



# Freshfields UN Global Compact Communication on Progress 2020



Freshfields Bruckhaus Deringer

# 2020, a year to forget?

2020 was a year that will be remembered for COVID-19 and other negatives more than it will be remembered for the good things that happened. As well as the impact of coronavirus, which affected all parts of society but had a disproportionate impact on those from disadvantaged backgrounds or in precarious personal or economic circumstances, there were other seminal events. The killing of George Floyd gave rise to a tide of anger and despair at the treatment of black people in the US and beyond, while the year was punctuated by other flashpoints including further Hong Kong protests, political violence in Belarus and one of the most contentious US elections in living memory.

Yet 2020 may also have been a turning point that will be recognised with the passage of time, the year when the world was forced to press ‘pause’, take stock and redefine the roles and responsibilities of governments and business in shaping a world that works for all, today and in the future.

At the heart of this is the resolve of many countries, regions and businesses to ‘build back better’, ensuring that the investment required to recover from the pandemic is channelled towards technologies and business models that can support the transition to a sustainable future, such as renewable energy, clean technology and the circular economy.

The Black Lives Matter movement was given strength by the social frustrations of the pandemic and has led to a growing recognition of the depth of racial injustice across the world. That in turn will hopefully lead to a greater appreciation of cultural and ethnic diversity and significantly reduce discrimination in all its forms.

And at the beginning of 2020 there were serious concerns as to whether the world would come together to address climate change and environmental degradation effectively. A year later, the outlook is distinctly more positive, with major cities such as London and New York focused on making detailed plans for carbon neutrality, the US re-joining the Paris Climate Agreement and the delayed COP26 being embraced as an opportunity to make decisive progress.

For Freshfields, 2020 strengthened our resolve to be a responsible business and helped us understand better how to achieve this. We have had to work in a very different way yet were able to deepen the bonds that unite us all. In what might be seen as a paradox, the relationships between our people and with our clients have become more personal despite the physical distance, as we all experienced the same restrictions, and got to meet each other’s children, partners and pets. I am particularly proud of the way our people have looked out for each other at a time when our wellbeing and mental health has been challenged. Our unique culture, ‘Being Freshfields’, has been strengthened and I am convinced we would not have been able to thrive as an organisation in this unprecedented year if it hadn’t been for the extraordinary individuals that make up our firm. For this I am truly grateful and humbled.

We were also able to use our expertise to play our part in the response to the pandemic. We helped our longstanding pro bono client Save the Children International establish an emergency coronavirus clinic in Cox’s Bazar, the world’s largest refugee camp in Bangladesh and provided pro bono advice to small business owners in New York on federal relief programmes as well as a US project to develop low-cost emergency ventilators. We advised Smiths Group as the

VentilatorChallengeUK group produced ventilators for the UK’s National Health Service and advised BioNTech on the BioNTech/Pfizer vaccine. In Asia, our lawyers helped a number of NGOs navigate COVID-19 relief measures, enabling them to deliver their vital services.

In this exceptional year we’ve seen the importance of global collaboration, of shared global goals and of what can be achieved when corporations, governments and civil society work together. The UNGC principles, together with the Sustainable Development Goals, continue to play an important role in focusing the efforts of organisations across the globe on human rights, climate change and responsible business and we are pleased – as the first international law firm to sign up to the principles in 2009 – to submit this, our Communication of Progress for the UN Global Compact 2020.

After five years leading the firm and its commitment to responsible business, I am delighted to pass the baton to Georgia Dawson and her team and look forward to seeing how they will take this important work forward.



**Edward Braham**

Senior Partner  
(2016–2020)

# 2019/20 – in numbers

## Protecting what's precious

Achieved our main five-year environmental targets:

Reduce emissions from office energy use by 10 per cent

✓ **22%**

reduction achieved

Reduce emissions from travel by 10 per cent

✓ **13%**

reduction achieved

Reduce our paper use by 30 per cent

✓ **40%**

reduction achieved

## Individuals. Together.

Our continued effort to increase diversity and inclusion included:

2020 promotions to Partner and Counsel

**55%**

were graduates of our **Global Sponsorship Programme**, which aims to support women in their career development through sponsorship, external coaching, training and networking opportunities.

