externally assured against ISO14064:Part 3 to ensure accuracy and transparency and we are delighted that for the fourth year we have retained a CDP Climate Change score of A-, placing the firm in a leadership position for the legal and professional services sectors globally.

We continue to build on our twelve years of resource efficiency projects taking opportunities as they arise. For example, in our New York office move and refurbishment project, environmental strategies included Energy Star rated equipment, installation of efficient LED lights, water efficient bathroom appliances, increased access to and use of daylight, plus occupancy sensors, low emission paints and flooring.

Importantly, we are now committed to Science-based Targets (SBTs), recognising the need for accountable reductions in carbon emissions. The stretching targets will require significant efforts from across the firm but have been universally supported and will, of course, benefit from learning and behaviours acquired during lockdowns arising from the pandemic.

To complement our resource efficiency efforts, the firm became Carbon Neutral in 2017, offsetting the unavoidable carbon emissions resulting from energy use, business travel and waste. We continue to support the [Gola Rainforest Conservation Project](#) in Sierra Leone

where our investment protects biodiversity and employment within and around what is now a National Park.

Commitment: We will continue to advise our clients on environmental risks and opportunities. We will use SBTs to achieve further emissions reductions across the firm.

8. Linklaters undertakes initiatives to promote greater environmental responsibility.

We believe that we remain one of only two global law firms to have achieved ISO 14001 certification of our Environmental Management System (EMS) comprehensively across our global operations. Our work is widely recognised – in 2020, our HQ received the top accolade in the City of London’s “Clean Cities Awards Scheme” for our efforts over many years, as well as our engagement with employees.

We have now completed our secure print rollout that builds awareness around good and bad printing habits, implementing best practice “follow me” printing globally. This improves security, reduces paper use, energy consumption and transport-associated impacts. In the ten years to 2020, reams purchased fell by 48.5% in spite of a growing business while use dropped 30% in 2019/20 year on year as lockdowns took effect. Dramatic reductions in printing following home working will be hard to maintain fully but we expect a significant drop in paper use as a result of new habits adopted during the year.

In spite of remote working, we celebrated WWF Earth Hour across our network. Offices also celebrated other international days throughout the year, for example in Warsaw International Day of Forests was marked by tree planting while promoting responsible water consumption was a focus for UN World Water Day in March.

For World Environment Day in 2020, our global network of over 150 environmental representatives and champions held virtual events, seminars, workshops, surveys and launches of new initiatives to encourage sustainable behaviours and choices. A firmwide #TimeforNature photography competition received over 200 entries while, in Asia, a virtual “Green Week” saw daily emails promoting conservation volunteering opportunities and tips on greening the home office and reducing environmental impact. In Lisbon, the team ran a virtual Biodiversity quiz and, in Stockholm, the focus was on the office’s own beehive – located on an 8th floor terrace – which has for several years enhanced the city’s biodiversity.

Our pro bono practice frequently advances this principle. Our Tokyo Office is advising [Plant-for-the-planet Foundation](#) as it expands its network into Japan, expanding the international network of young people who plant trees and give lectures around the world to raise awareness of the climate crisis. On a similar theme, in the UAE we continue our support for [Emirates Nature-WWF](#) and our people are engaged in tree planting programmes.

Commitment: We will use our commitment to SBTs to promote positive environmental stewardship across our network.

9. Linklaters encourages the development and diffusion of environmentally friendly technologies.

Linklaters’ expertise in environmentally friendly technology covers a full spectrum of relevant projects, including onshore and offshore wind, solar, biomass, biofuels, wave/tidal, geothermal, hydropower, waste and waste to energy. By way of example, in 2020 Linklaters advised on the construction, development and £5.5bn project financing of the Dogger Bank Wind Farm, which will be the largest offshore wind farm in the world once all three phases are complete in 2026.

As well as external alignment, we have reviewed our own environmental sustainability programme against the SDGs and identified the goals with greatest alignment to our business: affordable and clean energy (Goal 7), responsible consumption and production (Goal 12), and climate action (Goal 13).

Since 2010, Linklaters GHG emissions have reduced by 46%, supported by a 27% reduction in emissions from water use, a 39% reduction in electricity use, and a 23% reduction in business travel emissions. In FY20 we sourced at least 71% of electricity from renewable sources, with our UK, Germany, Brussels, Stockholm, Luxembourg, Paris and Lisbon offices procuring either part or 100% of their electricity supply from green tariffs.

In addition to implementing the “follow me” printing initiative globally, WebEx calls and WebEx Events have provided the alternative to business travel during 2020 lockdowns, enabling our firm to continue providing best in class services, training, webinars and advice.

Three electric car charging points were installed in the firm’s UK office car parks during 2018, with fourteen electric bike plug sockets added during winter 2020/21.

A chemical free cleaning, micro fibre cleaning system was adopted in our Colchester office in 2020, complementing the process which has been in place in our London office for several years.

Commitment: We will continue to consider environmentally efficient technologies in our operations and willingly share our experience with others.

10. Linklaters works against corruption in all its forms, including extortion and bribery.

Linklaters’ work in risk, regulation and governance addresses many of the most critical challenges faced by our clients, bringing together a broad range of expertise, specialist knowledge and innovative thinking to enable us to offer holistic advice in any given situation. Of particular note, is the team’s work advising on the application of anti-bribery frameworks in new and developing markets.

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 our Legal and Risk team provides support to our people wherever they may be. “Our Ethical Code” applies globally to everyone in Linklaters and contains guidance on our zero-tolerance approach to bribery and corruption.

Commitment: Consistency between our advice to clients on anti-bribery and corruption and the approach we take to this issue within our own operations will remain a priority for our business.