

CLYDE&Co

Responsible Business
Report 2023

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Introduction

Message from our Senior Partner and CEO

We have continued to make progress across our Responsible Business programme, which links together our diversity & inclusion, environmental and social impact aspirations.

The two standout areas of progress involve the setting of market leading and ambitious SBTi (Science Based Targets) and near-term Net Zero commitments, and the launch of a significantly enhanced, globally consistent parental leave policy.

Our Net Zero targets are bold because we want to ensure that rather than simply complying, we are industry leading, for the benefits that brings to the environment but also so that we can meet our people’s expectations and those of our clients. To continue to advise clients on the broad range of climate change-related risks they face, we believe that it is important to have strong Environmental, Social & Governance (ESG) credentials ourselves.

This has led to changes in how we operate our business, manage our premises and our supply chain – where most of our emissions reside. As a result of setting these targets, we were able to negotiate an innovative Sustainability Linked Credit Facility (SLCF) with Barclays Bank which further incentivises us to reach our goals.

We know our people want to see us set rigorous ESG standards that go beyond climate change. That’s why we introduced a bold parental leave policy. Gender-blind and offering 26 weeks’ full pay to new parents in any of our global offices, this forms part of our commitment to building an industry-leading culture that’s responsive to rapid social change.

It also reflects our desire to retain the best talent and improve gender diversity at all levels with entitlements that outstrip many of our competitors. It’s a comprehensive policy which provides a level of support that we feel will fast become the expected norm for parents in the workplace.

Finally, many of our lawyers have carried out Pro Bono work this year, including the crucial work to support Afghan and Ukrainian refugees, joining other law firms in several initiatives which are winning awards and, most importantly, making a difference to the lives of people caught up in human tragedies.

We provide support to our lawyers participating in our Pro Bono programmes by allowing them to count 60 hours towards their chargeable hour targets. All our colleagues (legal and non-legal) are encouraged to participate in responsible business activities and are provided with a 24-hour allowance for non-legal volunteering. Our Responsible 60 and the 24-Hour Challenge programmes provide clarity and encouragement for our people to support worthy causes by giving time and expertise.

Our clients (and indeed all of us) operate in a hugely uncertain and volatile world and we believe that in this context, staying true to the principles of the UN Global Compact framework, of which we are a signatory, and maintaining our unwavering commitment to operating as a responsible business, is as crucial now as it ever was.



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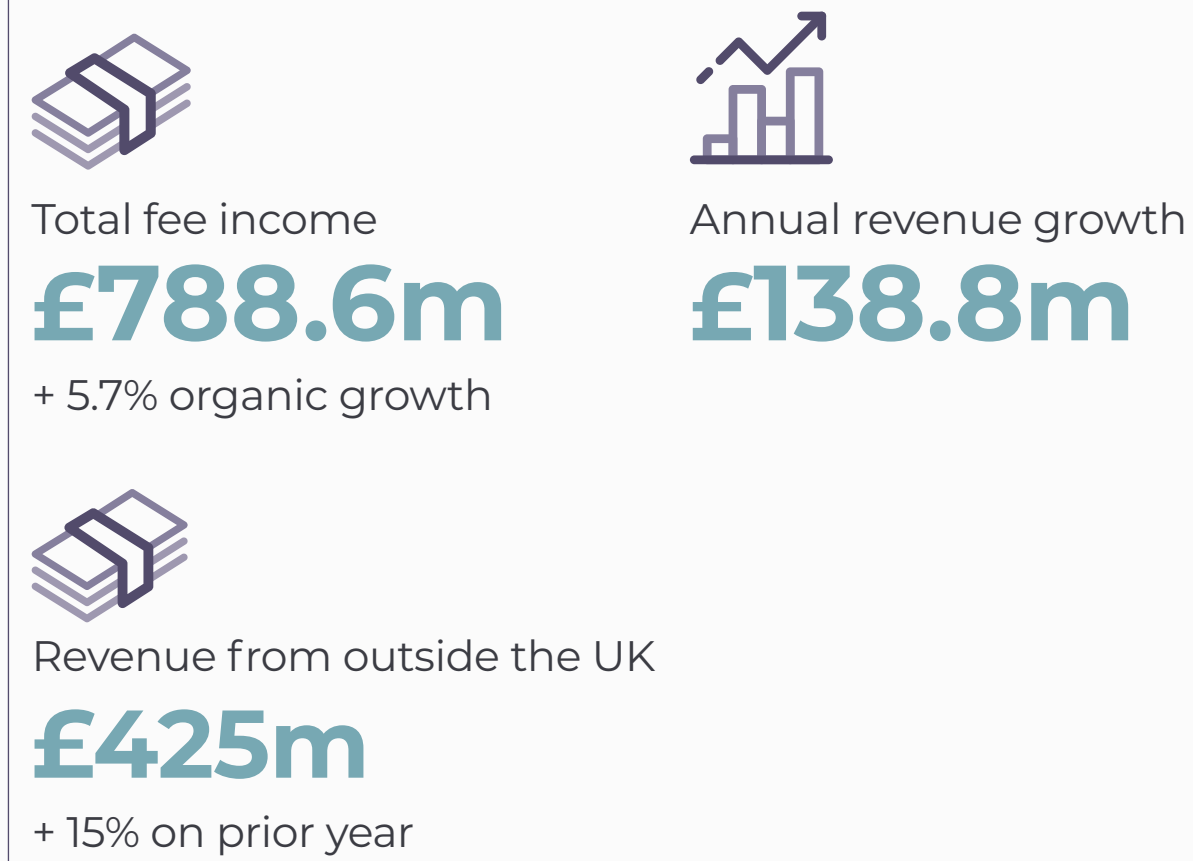


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Our 2023 global highlights

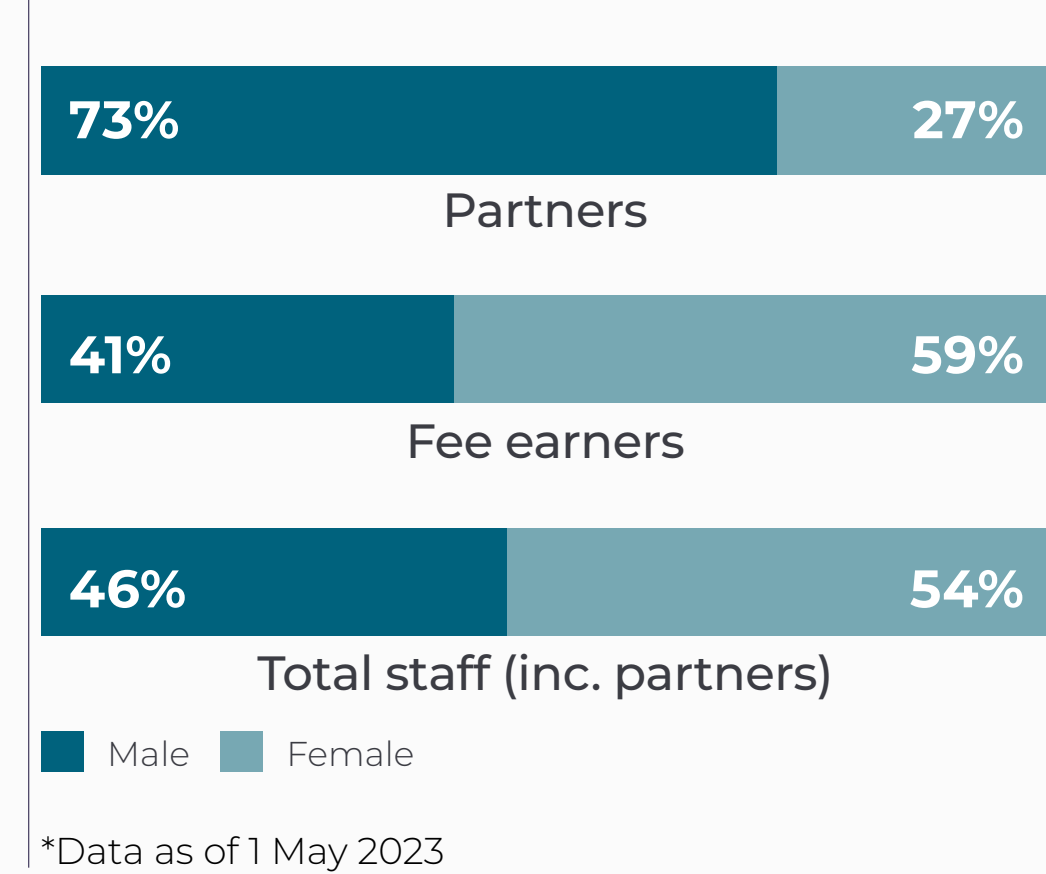
Our performance



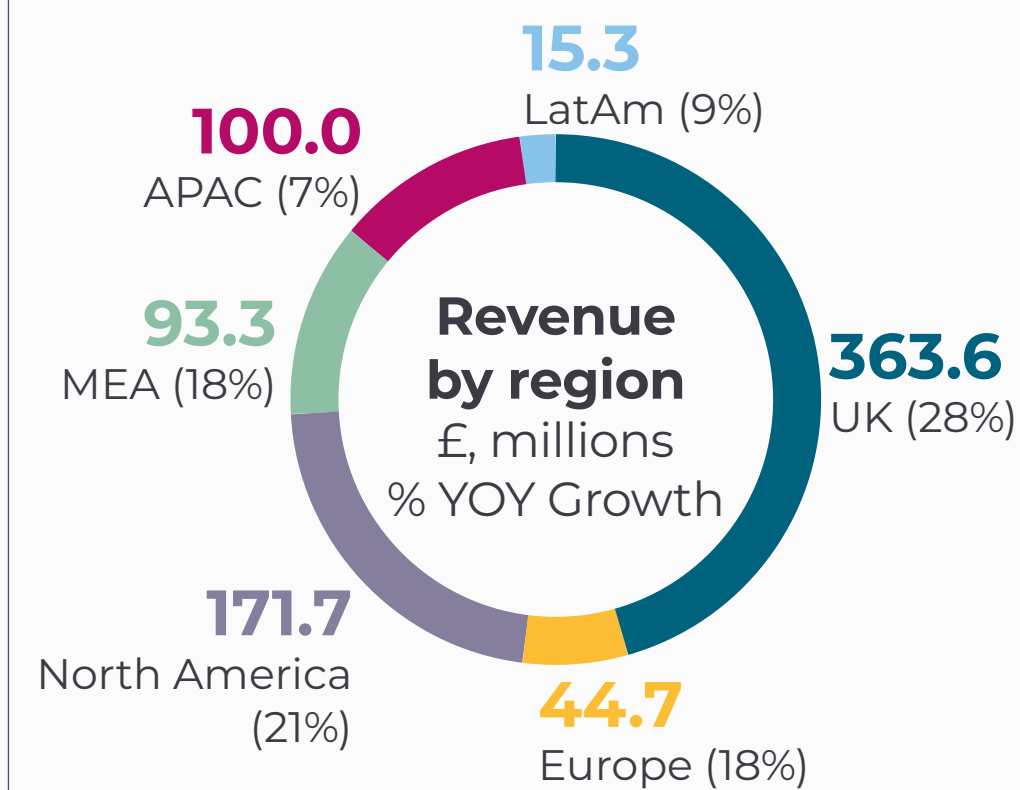
Our global reach



Our gender diversity across the firm*



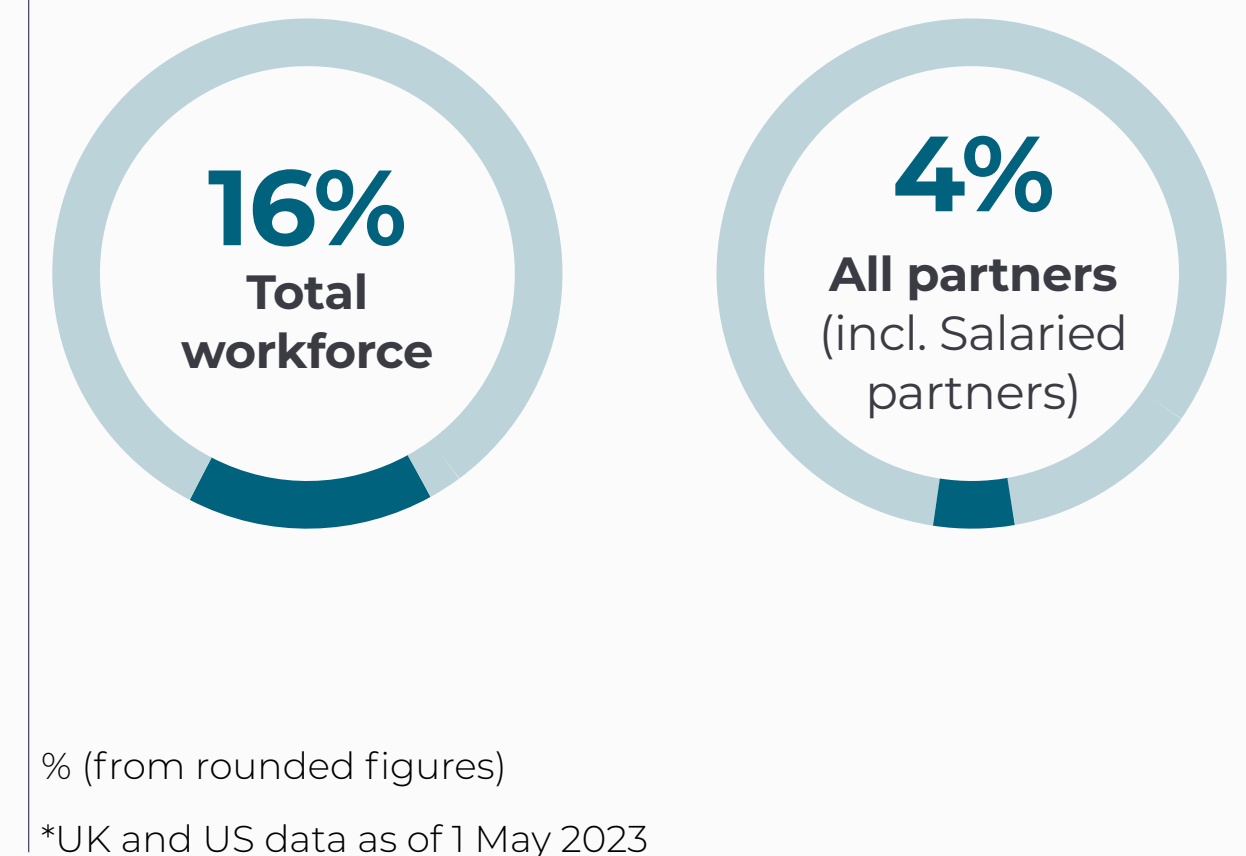
Revenue by region



Our people & culture



Ethnic Diversity UK and US*





Firm-wide initiatives

- Launched globally-consistent **parental leave offering** to all employees and partners with 12 months' service, including access to 26 weeks fully paid leave, regardless of gender or parental role
- Set **Net Zero** commitment to reduce our Scope 1 & 2 emissions by 80% by 2030 and our Scope 3 emissions by 50% by 2030
- Launched global **Clyde & Co Cares** campaign donating over 100,000 meals, more than double our target, to our charity partners
- Award winning **Afghan Pro Bono Initiative** and **Ukraine Advice Project** have included collaboration with NGOs and other law firms to help refugees apply for resettlement
- Achieved **Mansfield Rule** certification in the US and the UK
- Ranked in the **top 75 employers Social Mobility Employer Index** for the second time, at **number 58**
- Our new **Paralegal Academy** was launched, the first of its kind as an alternative route into law
- Launched **Cyber One** our new end-to-end international offering to help organisations manage and respond to cyber risk
- Relunched our online casualty innovation platform **Clyde & Co Newton**, a suite of innovative products to help insurers speed up casualty insurance claims handling

Awards, accolades, achievements & initiatives



Awards

- **The Times Best Law Firms 2023:**
 - Recognised as top three firm in England and Scotland for Insurance and Professional Negligence
- **External Advisor of the Year** for our Insurance Regulatory & Investigations team awarded at Axco Global Insurance Award
- **Singapore Best Law Firms 2023**, The Straits Times
- **Middle East International Law Firm of the Year**, Chambers Middle East Awards 2023
- Recognised as one of **Canada's Best Law Firms in Insurance** by the Globe and Mail in 2023