40 pairs took part in our global reverse mentoring programme

Listed on the **Stonewall Top Global Employer** list in 2020 for the 5th time

Over **300**

colleagues now trained in our **mental health support team** globally

## Law for change

Record year for our pro bono practice:

Over

**1,000**

lawyers across our 28 offices

Providing over

**60,000**

hours of pro bono legal advice to help protect the rights of our target groups

# 2020 – a snapshot

## Pro bono matters included:

A market-leading global report on behalf of the Principles for Responsible Investment, United Nations Environment Programme Finance Initiative and The Generation Foundation. The report considers whether and how legal frameworks allow for – and incentivise – investors to invest for sustainability impact across major markets and will be launched in 2021.

Assisting Save the Children to establish an emergency coronavirus clinic in Cox's Bazar refugee camp in Bangladesh, the world's largest refugee camp.

Protecting the rights of Afghans and Iraqis seeking refuge in the US in a successful US class action (in partnership with the International Refugee Assistance Project) to help those who had supported US forces to attain their Special Immigrant Visas so they could enter the US.



Awarded 13 Freshfields Stephen Lawrence Scholarships following a Covid-adapted Assessment Centre, with a virtual offering for the remaining 55 candidates (black men from less socially mobile backgrounds).

Registered to seek certification for Mansfield Rule 4.0 in the US. By participating in the rule, we have agreed to consider at least 30 percent women, lawyers of colour, LGBTQ+ lawyers and lawyers with disabilities for leadership and governance roles, partner promotions, formal client pitch opportunities and senior lateral positions. We hope to replicate something similar globally, across the firm.



Adapted our 13th anniversary college-prep programme, Legal Outreach, for New York City high school students to offer case studies and mentoring online.

Developed an industry-leading client sustainability practice helping our clients achieve their own sustainability ambitions through regulatory, transactional and litigation mandates.

Established new scholarships in Germany for law students with a migrant background under the government's 'Deutschlandstipendium' initiative.

Developed a ground-breaking new app for long-term pro bono client, Justice Centre Hong Kong, to give refugees in Hong Kong increased access to their legal rights.



Launched the New York Circular City Initiative, an 'impact collaboration' between the firm and leading organisations to help New York make the transition to the circular economy.

Responded publicly to the killing of George Floyd and established a fellowship at Nuffield College, Oxford to research the role of the City of London, its commercial institutions in the ecosystem of the transatlantic slave trade and ownership as part of our ongoing commitment to addressing systemic injustices from slavery.



Partnered with the UN Global Compact to publish the Business and Human Rights: Navigating the Legal Landscape report, which provides guidance to national companies on the legal human rights landscape in nine jurisdictions.

# Our strategy

Have a positive impact on society through our pro bono practice and community programmes, focussing on Access to Justice and Access to Opportunity programmes

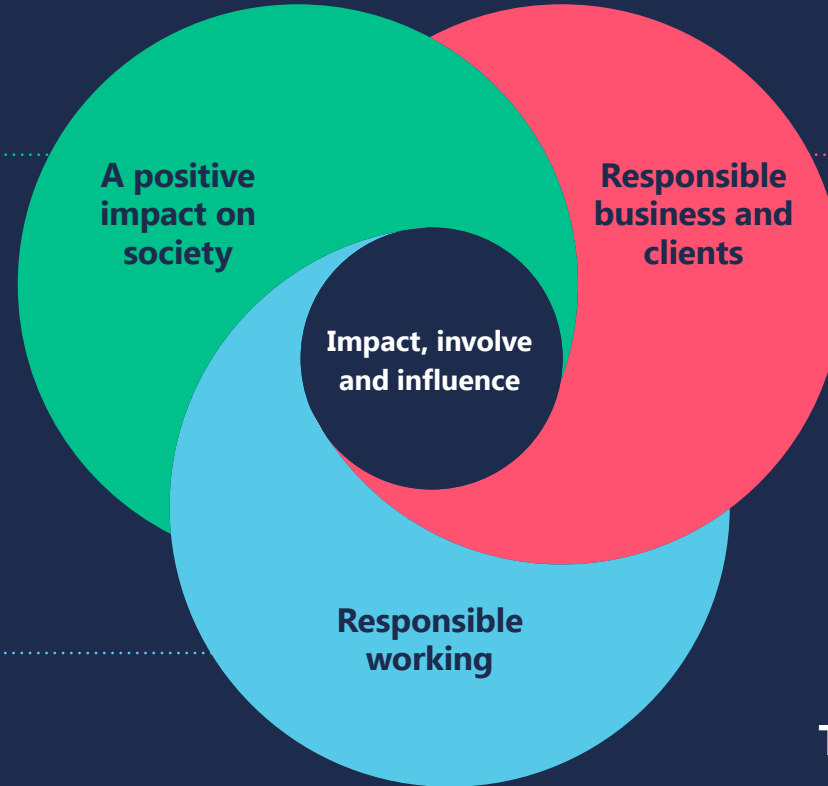
Ensure we have a diverse and inclusive workplace where all can thrive, with racial and social equity embedded in all we do

Mental health and wellbeing

Being Freshfields and our culture

Managing our environmental impact

Responsible decision-making and working practices (eg procurement)



Support our clients with their sustainability issues:

- Sustainable finance
- Climate change
- Corporate governance
- Human rights

Collaborate with clients on responsible business programmes and share best practice

To make a difference to our people, our communities and to society

# Human rights and labour principles



1

Businesses should support and respect the protection of internationally proclaimed human rights.

2

Businesses should make sure that they are not complicit in human rights abuses.

3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

4

Businesses should uphold the elimination of all forms of forced and compulsory labour.

5

Businesses should uphold the effective abolition of child labour.

6

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

# Our approach

**As a people business, we are committed to ensuring the safety and wellbeing of all who work with us, and ensuring we adopt and promote responsible working practices for our people and in our supply chains.**

We look to combat modern slavery in all its forms, uphold the protection of human rights and manage our supply chain responsibly. Our approach globally to modern slavery risk is overseen by a multidisciplinary Modern Slavery Working Group, which includes two external members to ensure transparency. Our 2020 Modern Slavery Statement can be found [here](#).

Through our [pro bono practice](#) we regularly act for charities and vulnerable individuals in important human rights cases, especially in the areas of refugee rights and modern slavery. In FY2019/20 we worked on over 100 pro bono mandates and projects to advance the protection of human rights. For example, we continued to assist long term pro bono client, [Justice Centre Hong Kong](#), help asylum seekers, refugees, victims of torture and survivors of human trafficking and forced labour access their legal rights in Hong Kong. This year we also acted for the [AIRE Centre in a successful intervention](#) where the UK Supreme Court provided welcome clarity on the law governing the identification

and treatment of victims of trafficking and modern slavery. In the US, in partnership with the International Refugee Assistance Project, [we won a major victory in a class action](#) for Afghans and Iraqis who had helped US forces to attain their Special Immigrant Visas so they could enter the US.

Our leading practice in global business and human rights advises large multinational companies and public authorities on the full suite of issues arising out of the UN Guiding Principles. For instance, we advise on the design and drafting of, and providing training on, human rights policies for various major financial institutions to balance the requirements of human rights law and business law, including in relation to whistleblowing, data protection and use of social media. In 2020 we partnered with the UN Global Compact to publish [the Business and Human Rights: Navigating the Legal Landscape report](#), which provides guidance to national companies on the legal human rights landscape, with a particular focus on nine jurisdictions.

Our dedicated Global Business and Human Rights Group monitors international human rights law developments in real-time and provides regular updates [via our sustainability and human rights blog](#).

Internally our global procurement policy and responsible procurement guidelines, updated in 2020, reinforce our commitment to ensuring the highest standards of behaviour in our suppliers, particularly in relation to labour and other forms

of human rights. Our procurement team works to ensure we provide opportunities to a diverse supply base to work with Freshfields. We seek to work with our suppliers on joint initiatives to promote understanding and action to further these commitments and have integrated review procedures into our key relationship meetings.

# Our approach

## **We are engaged, through our pro bono and community activity, in working to eliminate discrimination in the communities in which we operate**

Our pro bono practice has a long track-record of acting for individuals and organisations in cases that seek to address discrimination, in line with our responsible business strategy to promote access to opportunity and access to justice. Examples over the course of the year include:

- As global founding partners of [Stonewall](#) we continued to assist with the drafting of its [Global Workplace Briefings](#). Run by our German team, this work helps illuminate the situation for LGBTQ+ people in a number of different countries. We have also featured in their Global Top Employers list for five years.
- In the UK, we have continued to show our support for the trans community: one [case](#) ensured trans women are allowed to draw their UK state pensions at the same age as other women, without requiring them to obtain a Gender Recognition Certificate (and in particular not requiring them to divorce). In addition, we added our name to a public statement, alongside Stonewall and over 100 other organisations in the UK, with the headline “Trans Rights are Human Rights”.
- We continue to support the [LGBTQ+ Lawyers and Allies](#)

[Network \(LLAN\)](#) which we also founded, an LGBTQ+ not-for-profit organisation that aims to promote LGBTQ+ equality in Japan, specifically focusing on same-sex marriage.