Accolades

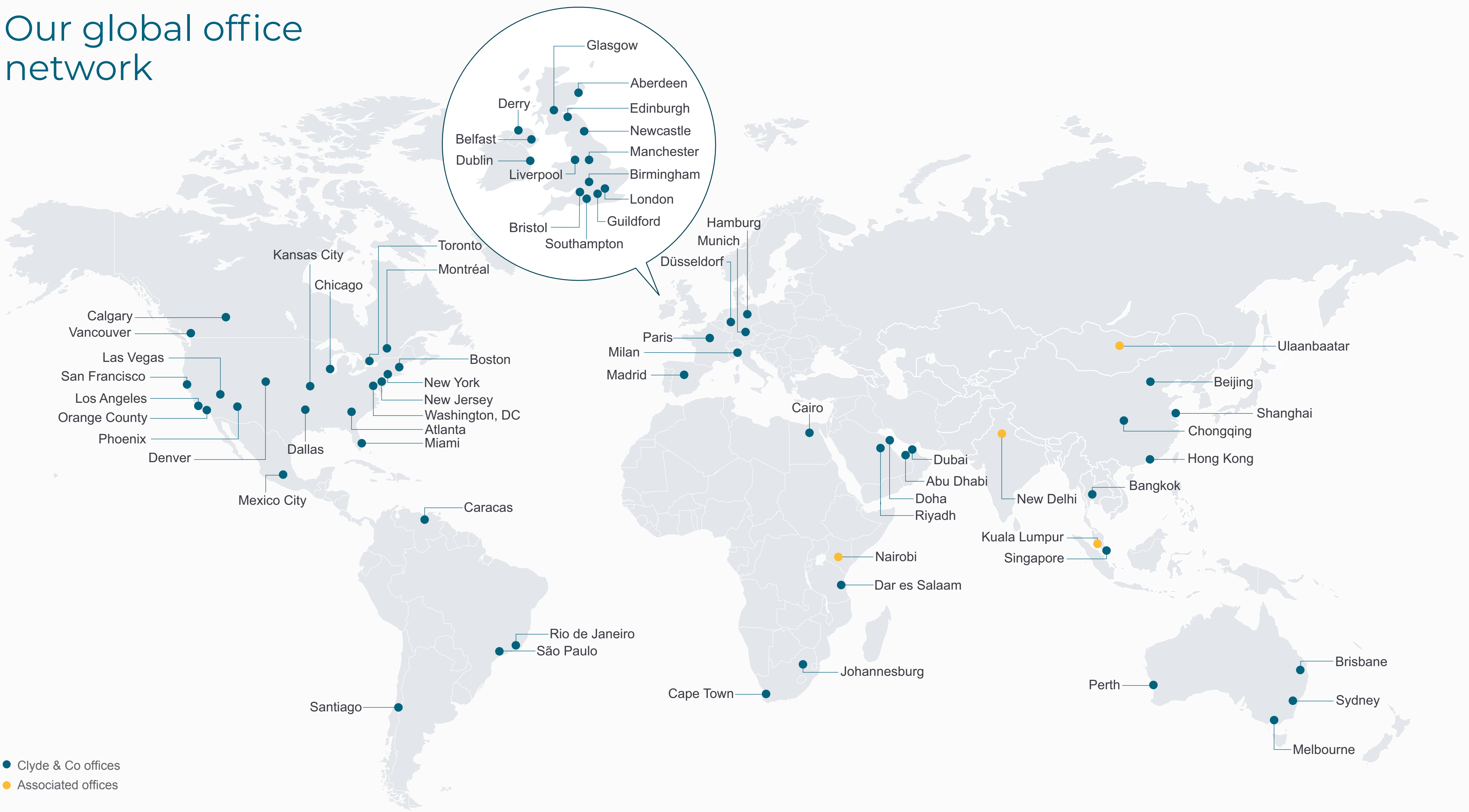
- **Susie Abdel-Nabi, Stuart Miller, Richard Moody, Peter Macara, Thomas van der Wijngaart and Rob Wilson** recognised by International Lexology 2022 Client Choice Awards
- **Eugene Tan** awarded Lawyer of the Year, Legal 500 Southeast Asia and recognised as Litigation Star for Construction, Benchmark Litigation Asia Pacific 2023
- **Simon McConnell** listed in Insurance Business Global 100 ranking, 2023



Rankings

- **80+ Band 1** practice rankings globally across Chambers and Legal 500
- 40+ lawyers ranked as **Star or Band 1** globally in Chambers
- 140 lawyers ranked as **Leading Individuals** or in the **Hall of Fame** globally in Legal 500
- 100+ lawyers recognised as **Rising Stars, Up and Comers** and **Next Generation Partners** globally across Chambers and Legal 500

Our global office network



● Clyde & Co offices
● Associated offices



Our Responsible Business Strategy

We are a dynamic, rapidly expanding global law firm committed to operating as a responsible business. This means progressing towards a diverse and inclusive workforce that reflects the diversity of our communities and clients, using our legal skills to support our communities through Pro Bono work, volunteering and charitable partnerships in the areas where we live and work, and managing and reducing our environmental impact.

As a people business, we are committed to valuing everyone who works here, treating them as individuals and helping them flourish so they can fulfil their potential.

The key areas of our Responsible Business Strategy are represented by the following three pillars:

- Diversity & Inclusion
- Environmental Sustainability & Biodiversity
- Pro Bono & Social Impact

The Management Board monitor and oversee the execution of the strategy through global partner led steering committees for each of the three pillars. Each steering committee has the delegated authority of our Management Board to embed the strategies within each of our regions and to be responsible for delivery of the strategies.

The steering committees monitor and report progress of each of the Regional Boards to the Management Board on a bi-annual basis.

Given its broad impact and importance across the firm, it is treated as a cross-services initiative with key members of the firm's senior management team involved in the steering committees alongside our partners.

Each steering committee consists of several partners representing each of our regional teams together with a Management Board partner representative, a senior management representative (CEO or COO) and, respectively, our Head of Diversity & Inclusion, Head of Pro Bono & Social Impact, and Chief Sustainability Officer.

SUSTAINABLE DEVELOPMENT GOALS

Our alignment to the Sustainable Development Goals

Clyde & Co signed the UN Global Compact in 2018. We have committed to embrace, support and enact, within our sphere of influence, the core values in the areas of human rights, labour standards, the environment and anti-corruption. These core values make up the Ten Principles of the UN Global Compact.

The Ten Principles provide a framework that helps businesses to understand how to operate, and the Sustainable Development Goals (SDGs) are an ambitious vision of what a business's activities should work to achieve by 2030.

In our Responsible Business Report for 2023 we share selected highlights of the activities undertaken to provide insight into our efforts to help achieve the SDG's. Our Responsible Business Strategy aligns closely with 14 out of the 17 SDGs shown in bold.



1 NO POVERTY
End poverty in all its forms everywhere



2 ZERO HUNGER
End hunger, achieve food security and improved nutrition and promote sustainable agriculture



3 GOOD HEALTH AND WELL-BEING
Ensure healthy lives and promote well-being for all at all ages



4 QUALITY EDUCATION
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



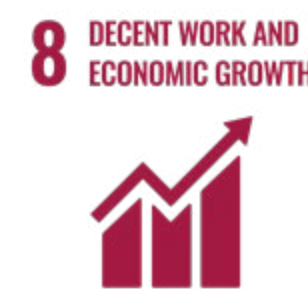
5 GENDER EQUALITY
Achieve gender equality and empower all women and girls



6 CLEAN WATER AND SANITATION
Ensure availability and sustainable management of water and sanitation for all



7 AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all



8 DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



10 REDUCED INEQUALITIES
Reduce inequality within and among countries



11 SUSTAINABLE CITIES AND COMMUNITIES
Make cities and human settlements inclusive, safe, resilient and sustainable



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns



13 CLIMATE ACTION
Take urgent action to combat climate change and its impacts



14 LIFE BELOW WATER
Conserve and sustainably use the oceans, seas and marine resources for sustainable development



15 LIFE ON LAND
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



17 PARTNERSHIPS FOR THE GOALS
Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development

Our business

Human rights and labour standards

We are committed to ensuring that there is no modern slavery in our business or in our supply chains, and to acting ethically and with integrity in all our relationships.

As such, we expect third party contractors and suppliers to comply with all applicable laws, statutes, regulations, and codes relating to labour, anti-slavery and human trafficking laws, including the Modern Slavery Act.

Our people

We apply the highest possible standards in the recruitment and employment of our people. We conduct due diligence on our prospective employees prior to them joining Clyde & Co. When recruiting, we comply with all local employment legislation and any applicable regulations.

All our people are expected to comply with relevant laws and professional codes of conduct, as well as Clyde & Co's internal Modern Slavery policy and other policies and procedures.

We are an Accredited Living Wage Employer, meaning we have committed to pay all our employees a fair living wage. This commitment is also extended to contractors of the firm.

We collect, report and publish data about the diversity make-up of our workforce in the UK, this information is publicly available through our website.

We deliver training on ethics and integrity for all employees throughout our global network. We have implemented mandatory sustainability training for all members of our global procurement team in collaboration with AXA Climate School.

Key individuals complete modern slavery training globally that we have identified as dealing with any aspect of procurement on behalf of Clyde & Co. We have implemented mandatory training on diversity and equality for all UK employees. This course addresses issues such as discrimination, unconscious bias, and harassment.



Our suppliers

Clyde & Co has long-term relationships with many of the businesses it engages to run its premises, such as catering and cleaning providers. We have a dedicated procurement team that collaborates closely with these suppliers to make sure that we do not make demands of them that may lead them to violating laws. We have a Code of Ethics, to ensure that our supplier relationships are based on professional, ethical, and transparent behaviour.

We have introduced this year a Sustainable Procurement Policy which recognises that our procurement of goods and services has the potential to impact the environment, society, and economy. We are committed to operating sustainable procurement practices that uphold our values and contribute to a more sustainable future.

Most of our suppliers are based in the UK and supply standard goods or services. We

have a database of our first-tier suppliers to maximise co-ordination and control. We have moved suppliers onto a form of contract that requires them to comply with all local, national and (where applicable) international laws and regulations. We hold regular service reviews with tier one suppliers.

We perform vetting and due diligence on new suppliers via our new third-party risk management solution Prevalent. This solution is used to screen prospective suppliers on a range of issues, including anti-bribery and corruption, modern slavery, and sustainability.

Anti-bribery and corruption

Clyde & Co is committed to conducting business fairly, honestly, and openly. We take a zero-tolerance approach towards bribery and corruption, and we act professionally and with integrity in all our business activities and relationships worldwide. In compliance with our antibribery and corruption (“ABC”) policy, we must ensure that people acting on our, or

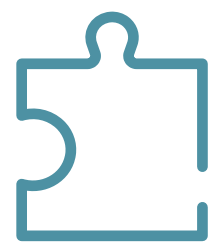
on our clients’ behalf are also in compliance with anti-bribery and corruption legislation, and that they have effective policies and procedures in place that are at least of the same standard as our own.

We provide comprehensive information on the ABC policy and the Bribery Act on our Intranet. Our Risk team is always on hand to help with employee questions. We deliver training on financial crime, anti-money laundering and sanctions to employees in the UK, Europe, Asia Pacific, South Africa, and the Middle East, and provide supplementary video recordings to employees. We have a structured approach to delivering additional periodic training across our global network.

Our whistleblowing policy ensures that no-one suffers any detriment because of reporting any breaches or suspected breaches of our anti-bribery policy. We aim to encourage openness and we will support anyone who raises concerns.



02



Diversity & Inclusion

Our approach & impact

Diversity & Inclusion

Celebrating difference has become one of the four key values at Clyde & Co (Annex 1), highlighting the significance we place on diversity and inclusion across the firm. We continue to make sustainable and meaningful progress by investing in enhancing diversity and acting inclusively.

Following the creation of the Global Diversity & Inclusion Steering Committee, we have continued to evolve our strategic priorities and we also introduced ambitious goals to hold ourselves accountable. Our goals are designed to increase female representation in our partnership, in key leadership positions and on decision-making bodies.

As part of our ongoing efforts to promote diversity in leadership roles, we have made a commitment to implement the Mansfield Rule in our US and UK offices. This rule, administered by Diversity Lab, encourages participating law firms to consider a minimum of 30% underrepresented candidates for lateral hiring, senior leadership positions, and business development initiatives. We take great pride in having again obtained Mansfield certification in the US and Mansfield Plus certification in the UK.



	Global female representation as of June 2021	Global female representation as of May 2023	Global goal
Senior Equity Partner	19%	19.8%	25% by 2025 30% by 2023
Equity Partner	29%	37.1%	35% by 2025 40% by 2027
Legal Director	43%	49.4%	50% by 2023



Inclusion Networks

Our Inclusion Networks are colleague resource groups and provide a platform for people around the firm to identify the areas where they can drive change and help to advance the diversity agenda.

Our Inclusion Networks continue to be critical change agents helping to advance our inclusive culture while also contributing to our celebration and awareness raising campaigns to mark dates such as International Women's Day, Black History Month, Pride Month and others throughout the year.

Our networks include:

- **GECCO** (Gender Equality at Clyde & Co) network focused on advancing gender equity
- **ACED** (Achieving Cultural & Ethnic Diversity) network focused on cultural and ethnic diversity
- **Pryde & Co** network focused on inclusion of LGBT+ colleagues and their allies
- Our **Enable** network is a forum for our people who are interested and passionate about increasing accessibility
- **PACT** (Parent and Carers Together) provides a forum for our people who are interested and passionate about promoting a balanced work-life and supporting the needs of colleagues with caring responsibilities

gecco
Gender Equality at Clyde & Co

aced
Achieving Cultural & Ethnic Diversity
at Clyde & Co

pryde&co
Clyde & Co's LGBTQIA+ & Allies Network

enable
Disability, Neurodiversity & Accessibility Network

pact
Parents and Carers Together
at Clyde & Co

Family Leave Offering

In May 2023 we launched a globally consistent parental leave offering available to all employees and partners across the firm following 12 months' service. The offering includes access to 26 weeks fully paid leave, except where local legislation allows for more, regardless of gender or parental role. The policy replaces previous maternity and paternity leave entitlements to provide a consistent, cohesive offering to all.

In addition, the offering seeks to provide our colleagues with greater, more inclusive support when they become parents, more effective support as they transition back to work and consistent support as they balance ongoing work and family care.

Further elements of the offering include:

- Ten days fully paid leave for fertility treatment
- Four weeks fully paid (before 20 weeks pregnancy) pregnancy loss leave for women or anyone suffering a pregnancy loss directly and up to 26 weeks' paid leave after 20 weeks pregnancy for all, regardless of gender
- Up to 12 additional weeks' paid leave for parents with children in neonatal care
- Consistent access to back-up childcare provision and five days emergency leave a year
- Parental transition coaching and parental leave sponsors for fee earners

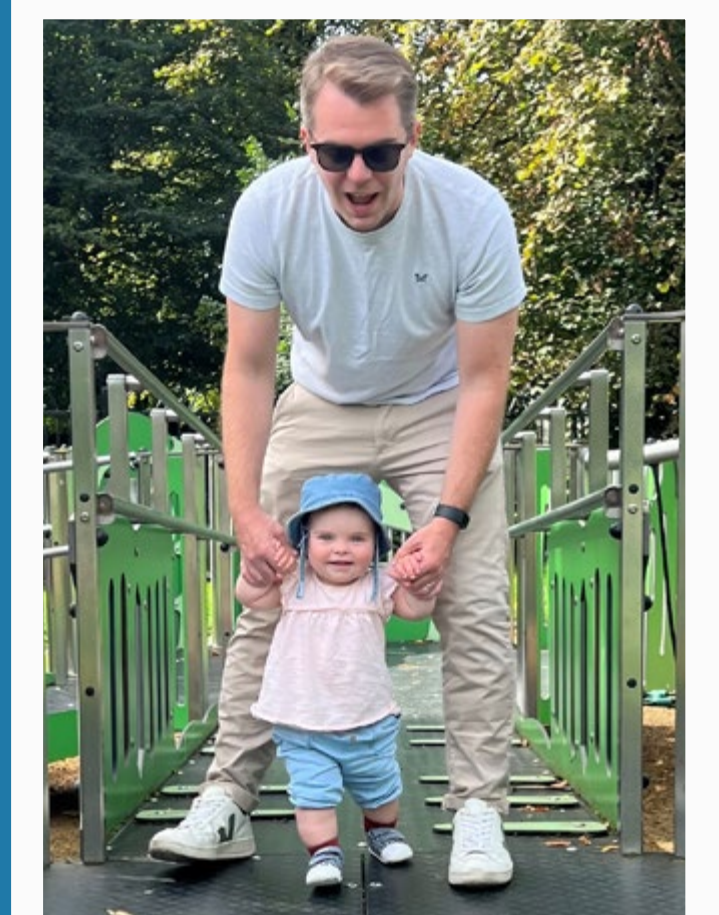
Employees were also entitled to retrospective eligibility for those already on, or who had recently returned, from parental leave.

We have seen 33% of women and 37% of men who are eligible for the retrospective leave take it up.

Clyde & Co's new parental leave policy enabled me to spend a significant period of quality time with my daughter at a really important time in her development. I now have a closer relationship with her than I would have had if I hadn't been able to spend that time with her.

As a family, now that my wife, who is also a solicitor, and I are both back at work and our daughter is in nursery, the policy has helped to ensure that we split things like nursery drop-offs and pick-ups and bedtimes equally between us, which probably wouldn't have been the case if I had just had two weeks of leave when she was born. It is great that Clyde & Co has taken a lead in this area and hopefully other firms will follow suit.

Chris Kerr
Legal Director, UK



Credit: Chris Kerr

10,000 Interns Foundation

In Summer 2022 Clyde & Co welcomed five summer interns in our London office for eight weeks as part of the 10,000 Black Interns Programme, which aims to tackle the underrepresentation of Black heritage talent. This year, Clyde & Co doubled the intake and welcomed ten interns from this programme.

Rebecca Ajulu-Bushell, CEO of the 10,000 Interns Foundation, says:

We are sincerely grateful to Clyde & Co for their enthusiasm, warmth and desire to improve their involvement in our access programmes year on year. Clyde & Co have embraced our mission as active and committed members and have provided a wealth of meaningful internship experiences for our interns.