- A US team successfully obtained asylum for their client, a trans woman from El Salvador, who fled El Salvador after suffering years of violent abuse and discrimination, including suffering two vicious, near fatal attacks, and witnessing the murder of her friend, a fellow transgender woman, at close range.
- Volunteers in London worked with Z2K, the anti-poverty charity, to represent individuals in the UK in their disability benefit appeal cases to ensure they get access to the welfare benefits they are entitled to.

Through our community impact we continue to promote equal access to opportunities and seek to tackle the challenges of social mobility through our work experience and mentoring programmes, including the award-winning [Freshfields Stephen Lawrence Scholarship programme](#) and the [US Legal Outreach programme](#) as well as [the Start Foundation programme](#) in Germany. The COVID-19 pandemic disproportionately affected people from lower socio-economic backgrounds and marginalised communities. We have [transformed our work experience and mentoring programmes](#) where possible to deliver them online in an impactful way and to continue to provide access to opportunity to hundreds of students from

disadvantaged backgrounds.



# Our approach

## **We strive to be a diverse and inclusive workplace**

Topics surrounding diversity, in particular race and ethnicity, and mental health and wellbeing, have been more poignant than ever this year, with headlines across the world reminding us that there is still much to do. Inclusion remains one of the firm's top priorities. We continue to focus on promoting inclusive behaviours in our culture and have provided training globally on race fluency, trans and non-binary inclusion and becoming disability-confident.

We have continued to focus on mental health and wellbeing, exceeding our global target in 2019 to train one in 25 of our people in mental health first aid skills with over 300 people trained globally. The COVID pandemic has shone a spotlight on wellbeing and the need to look out for one another. We have introduced wellbeing apps for our people, established a global 'Wellbeing Hub', and focused on an individual approach to agile working and returning to the office.

Whilst not driven by the Black Lives Matter movement, conversations that were already happening internally on allyship and what it means to be 'anti-racist' have gained further traction. Our Black Affinity Network launched a network for senior leaders, who are committed to taking practical action to support our race and ethnicity strategy across the firm and promote inclusion within the workplace. These individuals are allies and public ambassadors for members of the Black Affinity Network (informally known as BANbassadors).

As part of our overall commitment to be a fair employer we are committed to ensuring fair pay and treatment for our people. For example, in the UK our UK pay gap report includes additional data to promote transparency and progress; we also publish our ethnicity pay gap. This is not mandatory; we choose to share this data as we believe it is important to be transparent and to promote dialogue and change.

# Environmental principles

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**Businesses should support a precautionary approach to environmental challenges.**

8

**Businesses should undertake initiatives to promote greater environmental responsibility.**

9

**Businesses should encourage the development and diffusion of environmentally friendly technologies.**

# Our approach

**As an international law firm, our operational environmental impact comes predominantly from our offices and travel requirements. Though our footprint is not as large as businesses in other sectors, we take the responsibility to minimise it seriously.**

We manage our [environmental impact](#), including the energy we use in our buildings, our business travel, the waste we generate, and the water and paper we use. In 2020 we achieved the following reductions against our five-year targets (set against a 2015/16 baseline):

- Reduce emissions from office energy use by 10 per cent – **22 per cent reduction achieved**
- Reduce emissions from travel by 10 per cent – **13 per cent reduction achieved**
- Reduce our paper use by 30 per cent – **40 per cent reduction achieved**

As signatories to the COP26 Business Commitment, we have committed to a number of ambitious environmental targets including sourcing renewable electricity for all of our offices by 2030 and biodiversity net gain.

Internal engagement has driven behavioural change across our office, with active local green/sustainability networks regularly organising events such as litter picking days, a Christmas sustainable gift wrapping service, sustainability awareness ‘lunch and learns’, [tech donations to local schools](#), tree planting days and a [clothes swap](#) highlighting the impacts of fast fashion.

We have invested in technology to facilitate digital working, more energy efficient equipment and renewable electricity tariffs. Our offices tailor their approaches to environmental management, following the recommendations of our internal Green Guide and by utilising the verified environmental data captured on our platform.

In 2020 we moved our largest office to new state-of-the art premises and sustainability considerations were taken into account at every stage. These sustainability considerations range from the design of the building, the fit out, the management systems; the renewable electricity tariff and facilities. The details on our move can be found [here](#).

## **An innovative approach to carbon neutrality**

In 2015 we made a 10-year commitment to carbon-neutrality and launched an innovative award-winning community forestry project, Freshfields [REAP](#) (Reforestation in East Africa Programme). This scheme offsets our emissions and supports the livelihoods of up to 8,000 small-scale farmers while restoring the

environment in Kenya and Uganda. Five years in, the scheme has exceeded expectations with over 2.8 million trees planted.

Since committing to the scheme, our UK employees have had the option to offset their own non-work carbon footprint by purchasing Freshfields carbon credits. We are now rolling this out globally through a new solution which includes a more detailed carbon footprint calculator and guidance on reducing carbon footprint.

## **Impact collaboration: the circular economy**

In September 2020 we launched [The New York Circular City Initiative](#), an impact collaboration bringing together leading businesses, financial institutions, city authorities, think-tanks and academic institutions in New York, to explore ways to tackle the sustainability challenges including waste, resource scarcity, climate change and job creation. The launch saw the release of ‘Complex challenges, circular solutions a report which applies the principles of the circular economy – minimising waste and making the best use of scarce resources – and identifies key levers for change for the City. The full report is on the initiative website and a summary of the October 2020 report launch can be found in our [blog](#).

# Our approach

## Advising on sustainability and ESG change

As a trusted adviser to some of the world's largest organisations we have a critical role to play in helping our clients manage the transition to a sustainable future and play their part in delivering the UN Sustainable Development Goals. Our industry-leading [sustainability advisory practice](#) is fully integrated with our other corporate services and includes a world-leading advisory practice in environmental law, as well as specific expertise on [climate change](#), [human rights](#), [sustainable finance](#) and [corporate governance](#).

We help our clients seize the opportunities and manage the risks that flow from an increased focus on environmental, social and governance (ESG) performance, handling everything from advanced due diligence around corporate transactions to climate change-related disputes, while supporting the financing of the low-carbon transition.

Our popular [sustainability and human rights blog](#) provides insights on sustainability developments, including the [implications of COVID-19 for sustainability](#), ranging from consumerism to diversity, new working habits and the future of capitalism.

# Anti-corruption principles

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**Businesses should work against corruption in all its forms, including extortion and bribery**

## Our approach

**Managing the global risks around corporate criminal liability is a priority for senior management. We support our clients to control those risks in whatever form they may intersect with their businesses, and in whatever form they may present themselves legally, be that in the context of ABC, AML, fraud, tax evasion, sanctions or other economic crime.**

This includes helping businesses to identify and mitigate risks in deal commercial contexts; ensuring wrongdoers do not benefit from their misconduct; improving businesses' own ethics framework to ensure their people and those they interact with or do business on their behalf are aware of and take steps to avoid misconduct; conducting culture review and remediation work to help businesses and their employees raise standards of conduct; and where improper conduct does arise, helping businesses to investigate, remediate and appropriately take responsibility for it. Our thought-leaders in this space speak at events, blog and comment in the media on ethical business conduct.

As part of our internal risk-based approach to business acceptance, we have established procedures to evaluate new client and review new mandate proposals for financial crime, sanctions or human rights concerns and these form part of our risk-based decision-making around acceptance of new business. In respect of the latter we are guided by the UN Guiding Principles and the recommendations of the International Bar Association's Practical Guide on Business and Human Rights for Business Lawyers (2016). We recognise our role in upholding the highest levels of integrity and ethical standards and apply these to our own practices through our behavioural framework and our own anti-bribery policy and procedures.

Our Global Head of Financial Crime and Sanctions has been a member of the Money Laundering Task Force of the Law Society of England and Wales (MLTF) which covers sanctions compliance and other aspects of financial crime compliance and has participated in the Money Laundering Committee of the Council of Bars and Law Societies of Europe (CCBE)<sup>1</sup>. We continued our work on these committees as well as supporting the efforts of the International Bar Association on anti-money laundering issues. Through these fora, we were fully involved with advocacy and practice development concerning financial crime and sanctions, including, among other things, engaging with UK Treasury and the Home Office on matters relating to the

implementation of the 5th EU Money Laundering Directive, proposals to change the current money laundering reporting regime in the UK as well as engagement with the Office of Financial Sanctions Implementation and regulatory aspects related to Brexit.