We want to change the face of British business to reflect all talent and provide genuine access to opportunities for our interns to consider paths that might otherwise not be explored. We know that talent is everywhere, and we want to challenge people to understand that talent can look or feel different and come in different moulds. Companies that embrace this fact will triumph.

We are dedicatedly impact-focused and are continually reassessing how our programmes can be best aligned with the internal priorities of our members to align and maximise outcomes for our interns. Conversations with Clyde & Co have helped to shape our recently launched Corporate Membership Scheme. We're so excited to see what we can continue building together in 2023/24.



Anne-emmanuelle Kouadio
Diversity, Equity and Inclusion
Coordinator

Anne-emmanuelle Kouadio is one of the interns from the summer 2023 programme and has joined the Diversity & Inclusion team at Clyde & Co as part of her placement year from university.

Anne-emmanuelle says:

I got involved with 10,000 Black Interns as I was deeply moved by the initiative which supported and addressed underrepresentation of Black talent in various sectors and this programme allowed them to enter spaces which might've proven difficult in the past.

Being a Black student myself, I strongly resonated with their aim and having taken part in this extraordinary programme I believe this has been a transformative and valuable experience both personally and professionally.

It has not only opened doors for me but empowered me with a network of peers, mentors and individuals who champion diversity and inclusion and has instilled in me a sense of purpose and resolve.

10,000 Black Interns has been a catalyst to fostering personal growth and driving my dedication to creating a more equitable future

for Black individuals in the workforce. Through my association with the 10,000 Black Interns, I was able to join Clyde & Co where I embarked on a series of projects that has influenced my professional Journey.

In one specific project my primary focus revolved around an in-depth analysis of ethnic diversity data both within and outside the organisation.

This aimed to establish clear benchmarks for enhancing the firm's Diversity & Inclusion objectives, presenting the firm's commitment to driving positive change.

This experience has not only allowed me to contribute meaningfully to the firm's diversity goals but has also deepened my understanding of the critical role diversity plays in today's corporate environment.

North America Women's Initiative

Founded in 2018, the North American Women's Initiative (NAWI) is an Employee Resource Group (ERG) dedicated to attracting, promoting, and supporting female attorneys through business development initiatives and internal and external programming.

The initiative provides external opportunities for women to expand their reach and build their brand. For the more than 130 female lawyers in North America at Clyde & Co, the Initiative is committed to celebrating their achievements and providing the necessary support and empowerment for their, and the Firm's, continued success.

It aims to achieve this by increasing participant's understanding of:

- Business development opportunities available to utilise along with what good business development activity looks like (not a one size fits all)
- The necessary elements for career progression at Clyde & Co, along with the various resources available to our female lawyers to help them define and achieve success
- The type of work our female lawyers do throughout the North American region in order to continue to support one another's practices

An annual survey follows each cycle to evaluate and measure the success of the initiative.

Australian Reconciliation Action Plan

In May 2023, the Australian Firm proudly launched its inaugural Reconciliation Action Plan (RAP), a Reflect RAP, as part of National Reconciliation Week. Our Reflect RAP lays the foundations for our reconciliation initiatives and provides a strong platform for our collaboration with Aboriginal and Torres Strait Islander peoples, organisations, and communities to further the cause of reconciliation.

Since 2006, RAPs have enabled organisations to sustainably and strategically take meaningful action to advance reconciliation. Based around the core pillars of relationships, respect and opportunities, RAPs provide tangible and substantive benefits for Aboriginal and Torres Strait Islander peoples, increasing economic equity for supporting First Nations self-determination.

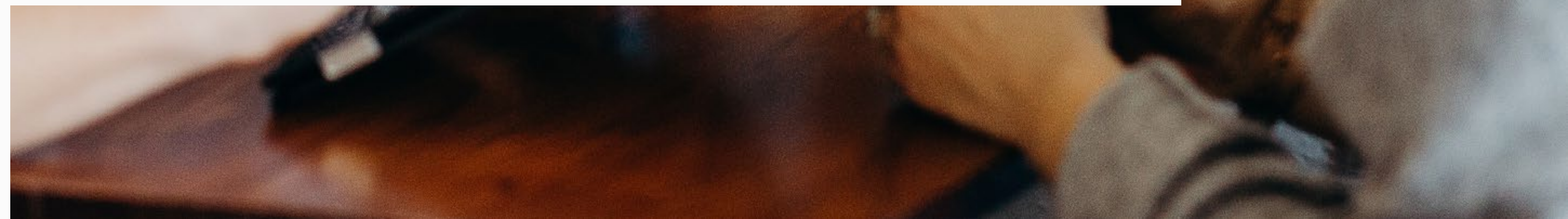
Facilitation of our RAP is steered by our RAP Working Group (RWG), comprising partners and staff from across our Australian offices. We have created individual working groups within the RWG that focus on the three core pillars of our RAP, to provide a solid foundation on which we can build and exceed the commitments in our RAP.

We take seriously our responsibility to take meaningful action towards reconciliation with Aboriginal and Torres Strait Islander peoples and communities. Our RAP provides practical actions that drive our contribution to reconciliation both internally and in the communities in which we operate.

As a leading global provider of legal services, we have a responsibility to use our skills and resources to make a meaningful contribution towards reconciliation, in particular through our Pro Bono matters.

It includes commitment to action on a number of fronts, including better policies to recruit and support Aboriginal and Torres Strait Islander employees and supporting Aboriginal and Torres Strait Islander businesses through procurement activities.

We are committed to the implementation of the deliverables in our Reflect RAP and to our Firm's continuous improvement as a part of our reconciliation journey.





Our diversity demographic data

Count Me In campaign

Ensuring that our Firm appropriately reflects society is important to Clyde & Co, and understanding our workforce demographics is, undoubtedly, one of the critical first steps in further developing a diverse and inclusive workplace. The monitoring and use of information about the diversity of our workforce can assist us with this goal.

In summer 2023 we launched the Count Me In campaign which is focused on increasing the self-ID demographic data of our colleagues. We began the campaign in the UK this year to support one of our regulatory requirements to submit the diversity of our workforce to the Solicitors Regulation Authority.

By the end of the UK campaign, we obtained an average of 12% increase in completion across all our demographic questions, equivalent to an increase of over 6000 data points (see Annex 3 for a breakdown of the diversity demographic data for the UK).

Currently, our demographic data varies per region and as we continue to roll out the campaign across the rest of the firm, we will look to improve not just the response rates but the type of demographic data we collect, taking into consideration local requirements around the collection and processing of this type of data.

Gender

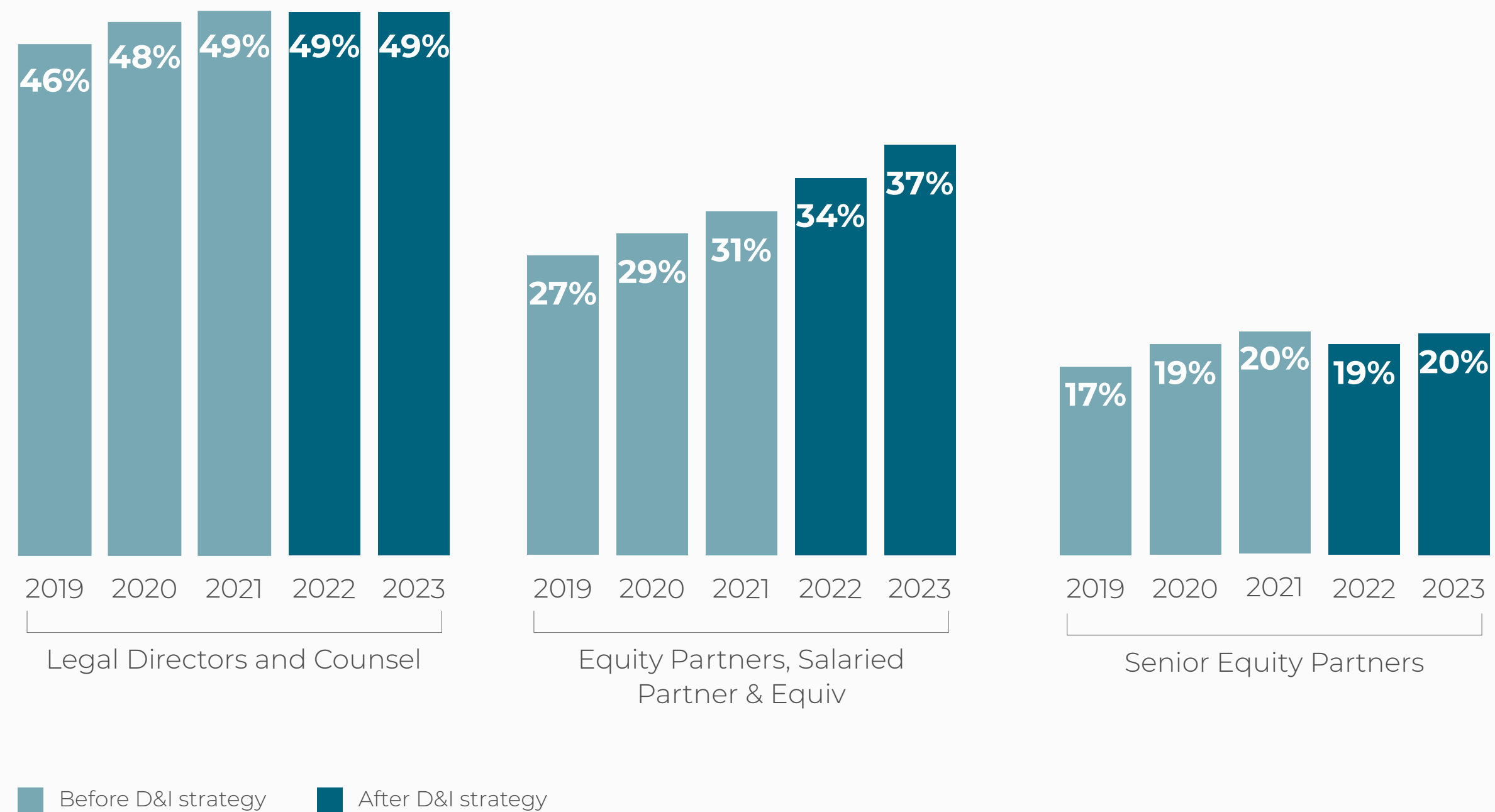
The following graph shows how female representation in our three most senior roles categories has changed over the last five years. As of 1 May 2023, we have exceeded expectations in meeting our global target of a 35% representation of female Equity Partners and Equivalents by 2025, specifically hitting this target in the UK and Europe regions.

We are also on a positive track to meet our next target of 40% female representation by 2027. Furthermore, we have met our Legal Director female representation targets in most regions, namely APAC, Europe and the UK. Globally, we are 1% away from meeting our 50% target.

Naturally, we are focused on progressing the remaining regions towards the same representation targets. Similarly, we are indeed conscious that we have further progress to make in respect of Senior Equity Partner female representation, to meet our target of 25% representation by 2025.

Please see Annex 2 for a breakdown of our female representation by region.

Female representation in senior roles between 1 May 2019 – 1 May 2023



Ethnicity

We currently report on our ethnicity data in the UK and the US only.

US Ethnicity data (as of 1 May 2023)

Role group	Asian	Black	Hispanic or Latino	Mixed or multiple ethnic groups	Other	White
Fee earners	6%	4%	8%	4%	Cannot be provided	79%
Business Services	7%	14%	12%	2%	Cannot be provided	65%
Total	6%	8%	9%	3%	Cannot be provided	73%

UK Ethnicity data (as of 1 May 2023)

Role group	Arab	Asian	Black	Mixed or multiple ethnic groups	Other	White	Prefer Not to Say
Fee earners	1%	8%	1%	2%	1%	87%	Cannot be provided
Business Services	Cannot be provided	9%	4%	3%	Cannot be provided	83%	1%
Total	<1%	8%	3%	2%	1%	85%	1%

Response rate: 81%



Looking forward

As we move into 2024, our commitment to achieving our goals remains steadfast, while recognising the need to adapt to the ever-changing environment. Building upon the successes of the Count Me In campaign, we are dedicated to building our global data capability, empowering our Firm to make informed decisions.

To ensure our progress is both measurable and meaningful, we will continue to monitor our performance. This entails robustly tracking our internal key metrics, while also benchmarking ourselves against industry standards. By doing so, we can hold ourselves accountable, ensuring that our efforts are not only aligned with our strategic objectives but also meeting and exceeding expectations.

Action and impact will remain at the heart of our approach ensuring we continue to move at pace. Throughout 2024 we will continue to invest in programmes and projects which tackle key issues. In particular, we will focus on talent development programmes and community outreach initiatives aimed at building the most inclusive Firm which harnesses the diversity of our people.



Affiliations & accreditations

In 2022, Clyde & Co was placed in the top 75 of employers in the **Social Mobility Employer Index, ranked at number 58**. The Social Mobility Employer Index is the leading authority on employer-led social mobility schemes. It assesses and ranks the UK employers on the actions that they take to ensure they are open to talent from all social backgrounds.

Clyde & Co has been recognised by Insurance Business Australia as one of 19 companies to achieve the **5-Star Excellence Award for Diversity, Equity and Inclusion**. The awards showcase companies in the insurance sector in Australia and New Zealand with the most effective DE&I programmes that are helping to foster change.

Clyde & Co is also proud to have been recognised as **Highly Commended for Culture and Diversity** at this year's Partnership Bulletin Awards. The award recognised key initiatives and focuses, including Responsible 60 which enables fee-earners to engage with diversity and inclusion activities and have up to 60 hours of their time count toward billable targets. Clyde & Co similarly introduced the 24-Hour Challenge for non-lawyers.

Clyde & Co joined the **Rare Race Fairness Commitment**, which involves implementing a range of measures aimed at combating the career obstacles faced by black and other ethnic minority lawyers.

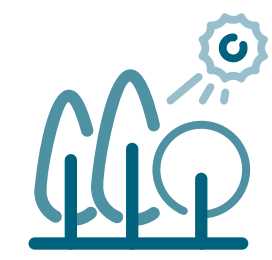
Clyde & Co joined the recently formed **Legal CORE**, a cross-firm collective aimed at tackling the underrepresentation of Black, Asian and minority ethnic groups in the legal sector.

Clyde & Co adopted **The Halo Code**, the UK's first Black hair code, which protects employees who come to work with natural hair and protective hairstyles associated with their racial, ethnic, and cultural identities.

Clyde & Co are signatories of the **Mindful Business Charter**, joining a range of businesses and professional service firms around the world in a collective commitment to address the avoidable stresses in our working practices and to promote healthier and more effective ways of working.

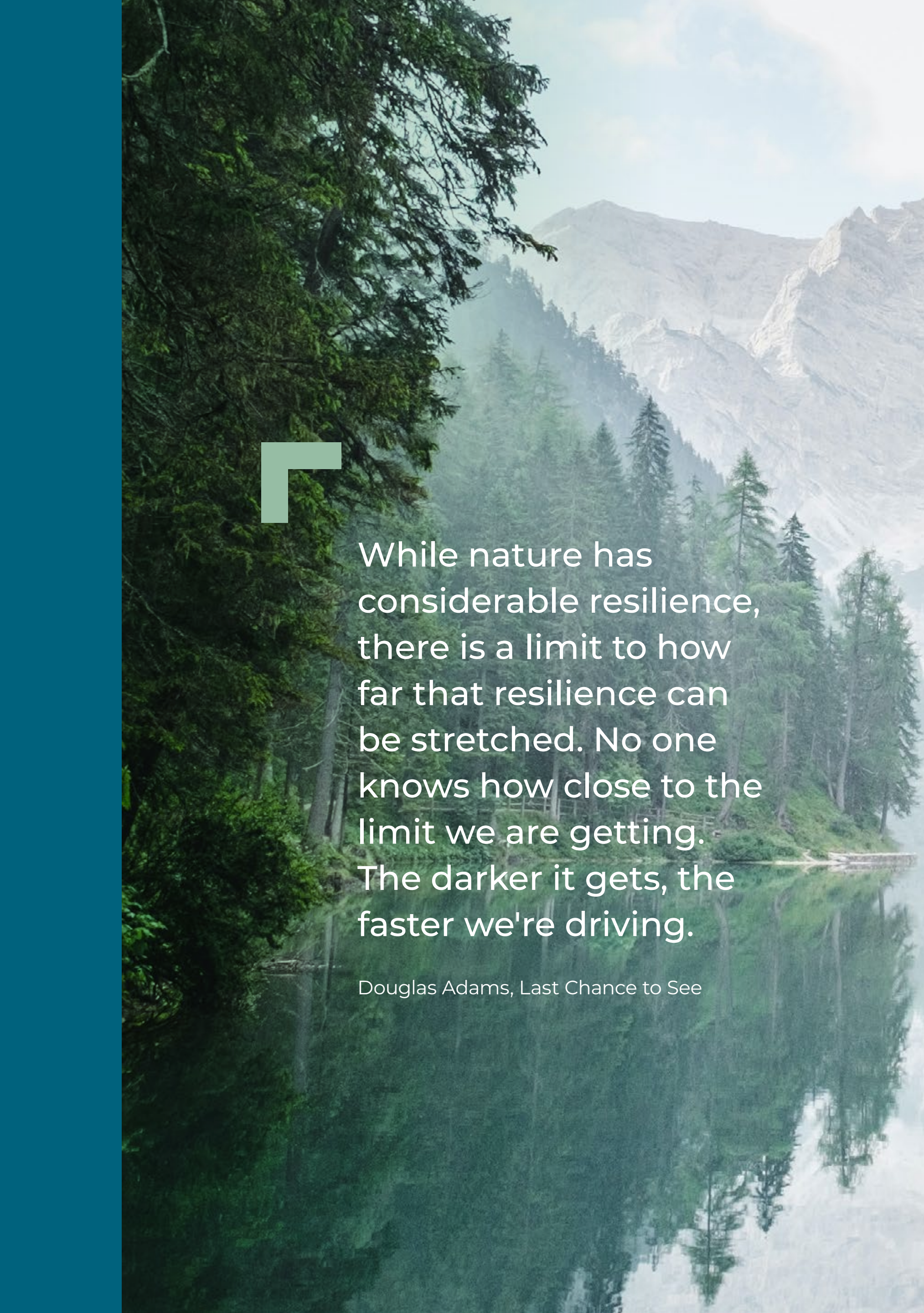
Together, these affiliations and accreditations reflect our unwavering dedication to fostering a diverse and inclusive environment, where every individual is valued, supported, and given equal opportunities to thrive.

03



Environmental Sustainability & Biodiversity

Our approach & impact



While nature has considerable resilience, there is a limit to how far that resilience can be stretched. No one knows how close to the limit we are getting. The darker it gets, the faster we're driving.

Douglas Adams, Last Chance to See

Clyde & Co is committed to reducing our carbon emissions and limiting our wider environmental impact. We have set industry-leading near-term Science-Based targets to more than halve our emissions by 2030 and are committed to achieving Net Zero on or before 2040. We have established a clear time-phased roadmap to deliver on this commitment.

Under our Environmental Sustainability & Biodiversity pillar we have proactively taken a leadership role in advancing the agenda both in, and in relation to, the legal sector. We are committed to operating our business in a responsible and sustainable manner and acting as an exemplar to the industry at large by demonstrating high ambition, high transparency and by contributing to thought leadership.

Our programme encompasses:

- governance and policy
- ambitious Net Zero commitments and the initiatives to deliver upon those commitments
- transparent reporting, and disclosure, both mandatory and voluntary, and
- leadership through our participation in relevant industry bodies

Governance and policy

The Management Board monitors and oversees the execution of our Net Zero strategy. The Management Board delegates day-to-day responsibility to our partner led Environmental Sustainability & Biodiversity Steering Committee for:

- embedding our Net Zero strategy throughout the firm, delivering on the strategy, and ensuring there is the investment required to do so
- mitigating and managing climate-related risks and capturing climate-related opportunities, developing regional and global programmes
- developing a rigorous engagement programme with suppliers and clients to address climate-related risks and opportunities in the value chain
- building the climate resilience of our Firm

Our Environmental Sustainability & Biodiversity policy outlines our global priorities and approach, including our year-on-year carbon reduction targets, key impacts, KPIs and reporting, and principal decarbonisation initiatives, alongside our expectations of the role of our clients, people, and suppliers.

In the last year we have created a dedicated Environmental Sustainability & Biodiversity team through the appointment of our first Chief Sustainability Officer and the recruitment of a Sustainability Manager. We expect to announce the appointment of a Sustainability Reporting and Compliance Manager in October 2023.

Ambitious Net Zero commitments

The Science Based Targets initiative (SBTi) is a collaboration between CDP (formerly known as the Carbon Disclosure Project), the United Nations Global Compact (UNGC), World Resources Institute (WRI), and the Worldwide Fund for Nature (WWF). The SBTi defines and promotes best practice in science-based target setting, and independently assesses and approves companies' targets. A greenhouse gas emissions target can be considered 'science-based' if the emissions reductions it requires are in line with keeping the global temperature increase at or below 1.5°C compared to preindustrial temperatures by mid-century (2050).

Clyde & Co worked with Carbon Intelligence (now an Accenture company) to determine our baseline carbon footprint. The calendar year 2019 was taken as our baseline year, representing the final year of "business as usual" before the onset of the global COVID pandemic.

Our total footprint for **2019** was approximately 110,000 tonnes CO₂e, which can be broken down into:

- 4% Scope 1 & 2 emissions, encompassing energy use in our offices, and
- 96% Scope 3, primarily business travel and emissions from purchased goods & services

In **January 2023**, our near-term Science Based Target was approved by the SBTi. This commits us to:

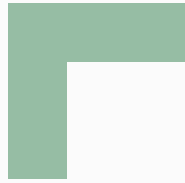
- Reducing our Scope 1 & 2 emissions by 80% by 2030 against our 2019 baseline, and
- Reducing our Scope 3 emissions by 50% in the same timeframe

We plan to submit our long-term target for validation by the SBTi by the end of 2023. This target will deliver a 90% reduction in our emissions on or before 2040 with any residual emissions offset. This would qualify to be a Net Zero strategy approved by the SBTi.

Sustainability initiatives

Our sustainability initiatives can be grouped into three categories, aimed at:

- reducing our carbon footprint
- addressing wider environmental impacts and
- offsetting carbon through avoidance or removal projects



We often talk of saving the planet, but the truth is that we must do these things to save ourselves. With or without us, the wild will return.

David Attenborough



Carbon footprint reduction initiatives

There are three broad areas of decarbonisation that we are focusing on to deliver our Net Zero strategy:

1. **Maintaining a low carbon and resilient supply chain:** we are working to reduce the impact of our purchased goods and services by rationalising our global supply chain, supporting our suppliers to measure and reduce their emissions, and incorporating sustainability requirements into procurement and due diligence processes.
2. **Using sustainable business travel:** in August 2023 the Management Board approved the adoption of a global Guidance Note on Sustainable Travel. This guidance will be incorporated into the development of regional travel policies, emphasising the need to be smarter with travel choices. We are working with our Travel Management Companies globally to improve data collection and to prioritise sustainability over cost.
3. **Operating energy efficient and low-carbon workplaces:** we are working to transition away from the direct consumption of fossil fuels in our offices. As of May 2023, our UK offices run on 100% renewable electricity, and we will seek to replicate this across our global office portfolio. Where this is not possible, we will purchase Energy Attribute Certificates. Separately, we are commencing a global energy opportunity assessment programme aimed at reducing energy use in all our offices.



Wider environmental initiatives

► Sustainability champions

In late 2023 we will be establishing a global Sustainability Champions network, to enable our people across the firm with knowledge or enthusiasm around sustainability to support our work and undertake locally and regionally appropriate projects.

► Waste & recycling

As part of our internal engagement programmes, we are working to develop bespoke waste minimisation and recycling projects in each office. We are developing a Sustainable Consumption Policy to directly address the sourcing and use of consumable products across the organisation. Throughout 2024 we will be putting in place methodologies to capture waste metrics more effectively, allowing us to set quantitative waste reduction and recycling targets.

► Biodiversity & nature loss

We are a member TNFD Forum a consultative grouping of institutional supporters who share the vision and mission of the Taskforce for Nature-related Financial Disclosures (TNFD) and make themselves available to contribute to the work and mission of the Taskforce. The recommendations of the TNFD launched on 18 September 2023.

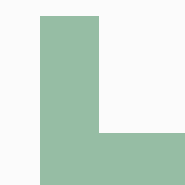
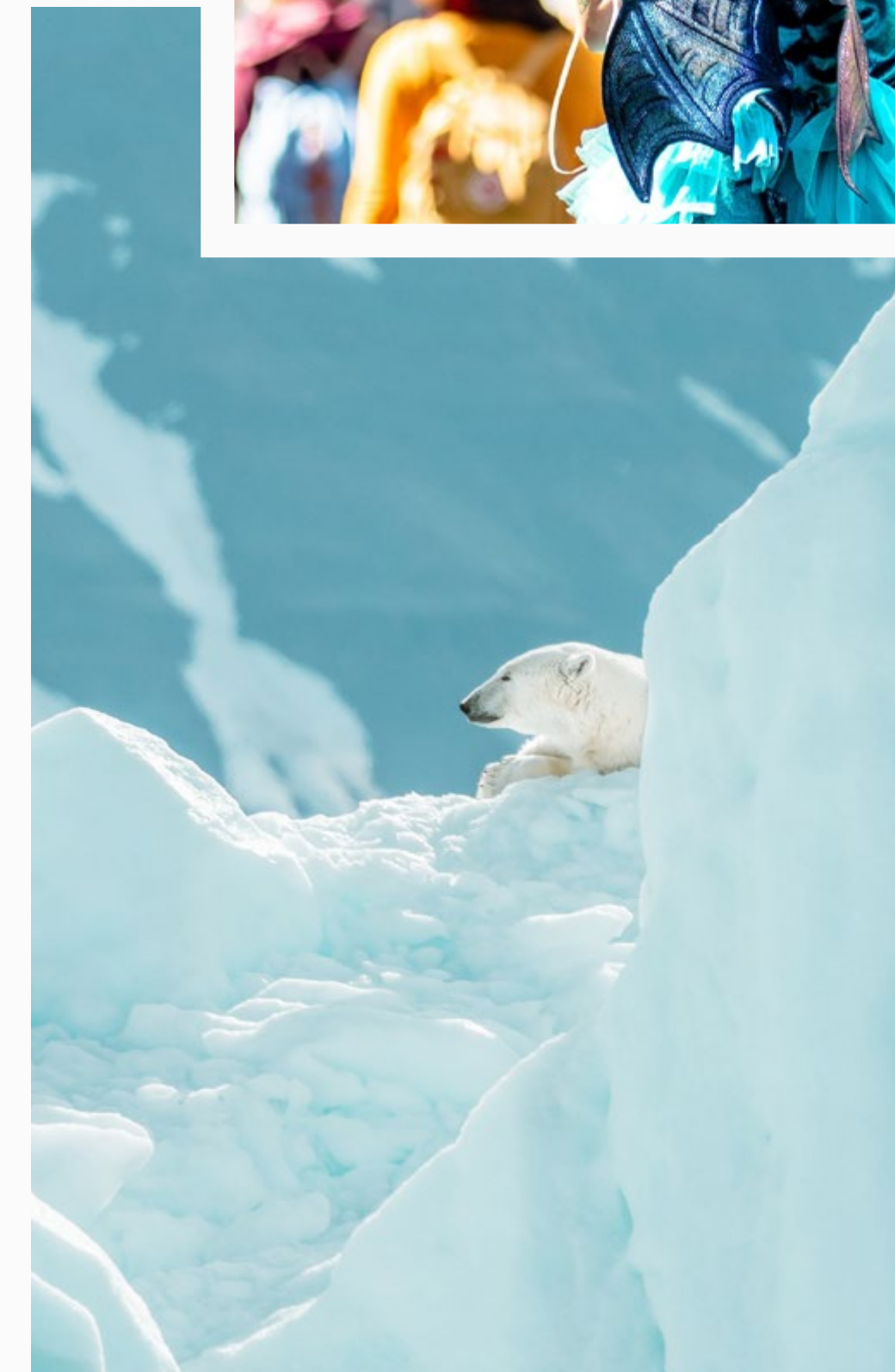
We intend to incorporate TNFD disclosures alongside our Taskforce for Climate-related Financial Disclosures (TCFD) in our next reporting cycle.

We have undertaken several biodiversity projects, including the installation of beehives on the roof of our London office, holding a series of clean-up activities across the UK and Europe, and the establishment of a forestry project in Northumberland in north-east England. We continue to develop our understanding of the impact of our business on biodiversity and nature.

► Climate awareness training

In 2023 we ran a global climate awareness campaign for all our people which commenced on Earth Day, 22 April though to World Environment Day, 5 June. The campaign consisted of AXA Climate Brief videos explaining climate-related terminology and weekly blogs and digests on key challenges such as single use plastics, and how we could all change our behaviours so as to reduce negative impacts and make a difference.

We are now developing structured and bespoke training for our people across all practice groups and business services, to equip all our people with the knowledge and skills they need to support our internal sustainability journey as well as those of our clients.





Cragg Estate, Northumberland, north-east England;
Credit: Donnington Hospital Trust

Carbon offset initiatives

In early 2023 we established the [Clyde & Co Community Forest](#) on the [Cragg Estate in Northumberland](#), north-east England. Approximately one-hour drive from Newcastle, England, 6.2 hectares of woodland were planted with tree species carefully chosen to reflect those native to the area and enrich local biodiversity. This project aims to support organisations achieve their environmental goals, while restoring and protecting the Red Squirrel ecosystem zone.

We have been working with Accenture to develop a strategy for carbon offsetting. Removal of our residual emissions from 2040 will be a provision of becoming Net Zero; as such, we are establishing the best way forward to develop a portfolio of projects that will enable us to meet this commitment while maximising the positive social and economic benefits. More details will be available in our Transition Plan which we plan to finalise and publish in the next year.

Climate change is here. It is terrifying. And it is just the beginning. The era of global boiling has arrived...It is still possible to limit global temperature rise to 1.5°C and avoid the very worst of climate change. But only with dramatic, immediate climate action.

UN Secretary General, António Guterres

Reporting and disclosure

We undertake mandatory disclosures in the jurisdictions in which we operate, including the Streamlined Energy & Carbon Reporting (SECR) and Energy Savings Opportunities Scheme (ESOS) in the UK and globally under the Taskforce for Climate-related Financial Disclosures (TCFD). In the next reporting cycle, we will be undertaking additional disclosures under the European Union's Corporate Sustainability Directive (CSRD).

In addition, we undertake voluntary disclosures including EcoVadis Assessment, CDP (Carbon Disclosure Project) and the United Nations Global Compact. In the next reporting cycle, we will be undertaking additional disclosures under the Taskforce for Nature-related Financial Disclosures (TNFD).

Looking forward

We have already noted a number of actions which will take place in the next year under our various initiatives. Our industry-leading Climate Change Risk team continues to develop its offering, helping clients to understand their risks regarding climate change, prepare their business for future risks, and evolve in a way to capitalise on the opportunities created by the transition to a low carbon economy.

Last year we launched our new “Net Zero Legal Audit” product which undertakes a comprehensive audit of our clients’ Net Zero statements, plans and emissions reduction activities to identify key areas of risk, and provide mitigation strategies and solutions.

Last year we negotiated, and completed, a Sustainability Linked Credit Facility (SLCF) with Barclays Bank plc to replace a pre-existing traditional interest-based credit facility. We understand we are the first large firm to enter an SLCF in the legal sector, and we intend to supplement this next year with further replacement of our existing traditional credit facilities with sustainability linked credit facilities.

We are delighted that our people around the world are becoming more environmentally conscious every day and taking action. We will continue to encourage local initiatives to tackle issues. We will implement longer term changes that will continue to reduce our impact on the environment.



Affiliations & certifications

We are a founding member, and currently the only law firm member, of the **Coalition for Climate Resilient Investment (CCRI)**. The CCRI is the first of its kind. Launched at the UN Climate Action Summit in 2019 as a private sector-led initiative, the CCRI have supported investors and policy makers to better understand and manage physical climate risks.

We are a member of the **Insurance Development Forum**. The IDF is a public/private partnership led by the insurance industry and supported by international organisations. The IDF was announced at the United Nations Conference of the Parties (COP21) Paris Climate summit in 2015 and was officially launched by leaders of the United Nations, the World Bank, and the insurance industry in 2016. The IDF aims to optimise and extend the use of insurance and its related risk management capabilities to build greater resilience and protection for people, communities, businesses, and public institutions that are vulnerable to disasters and their associated economic shocks.

We are a founding member of the **Legal Charter 1.5**, a high ambition initiative – developed collaboratively – by a group of large private practice law firms, to shift thinking, and drive transformational change to mitigate the climate crisis.

We are a founding member of the **Net Zero Lawyers Alliance (NZLA)**, an industry-led group of leading law firms, to accelerate the transition to Net Zero emissions by 2050 for all clients, suppliers, and other legal professionals.

We are signatories to the **Business Ambition for 1.5** campaign, a global coalition of UN agencies, business, and industry leaders, in partnership with the Race to Zero.

We are members of the **Law Firm Sustainability Network (LSFN)**, a non-profit organisation of US law firms and legal departments committed to promoting the benefits of environmental sustainability and corporate social responsibility within their firms and throughout the US legal sector.

We are an executive member of the **Legal Sustainability Alliance (LSA)**, an inclusive movement of UK law firms and associated networks, working together to take action to improve the environmental sustainability of their organisation.

We are members of the **Australian Legal Sector Alliance (AusLSA)**, an industry-led association in Australia working collaboratively to promote best practice sustainability commitments and performance across the legal sector.

We are signatories to the **British Property Federation (BPF) Net Zero Pledge**, an initiative designed to assist all BPF members decarbonise by 2050 at the very latest and to accelerate the transition to a Net Zero built environment.

We are signatories to the **UK Legal Renewables Initiative**, a commitment for members to switching their UK offices and premises to certified 100% renewable electricity by 2025; a target we achieved in 2022.