<sup>1</sup>Although the nature of the relationship with the CCBE has changed following Brexit, we will continue to support AML initiatives at CCBE level through hybrid membership. Additionally, at the end of 2020, we hired a new Head of Business Acceptance for UK, CE and MENA, who currently chairs the MLTF.

# Key performance indicators

## Environmental indicators

All of our environmental data is captured and collated by our individual office coordinators and submitted to our environmental data platform. This ensures the data is consistent between offices and between the reporting years. This data is verified by an external auditor and all of our verification statements can be found on the [reports section](#) of our responsible business website. Our environmental data has been assured by Carbon Footprint Limited.

\*CO<sub>2</sub>e= carbon dioxide equivalent

The numbers in **bold** are due to us obtaining more accurate data, particularly for our business travel. We have amended our figures and reported them for transparency.

Indicator	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Gross carbon footprint per capita (Tonnes CO<sub>2</sub>e*)</b>	4.66	4.64	4.48	4.14	6.01	6.08	5.94	4.21
<b>Gross direct and indirect greenhouse gas emissions – scope 1 and scope 2; fossil fuels and refrigerants; electricity (tonnes CO<sub>2</sub>e*)</b>	15,672	15,105	15,638	14,525	12,302	10,859	10,549	10,014
<b>Total gross indirect greenhouse gas emissions- scope 3; business travel (tonnes CO<sub>2</sub>e*)</b>	11,324 <b>15,091</b>	13,438 <b>12,986</b>	12,972 <b>13,645</b>	11,723 <b>17,120</b>	17,356 <b>16,443</b>	21,219 <b>18,400</b>	19,300 <b>16,371</b>	14,778
<b>Gross carbon footprint (tonnes CO<sub>2</sub>e*)</b>	26,997	28,543	28,611 <b>30,221</b>	26,249 <b>31,977</b>	28,083 <b>30,497</b>	33,569 <b>30,840</b>	31,655 <b>28,726</b>	25,956
<b>Global water use (m<sup>3</sup>)</b>	143,103	83,457	167,859	147,075	149,030	151,662	110,482	102,226
<b>Global waste disposal (tonnes)</b>	1,708	2,483	2,510	2,444	1,828	1,609	2,315	1,252
<b>Global paper purchased (reams)**</b>	228,989	214,944	207,977	195,346	169,922	149,409	128,042	121,198

# Key performance indicators

## Pro bono and social contribution indicators

Indicator	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Number of pro bono clients	253	292	281	283	287	286	264	254
Number of pro bono matters	431	483	496	531	518	500	485	466
Number of pro bono hours	43,212	56,368	49,249	47,689	49,850	51,625	52,364	61,708
Percentage of lawyers involved in pro bono	41	42	49	48	47	44	51	46
Total hours contributed to pro bono and community programmes'	60,878	79,105	74,336	67,969	66,092	63,149	62,598	69,487
Total community contributions, including management costs (£m)	10.48	15.46	13.83	14.66	15.66	17.46	17.87	20.86
Participation in UK payroll giving (per cent)	5	5	5	5	5	5	5	5
Turnover (£bn)	1.229	1.278	1.245	1.245	1.285	1.337	1.472	1.521
Profit per equity partner (PEP) (£m)	0.94	1.65	1.37	1.54	1.65	1.73	1.84	1.82

Our community investment and pro bono data has been assured by Corporate Citizenship

## Employee profile by gender (per cent)

Indicator	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Total number of employees	4,859	5,060	5,446	5,753	5,230	5,220	5,325	4,913
Women partners (per cent)	12	12	13	14	14	15	16	19

In the UK, we report on gender, ethnicity, sexual orientation, gender identity, disability and social mobility. An external report is published alongside, which can be found [here](#). This report is from 2019 so the numbers may have changed; we are in the process of collecting data for a new report to be published in spring 2021.

In the US, we report on gender, sexual orientation and gender identity, race and ethnicity and disability, in the form of our ABA Model Survey.



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