04



Pro Bono & Social Impact

Our approach & impact

Clyde & Co helps clients to assess and manage risk. Our Looking Glass Report for 2022 reported people challenges, the economy, increased international and domestic regulation and climate change to be among the top risk areas facing businesses.

Under our Pro Bono & Social Impact pillar, we focus on working with community partners around the world to help address associated societal challenges. Using our professional expertise and skills, we donate our time as well as fundraise to have a positive impact on the communities in which we operate and beyond.

Regardless of whether our people occupy legal or non-legal roles, we know that they all have skills and experience that can benefit our communities. All our colleagues are therefore encouraged and supported to participate in our Pro Bono & Social Impact programme through our “24 Hour Challenge” and “Responsible 60” schemes which enable them to dedicate time to our various volunteering initiatives. For our people wishing to fundraise for the causes they personally support we have a matched fundraising policy.

Our global programme focuses on three key areas: inspiring young lives, equality before the law and sustainability and climate change.



Our partnership with Clyde & Co has been instrumental in assisting displaced children and families to reach safety in Europe. Working with Pro Bono lawyers, we've been able to assist many more child refugees fleeing Afghanistan and Ukraine to access a safe route and reunite with their families.

Pascal Arthaud, International Director of Finance and Programme, Safe Passage International

Inspiring young lives

We want to inspire and empower the next generation of professionals, particularly those from low socio-economic backgrounds. We work with educational organisations, community groups and charities around the world to help young people improve their life chances and build skills: from literacy and mentoring schemes for school pupils to providing careers information and advice.

For example:

- In South Africa, we sponsored non-legal learnerships for 36 young people who do not have the financial means to further their education
- In Hong Kong we ran a year-long pen pal scheme for primary age children from low socio-economic backgrounds with We R Family Foundation
- In the MEA region we provided soft-skills training to staff of The Sparkle Foundation, a charity which aims to improve the lives of vulnerable children and families in Africa



Women and children supported by the Sparkle Foundation
Credit: Chimwemwe Gawa

Thanks to the support from Clyde & Co, we have been able to upskill our Women's Group with training in Village Savings and Loans (VSL), empowering them to be able to start up their own businesses in the future. The support from Clyde & Co hasn't only been for our beneficiaries, but as a whole staff team we have had the opportunity to take part in training sessions delivered remotely by Clyde & Co volunteers from the Johannesburg office, enabling us to operate better.

Our partnership with Clyde & Co continues to be invaluable, and we are incredibly excited to be able to show the volunteer teams our sites in Malawi, so they can see first-hand where all their efforts are going toward, and the incredible impact they are making. Here is to creating more brighter futures, together.

Sparkle Foundation

We also run innovative Pro Bono projects to enable children and families to get the advice they need to build a stable future. For example, our international partnership with the charity Kids in Need of Defence continues to provide specialist, quality legal representation to children and young people with irregular or temporary immigration status.

In the UK we launched a new Pro Bono partnership with Not Beyond Redemption to open a free family law clinic at HMP Styal, the women's prison in Manchester. Evidence shows that children who lose contact with their mothers through incarceration are likely to experience many disadvantages including disrupted education and diminished future outcomes.

Together, through the clinic, we provide legal advice and representation to help rebuild and protect these mothers' relationships with their children.



Our colleagues at the London Legal Walk
Credit: Matt Cetti-Roberts



Our Los Angeles team of local school volunteers
Credit: Mateo Acosta

Equality before the law

As a law firm and as lawyers we have a professional responsibility to act in a way that upholds the constitutional principle of the rule of law and the proper administration of justice and to encourage equality, diversity and inclusion.

Over the past year increased regulation, reduced funding for legal advice and rising costs of living have made it increasingly difficult to access justice worldwide. We have developed projects and provided Pro Bono support to assist some of those whose legal needs would otherwise be left unmet.

For example, in the UK there is an urgent need to train more junior social welfare solicitors to provide sector succession. We contribute annually to the City of London Law Society's Social Welfare Solicitor Qualification Fund ("SWSQF"), an initiative to provide greater access to justice for those in need by supporting those currently working in social welfare law to qualify as solicitors. So far, in its second year, 54 social welfare workers have been funded to sit the Solicitors Qualifying Exams.

A large proportion of our access to justice work aims to provide support to those seeking safety. For one of our projects in North America, attorneys volunteer on Rainbow Railroad's Private Sponsorship of Refugees Program to prepare settlement applications, increasing the charity's capacity to assist members of the LGBTQI+ community in other ways. We have also created similar projects to respond to emergencies.

This year our people fundraised for UNICEF to support its emergency work for children and families affected by devastating earthquakes in Turkey and Syria, historic floods in Pakistan and the ongoing war in Ukraine. As the situation unfolded in Ukraine we collaborated with a number of other charities and law firms to set up award-winning Pro Bono projects, building on our experience of advising Afghan refugees and focussing on how colleagues could use their legal skills to help.

One of our projects saw volunteers being upskilled by Safe Passage International before travelling to Poland to staff an advice clinic for those who had been displaced by the war. By the end of our financial year, the clinic had already helped over 250 displaced people and more than 170 of their dependents.

Thank you to Clyde & Co for supporting UNICEF's emergency response to the Turkiye-Syria earthquakes. Through the generosity of corporates like Clyde & Co, UNICEF teams on the ground can distribute essential supplies, including health supplies, blankets, clothing, and safe drinking water. We are so grateful for your support at this critical time.

UNICEF

Rainbow Railroad deeply values the support of Clyde & Co in the completion of applications for Private Sponsorship of Refugees. Providing volunteers to help with the detail of these applications on a Pro Bono basis allows Rainbow Railroad to keep its focus on supporting LGBTQI+ individuals at risk.

Rainbow Railroad

Sustainability and climate change

We are committed to reducing our carbon emissions footprint, adopting environmentally responsible commercial practices and strategies and supporting our clients and peers to achieve their own decarbonisation goals.

The Chancery Lane Project is a non-profit initiative dedicated to creating and providing free, accessible resources that organisations and lawyers around the world can use now to help transition to a decarbonised and equitable economy.

Our involvement over the last year has seen our lawyers from across the globe helping to transpose clauses from the UK playbook for use in other jurisdictions. We also continued our secondment opportunity for a UK trainee to support the organisation's work and increase its capacity.

Other partnerships in this area include our work with Legal Response International (LRI) to provide legal support to climate-vulnerable developing states and non-state actors, including during international climate negotiations. During COP27 we did this in various ways, including sending an accredited trainee with the LRI delegation and providing general logistical support.

Clyde & Co Cares campaign

This year, we launched our global, month-long Clyde & Co Cares campaign which aims to support our charity partners around the world and raise internal awareness of the United Nations Sustainable Development Goals.

This year we focussed on the goal of achieving Zero Hunger. We created opportunities to donate our time, money and food items to reduce food waste and address hunger in our local communities. Working as one global firm, we donated over 100,000 meals during the campaign.

As we continue to support our charity partners to reduce hunger around the world, next year we plan to focus our campaign on the goals of Quality Education and Reducing Inequalities.



 **100,000+**
Meals

 **475+**
Volunteers

 **1,350+**
Hours

 **24,600+**
Food items

 **£12,500+**
Donated



Our colleagues from London, Hong Kong, Paris and Melbourne (clockwise) supporting out Clyde & Co Cares campaign
Credit: Brianna Bose (top); Feeding Hong Kong (middle right); Restos du Coeur (bottom right); FareShare (left)



Looking forward

We intend to build on the progress we have made over the past year and will extend our efforts to increase fee earner participation and to foster a strong Pro Bono culture within the global firm.

Collaboration is key and our aim is to build a sustainable global programme with local community focus, developing local initiatives with our community partners in line with our key global themes.

In particular, we will be looking at how we can support the safe use of technology to provide quality education and we expect climate change and inequality to be two key issues where the Pro Bono sector can add value.

Affiliations & awards

We are a signatory to the **United Nations Global Compact (UNGC)**, demonstrating our support for its 10 principles in the areas of human rights, labour, the environment, anti-bribery & corruption, and we are committed to integrating these principles into our day-to-day operations.

We are a signatory to the **Australian Pro Bono Centre's National Pro Bono Target**, a pledge which highlights the shared professional responsibility of lawyers across the legal profession to enhance access to justice for people who would not otherwise have access to legal assistance, and work for the public good.

We are a founding signatory to the **Pro Bono Charter of the Law Society of England and Wales**, demonstrating our commitment to improving access to justice for those individuals and organisations who have legal needs, are ineligible for legal aid and unable to afford to pay for legal services.

We are a member of the **UK Collaborative Plan for Pro Bono**, a profession-led initiative for UK law firms, demonstrating a strong institutional commitment to Pro Bono and improving access to justice.

We are a member of **Fifth Day**, whose mission is to ensure that Pro Bono is as valued and accepted among business operations professionals in law firms as it is for lawyers.



In recognition of our substantial contribution to the Hong Kong Duty Lawyer Service, Clyde & Co received the **Company Award** by the Chief Secretary for Administration Office in the Recognition Scheme for Provision of Pro Bono Legal Services.

We were delighted to be awarded the **Dubai Chamber of Commerce CSR Label** for the fifth time in 2022. The award demonstrates that we are compliant in the sectors of ethical employers, workplace, marketplace, community and the environment.

Our UK Afghan Pro Bono Initiative won **Most Effective Pro Bono Partnership** at the 2022 LawWorks Pro Bono Awards. On this project we collaborated with NGOs and other law firms in UK, France, and Germany to help Afghan refugees apply to resettle in those countries.

Our Ukraine Advice Project won several prestigious awards including **Best New Pro Bono Activity** at the 2022 LawWorks Pro Bono Awards and **Pro Bono Initiative of the Year Award** from Advocate at the 2022 Bar Pro Bono Awards. On this project we collaborated with other lawyers to provide urgent, free, and professional online legal advice and information about UK resettlement options to displaced people from Ukraine.

05



Further information

Annex 1: Our values



Work as one

We are a globally connected team of talented people who act with a firm-first mentality to achieve success

Excel with clients

We aim high and challenge ourselves to deliver unique excellence for our clients, keeping them at the centre of everything we do

Celebrate difference

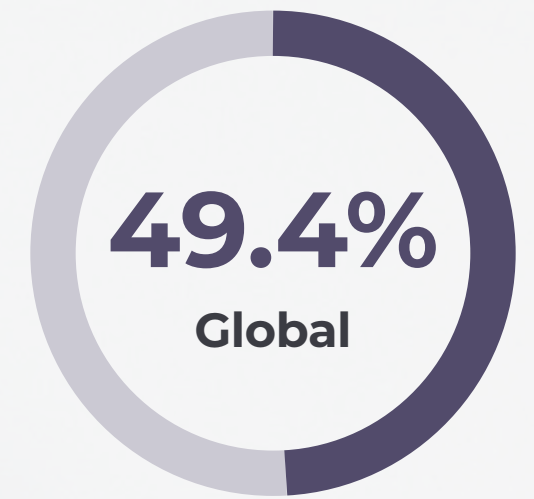
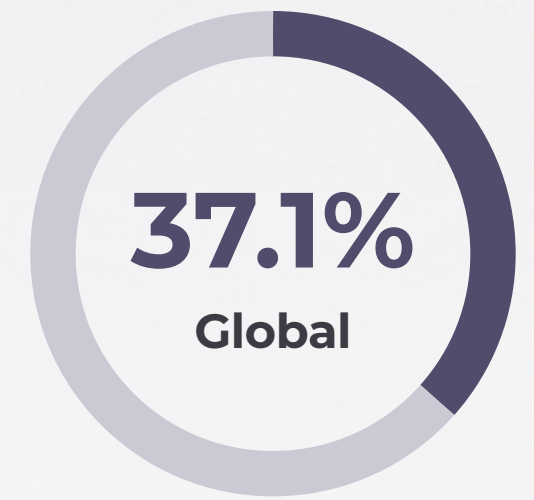
We help each other to be at our best and believe our differences result in greater achievement

Act boldly

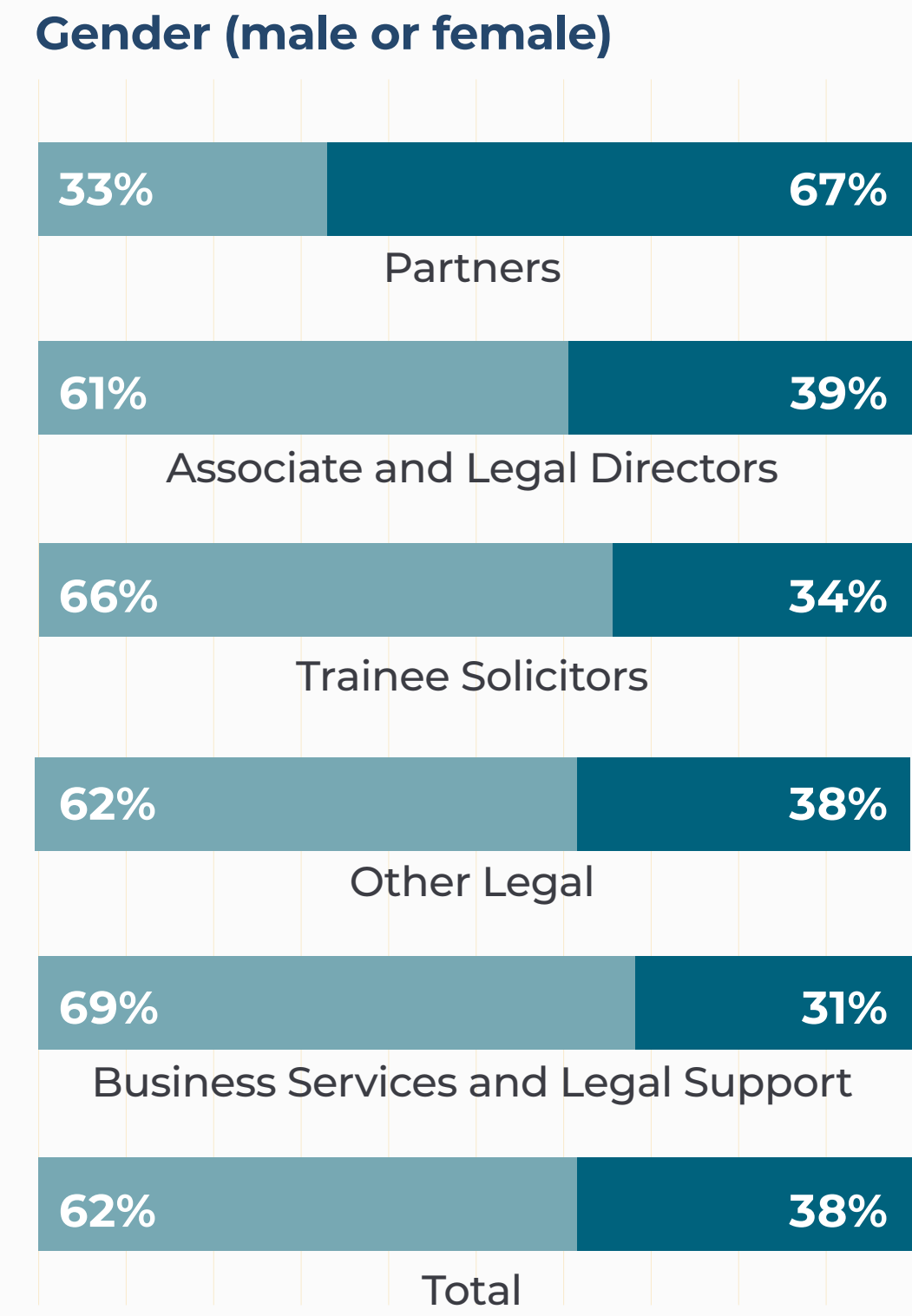
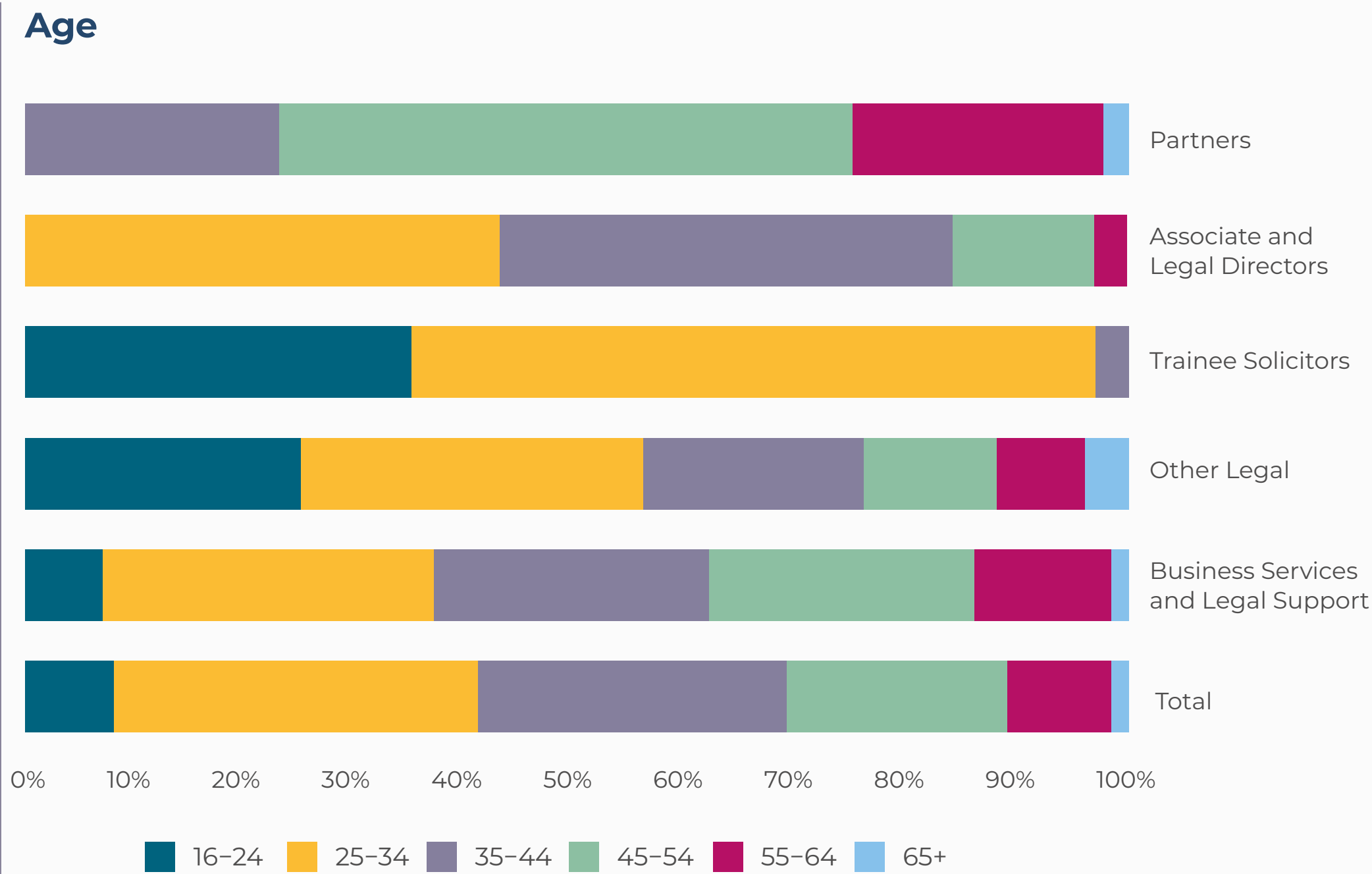
We seek new opportunities, take action and learn as we go, recognising that curiosity drives our development and contributes to growth

Annex 2: Female representation against targets by region as of 1 May 2023

Role	Targets	Region	Female representation %
Senior Equity Partners	25% (by 2025) 30% (by 2030)	APAC	27.5%
		Europe	16.7%
		MEA	18.9%
		North America	24.5%
		UK	16.7%
Equity Partners, Salaried Partner & Equivalent	35% (by 2025) 40% (by 2027)	APAC	33.3%
		Europe	39.1%
		MEA	24.2%
		North America	31.7%
		UK	41.2%
Legal Directors	50% (by 2023)	APAC	58.3%
		Europe	54.2%
		MEA	44.1%
		North America	39.0%
		UK	52.9%



Annex 3: UK demographic data as of 1 September 2023



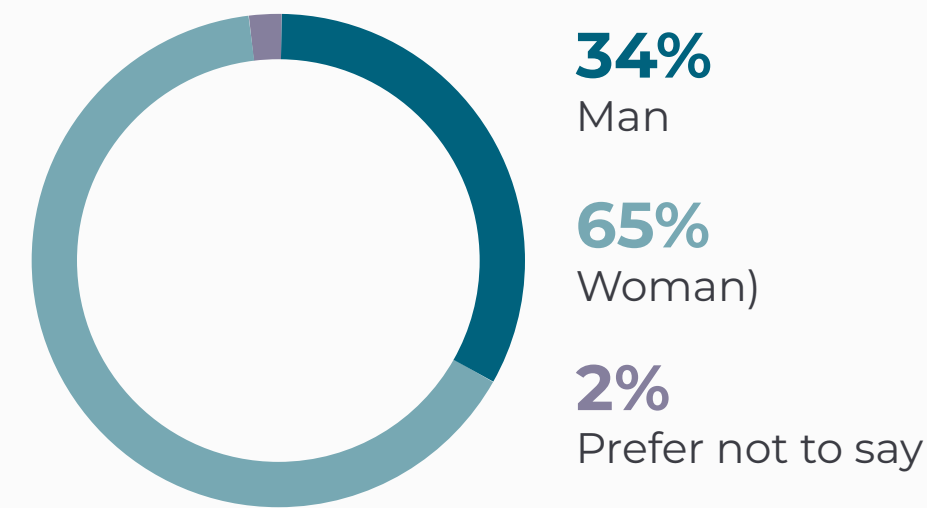
Response rate: **100%** (essential information for compliance and regulations)

Female Male

Gender identity

We ask the question: 'Which gender do you identify with?'

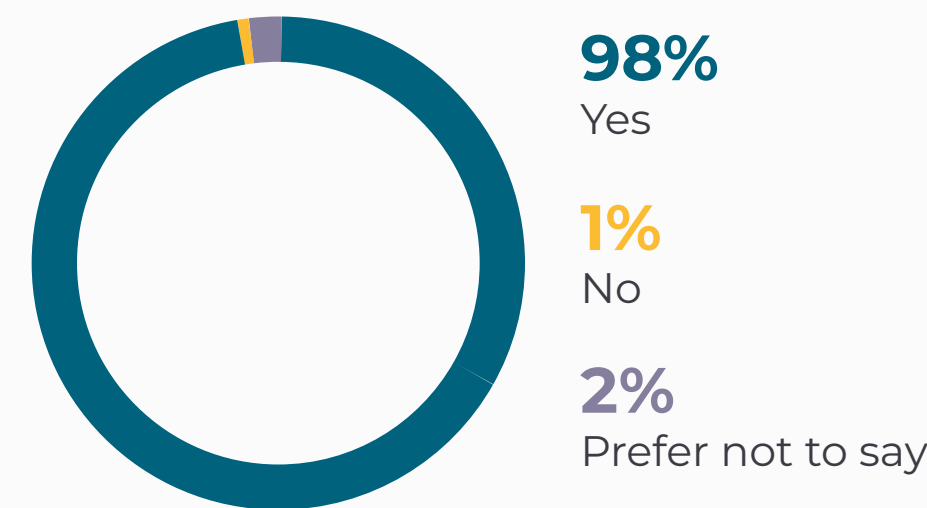
Response rate: 49%



Other responses % cannot be provided*
 *Other responses are 'Non-binary', 'Trans man', 'Trans woman', and 'Prefer to self-describe'.

We ask the question: 'Is the gender you identify with the same as your sex registered at birth?'

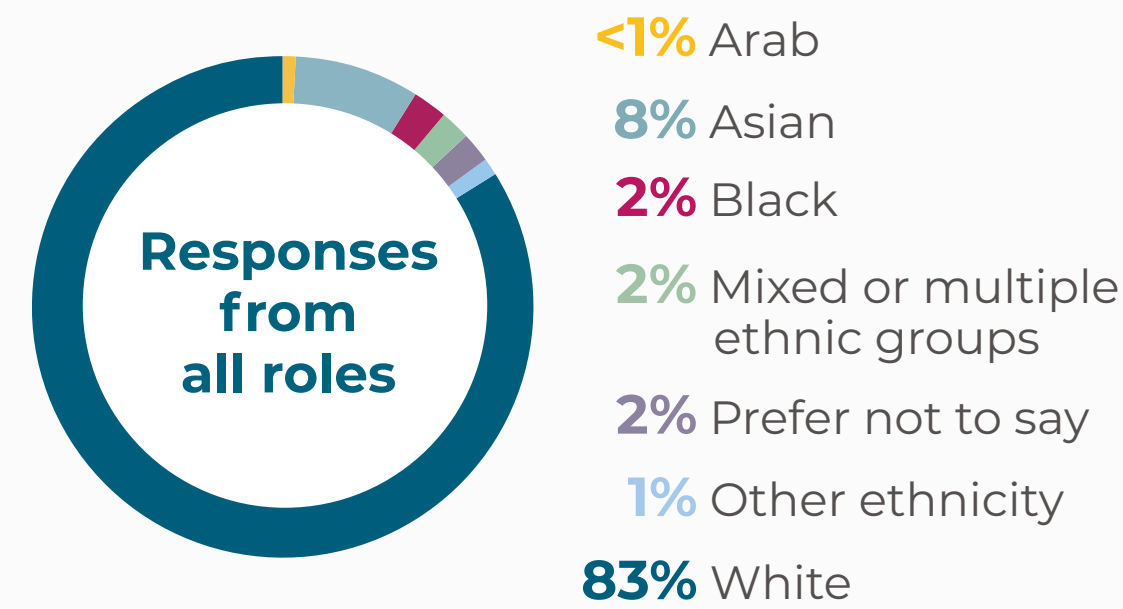
Response rate: 52%



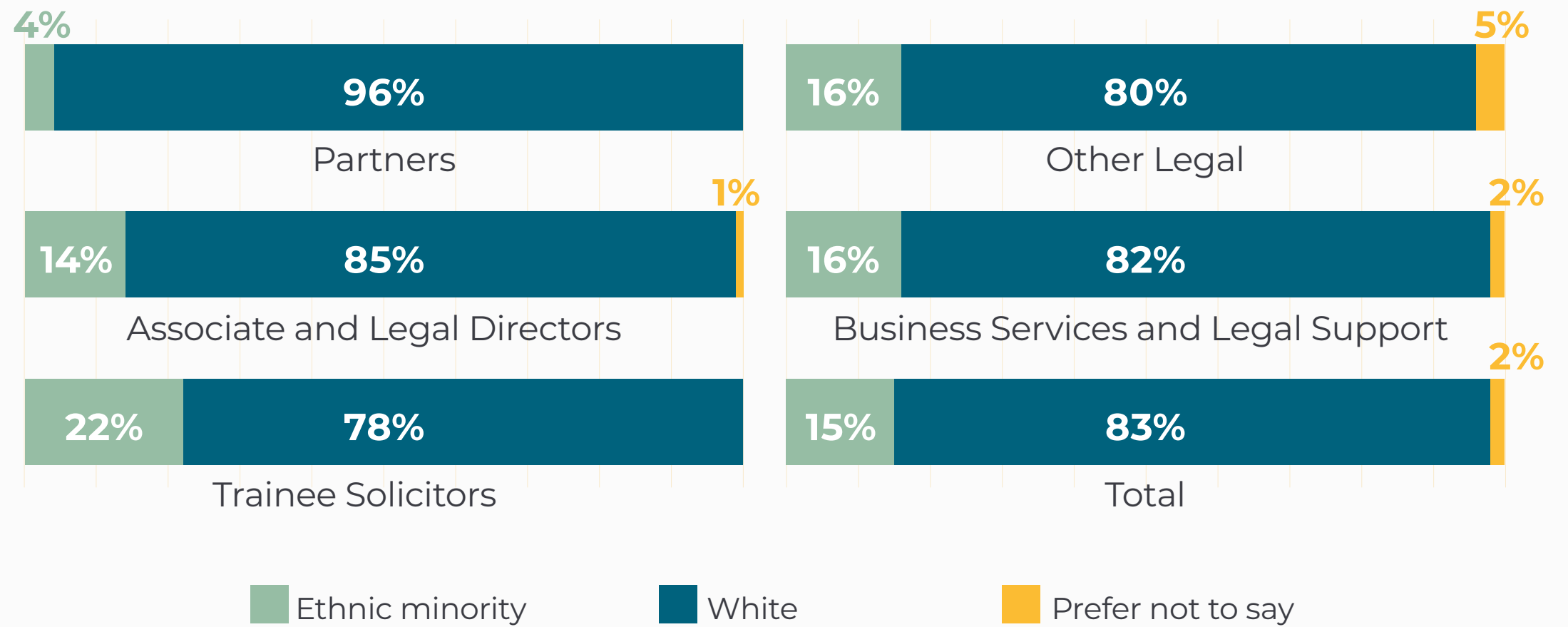
Ethnicity

We ask the question: "What is your ethnic group?"

Response rate: 89%



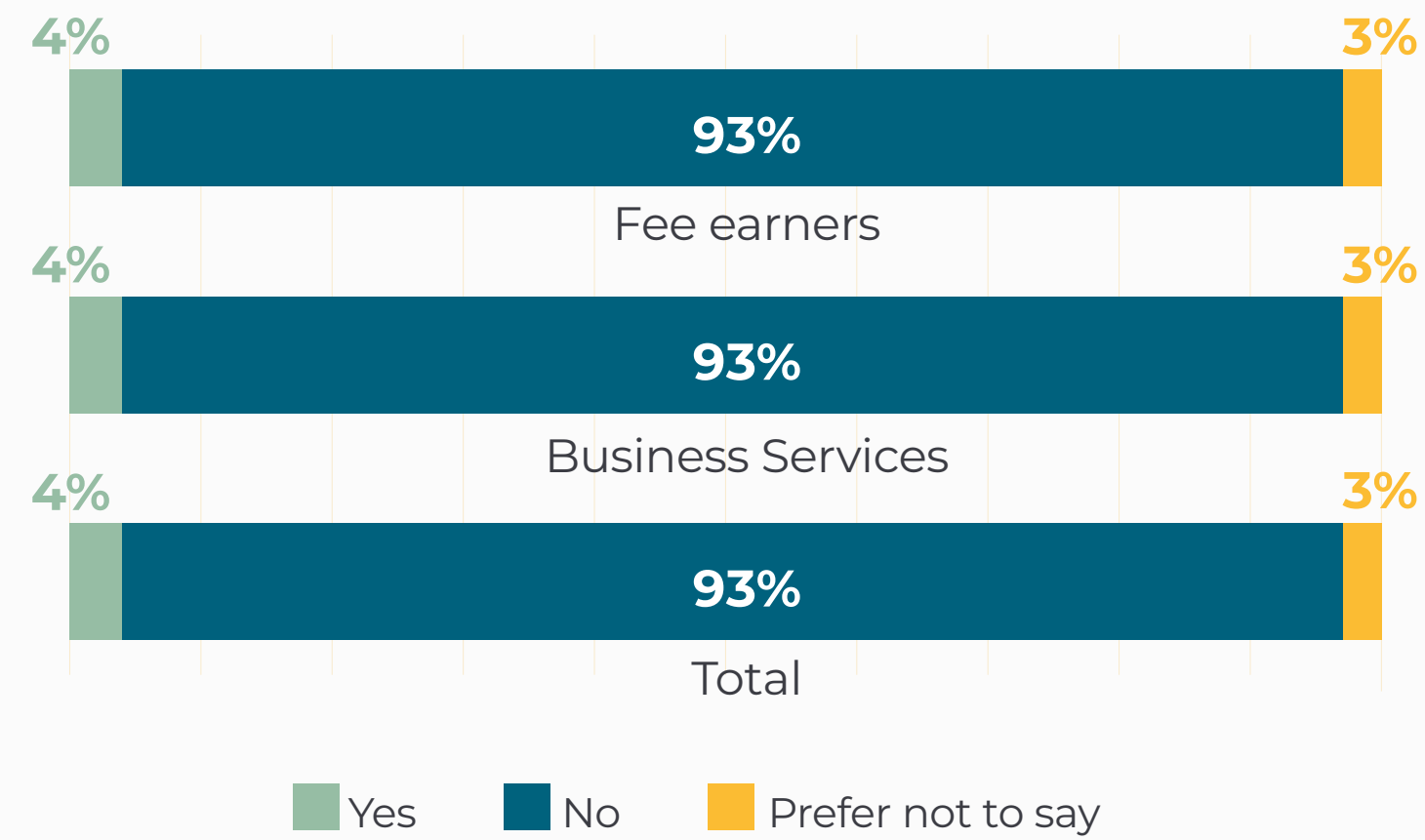
Aggregated responses by role



Disability

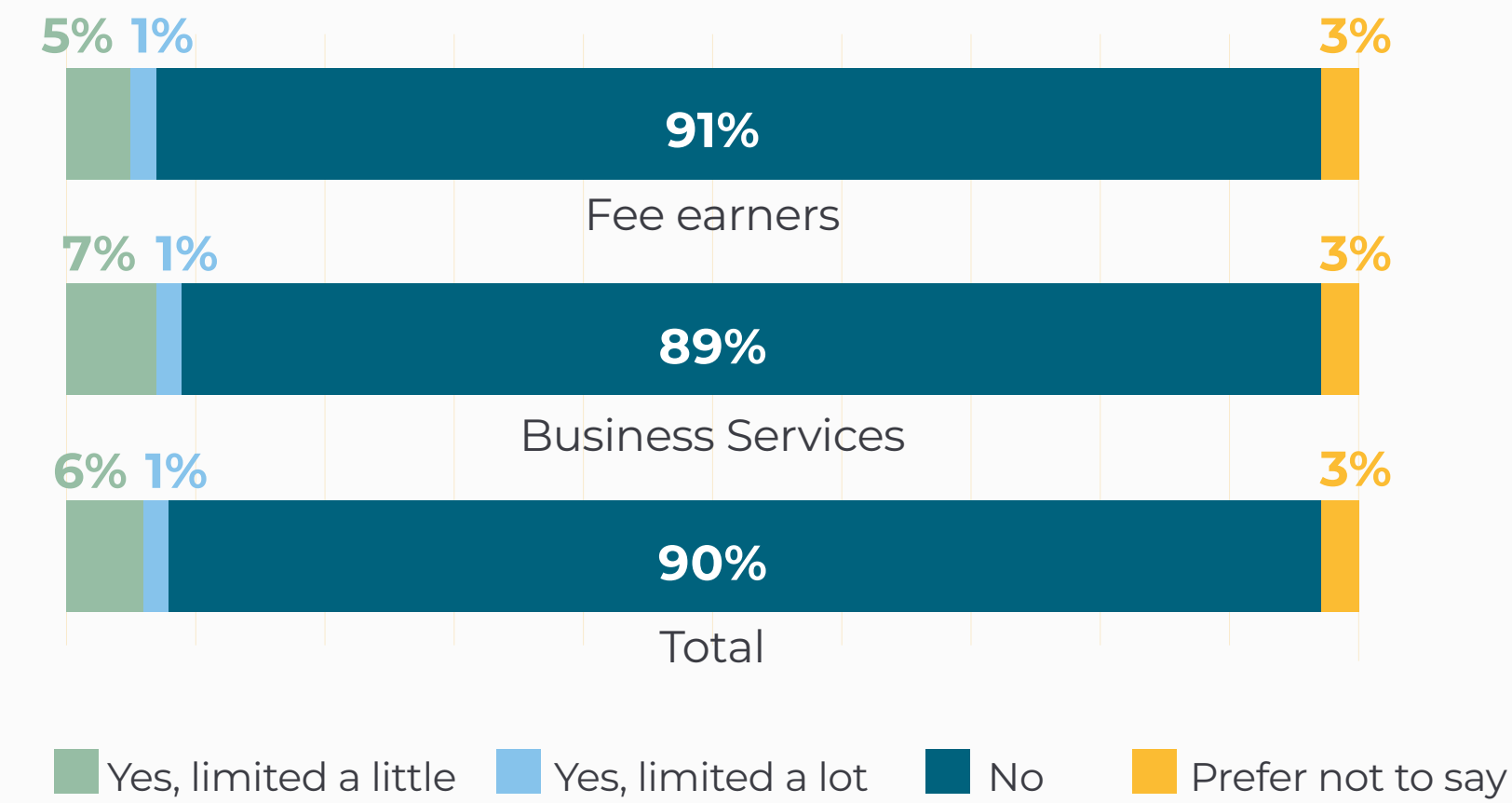
We ask the question: **'Do you consider yourself to have a disability?'**

Response rate: **88%**



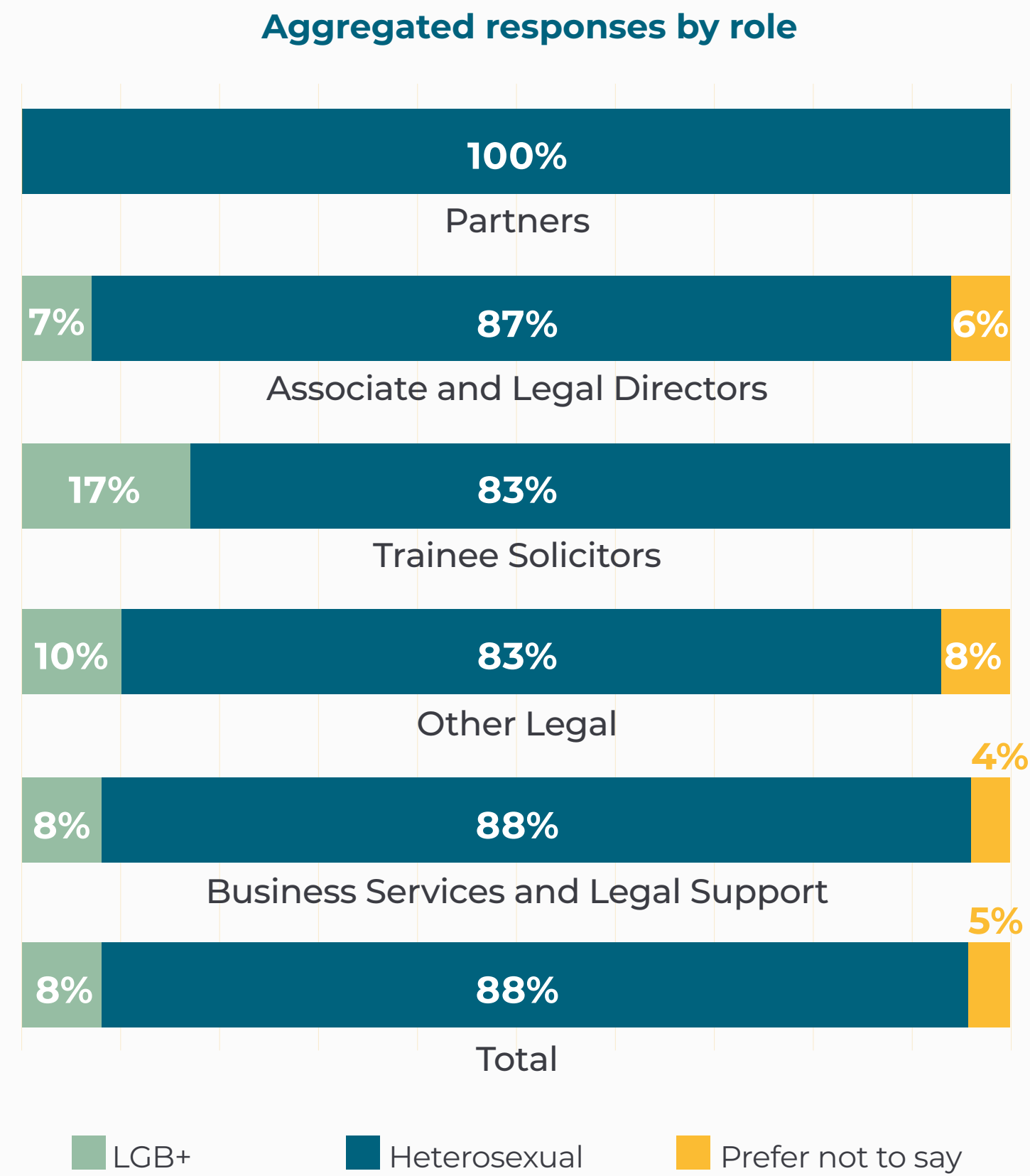
We ask the question: **'Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?'**

Response rate: **50%**



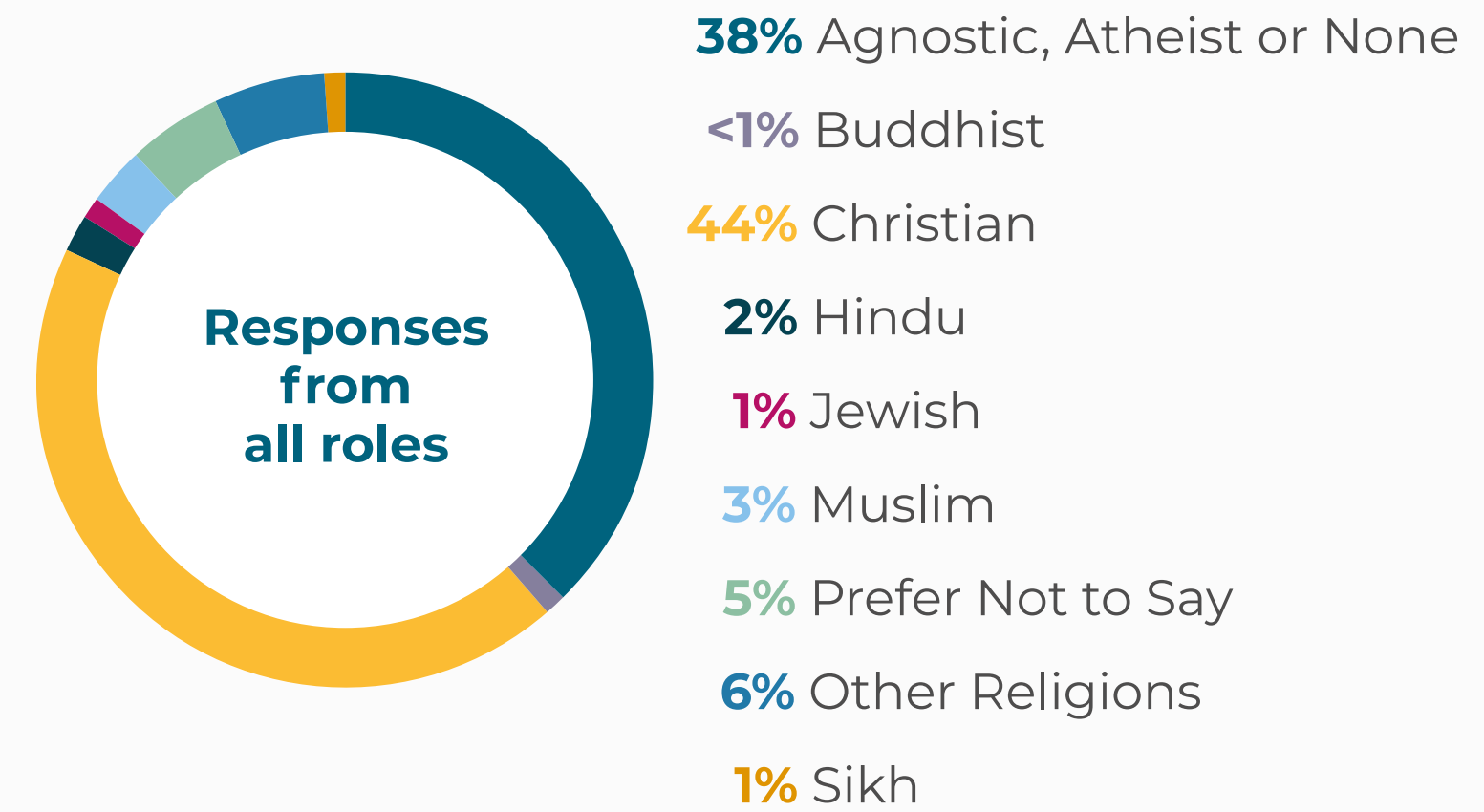
Sexual orientation

We ask the question: 'What is your sexual orientation?'
Response rate: **52%**



Religion and belief

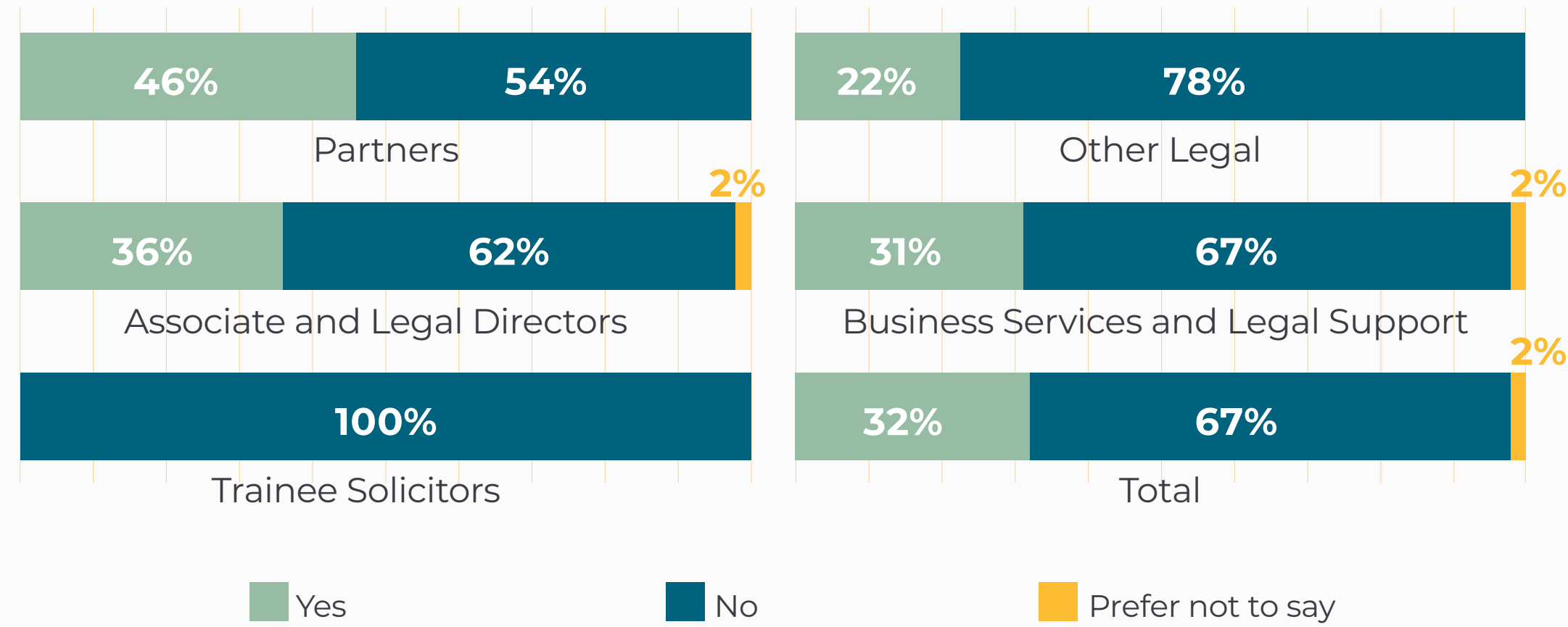
We ask the question: 'What is your religion or belief?'
Response rate: **70%**



Caring responsibilities

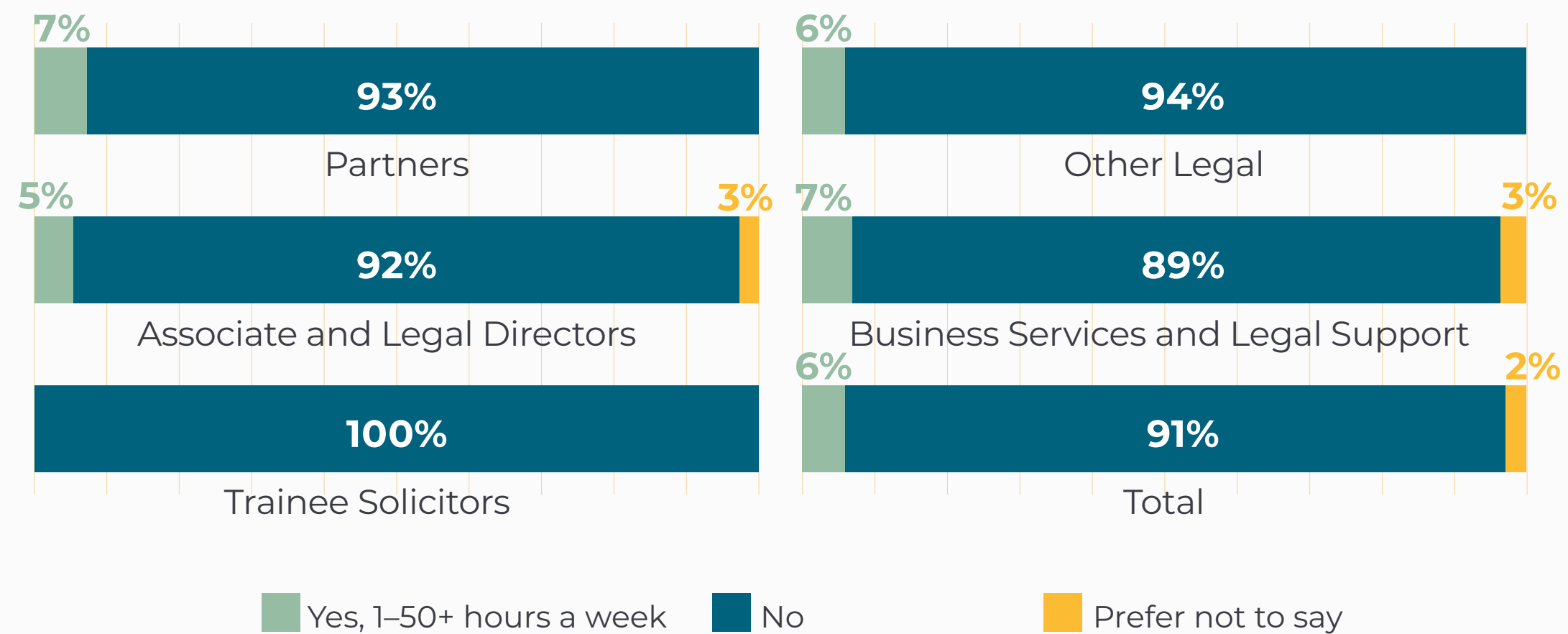
We ask the question: **Are you a primary carer for a child or children under 18?**

Response rate: **51%**



We ask the question: **'Do you look after or care for someone with long term physical or mental ill health caused by disability or age (not in a paid capacity?)'**

Response rate: **49%**

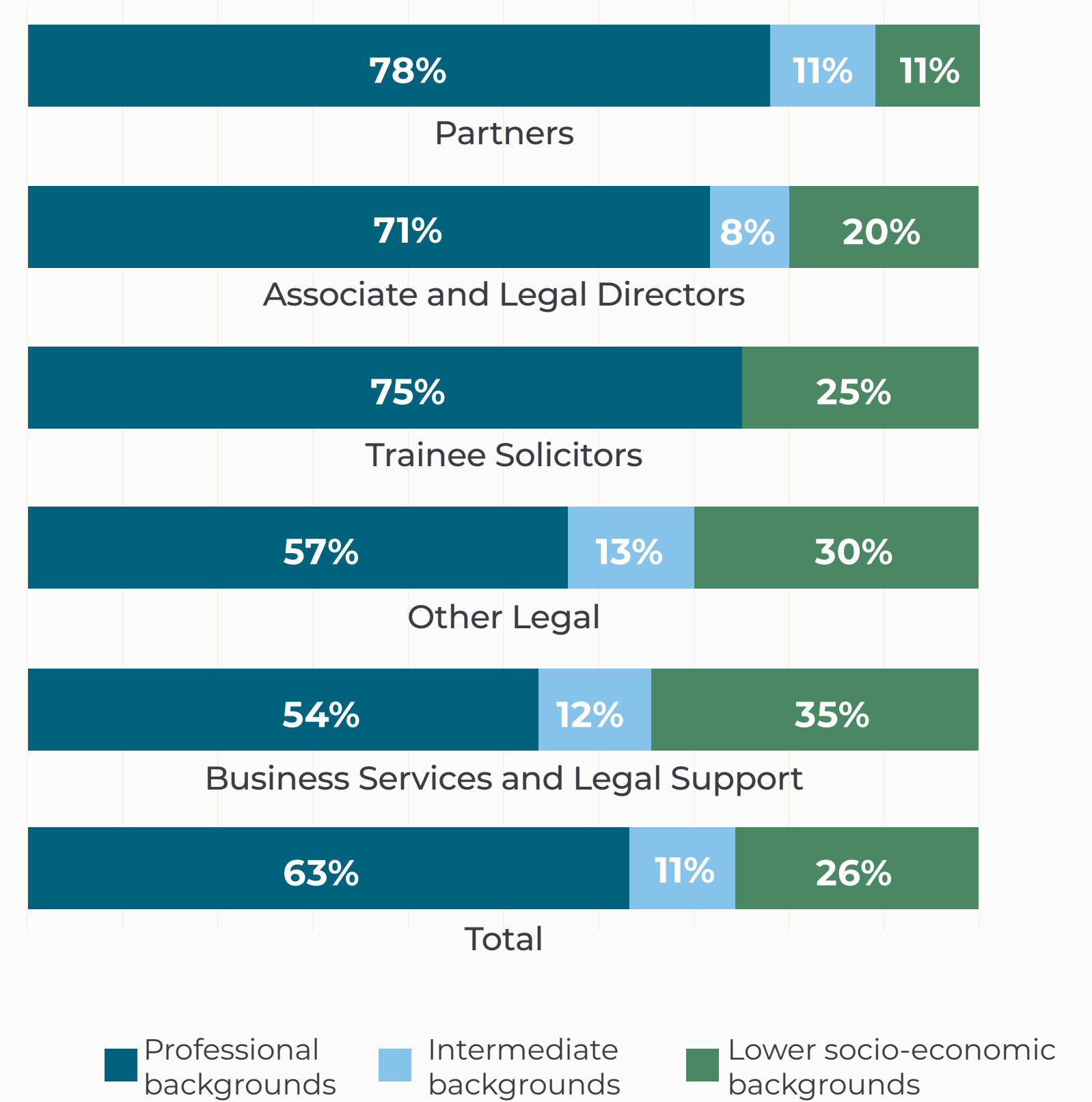


Social mobility

We ask the question: **'What was the occupation of your main household earner when you were about aged 14?'**

Response rate: **46%**

This is the key question that Social Mobility Commission recommends for analysis of socio-economic background.



We ask three additional questions which help us measure **economic** and **cultural advantage** as recommended by the Social Mobility Commission.

We ask the question: **'Which type of school did you attend for the most time between the ages of 11 and 16?'**

Response rate: **50%**

Role group	Professional backgrounds		Intermediate backgrounds		Lower socio-economic backgrounds	
	Independent/ fee-paying school	Other responses*	Independent/ fee-paying school	Other responses*	Independent/ fee-paying school	Other responses*
Fee Earners	18%	52%	1%	9%	Cannot be provided	20%
Business Services	7%	46%	1%	11%	Cannot be provided	34%
Total	13%	50%	1%	10%	<1%	26%

* Other responses are 'Independent/ fee-paying school, where I received a bursary covering 90% or more of my tuition', 'State-run or state-funded school (non-selective)', 'State-run or state-funded school (selective on academic, faith or other grounds)', 'Prefer not to say', and 'Attended school outside the UK'.

This question measures extreme economic and cultural advantage. The Social Mobility Commission's joint research with the Sutton Trust, *Elitist Britain*, shows how private school attendees are overrepresented in many of the UK's top jobs.

We ask the question: **'If you finished school after 1980, were you eligible for free school meals at any point during your school years?'**

Response rate: **19%** (new question added in June 2023)

Role group	Professional backgrounds		Intermediate backgrounds		Lower socio-economic backgrounds	
	Yes	No	Yes	No	Yes	No
Fee Earners	4%	62%	6%	8%	8%	13%
Business Services	6%	42%	Cannot be provided	12%	12%	27%
Total	5%	53%	3%	9%	9%	20%

This is a measure of extreme economic disadvantage. The poorest 15% of the population receive free school meals.

We ask the question: "Did either of your parent(s)/guardian(s) attend university and gain a degree (eg BA/BSc or equivalent) by the time you were 18?"

Response rate: 33%

	Professional backgrounds	Intermediate backgrounds	Lower socio-economic backgrounds
Parent(s)/guardian(s) attend university and gain a degree			
Yes, one or both of my parents attended university*	63%	Cannot be provided	Cannot be provided
No, neither of my parents attended university*	13%	Cannot be provided	25%

Being the 'first in family' to attend university signals a potential lack of support in navigating higher education and entry into the graduate workforce.

Please refer to the [Social Mobility Commission Toolkit](#) page for more details.

*Responses from trainees or equivalent



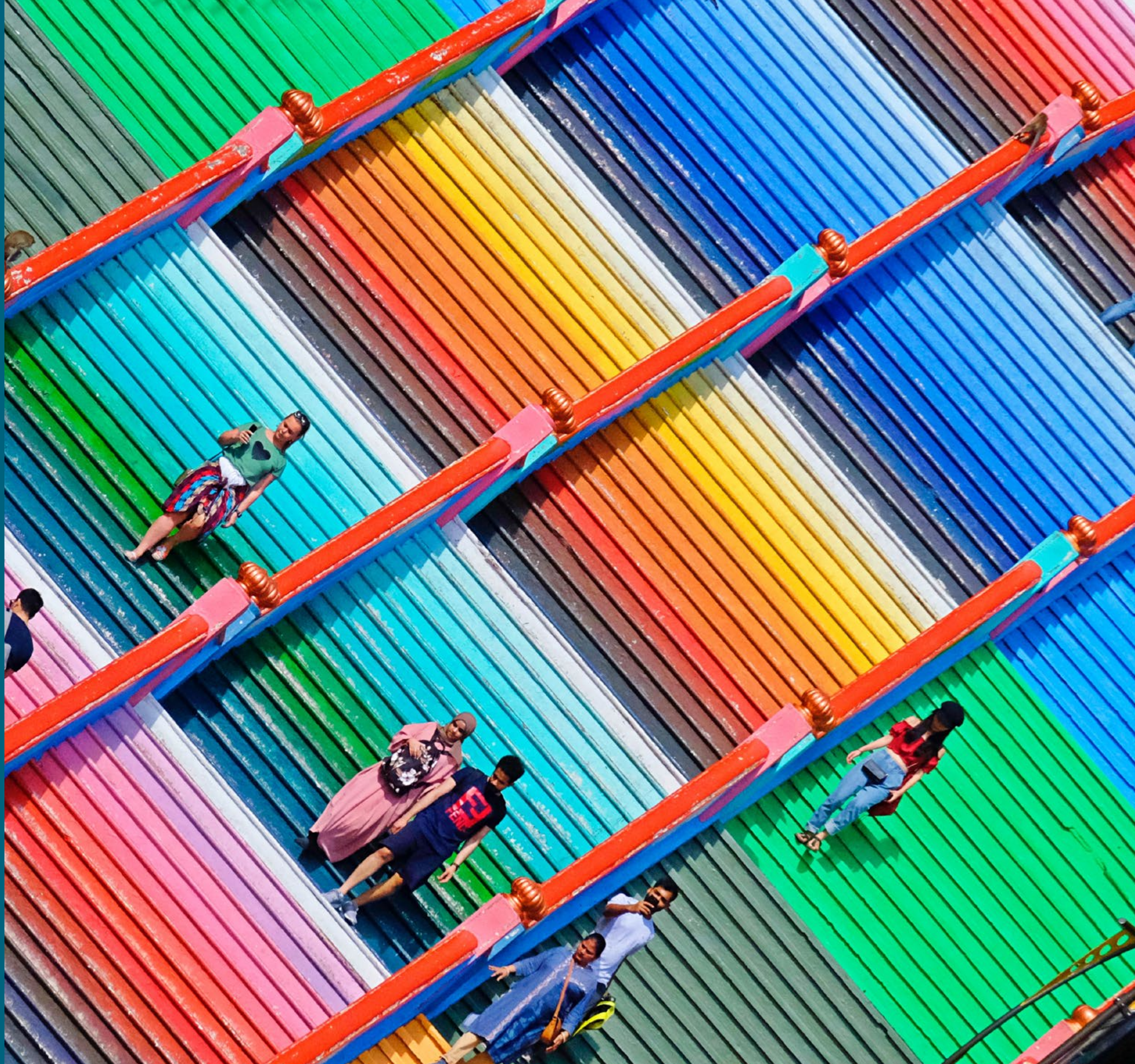
Annex 4: Methodology

How we process our diversity demographic data

We recognise that personal data about the diversity of our workforce is incredibly sensitive, confidential and must be handled appropriately and with care.

For this reason, please note for privacy reasons we have provided figures that have been rounded to the closest multiple of five. Where percentages have been produced, the rounded figures are converted to a percentage and the percentage figures have additionally been rounded to provide a whole number.

Therefore, in some instances, percentages will not round up to exactly 100%. Please also note that we do not provide figures representing a sample size of five or less. Numbers may therefore have been combined with others to produce the data in a more sensible format or are otherwise stated as 'cannot be provided'.



Annex 5: UN Global Compact reference table

Principle	Report section
Business should support and respect the protection of internationally proclaimed human rights	Our business
Business should make sure they are not complicit in human rights abuses	Our business
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Our business
Business should uphold the elimination of all forms of forced and compulsory labour	Our business
Business should uphold the effective abolition of child labour	Our business
Business should uphold the elimination of discrimination in respect of employment and occupation	Our business
Business should support a precautionary approach to environmental challenges	Environmental Sustainability & Biodiversity
Business should undertake initiatives to promote greater environmental responsibility	Environmental Sustainability & Biodiversity
Business should encourage the development and diffusion of environmentally friendly technologies	Environmental Sustainability & Biodiversity
Businesses should work against corruption in all its forms, including extortion and bribery	Our business

Annex 6: Taskforce on climate-related financial disclosures

The Management Board of Clyde & Co recognises the urgency and severity of climate change. The risks and opportunities to our business that are related to climate change are steadily increasing. Climate change and Environmental, Social and Governance (ESG) rank equal 4th among the firm's top 12 strategic risks, and we have adopted a rigorous approach to their identification, prioritisation, and management.

This report, together with a summarised version in our LLP Financial Statements to 30 April 2023, marks our first disclosure which is aligned to the 11 recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD). In the table below, we indicate our progress in implementing these recommendations, as well as our planned next steps. By the end of 2023, we aim to be in full compliance.

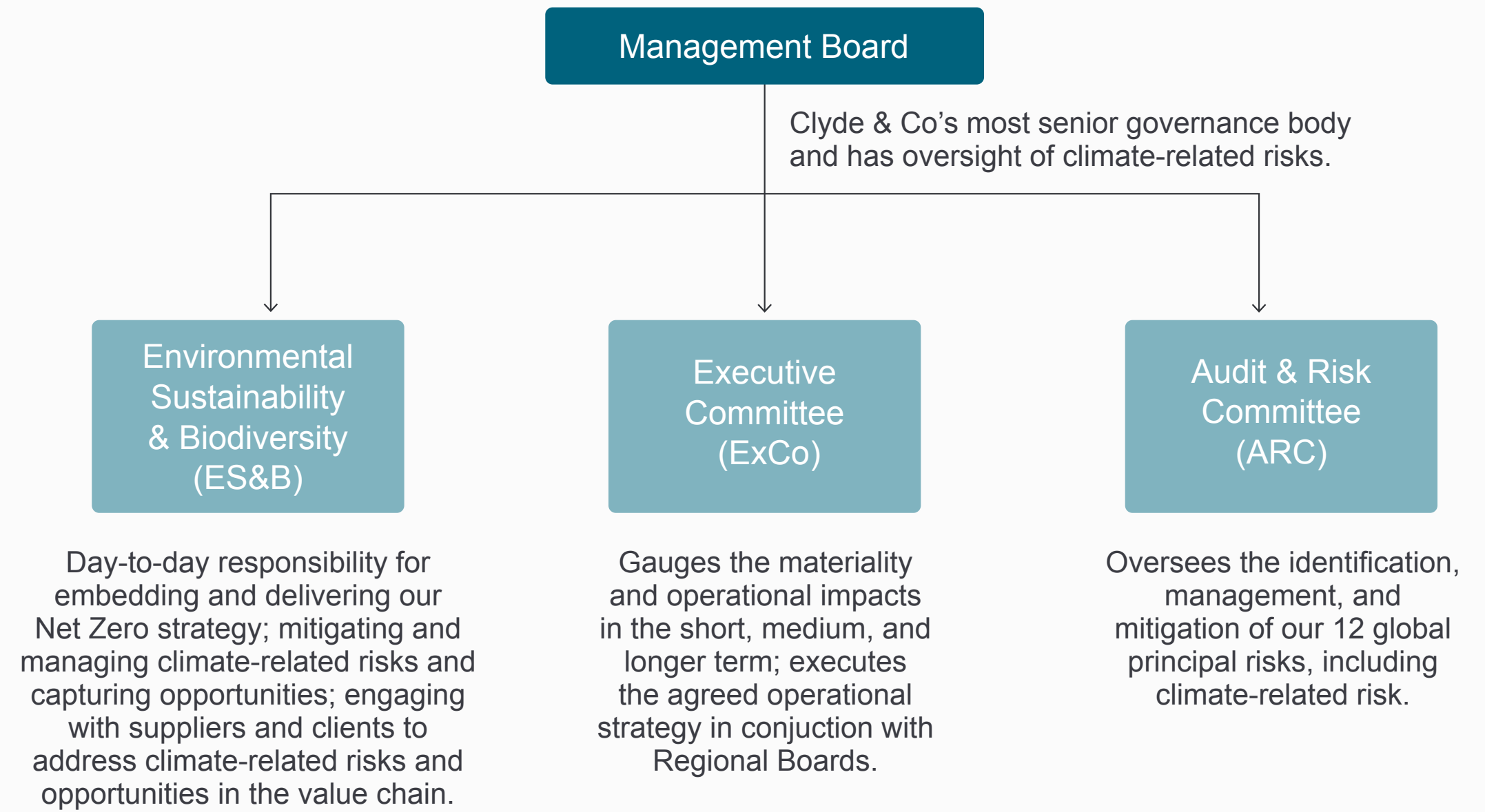
Below, we describe how we are aligning to the four pillars of the TCFD Framework:

1. Governance
2. Strategy
3. Risk Management
4. Metrics and Targets

By publishing this first TCFD disclosure, we comply with the obligations for large LLPs and other entities to produce climate-related financial disclosure obligations for accounting periods starting on or after 6 April 2022.

1. Governance

- Describe the board's oversight of climate-related risks and opportunities
- Describe management's role in assessing and managing climate-related risks and opportunities



The **Management Board** (the Board) is Clyde & Co's most senior governance body and has oversight of climate-related risks. The Board comprises elected Member Partner and its authority is determined by the Members' Agreement between Clyde & Co LLP and each Member Partner who accedes to the firm upon joining or being promoted to partnership. Climate-related risks and climate strategy are discussed at least every six months.

As the Firm's climate strategy accelerates, there are now three delegated bodies of the Board with responsibilities related to climate-related risk.

The **Environmental Sustainability and Biodiversity Steering Group (ES&B)** is a delegated body of the Board and is responsible for addressing climate and other environmental risks and opportunities. The ES&B comprises partners who represent each of our regional operations as well as our Chief Sustainability Officer (CSO), who is tasked with our ESG strategy. The ES&B monitors the progress of our climate strategy and reports to the Board on a six-monthly basis. The Board delegates day-to-day responsibility to the ES&B for:

- Embedding our Net Zero strategy throughout the Firm, delivering on the strategy, and ensuring there is the investment required to do so
- Mitigating and managing climate-related risks and capturing climate-related opportunities, developing regional and global programmes
- Developing a rigorous engagement programme with suppliers and clients to address climate-related risks and opportunities in the value chain
- Building the climate resilience of our Firm

The **Audit and Risk Committee (ARC)** is another delegated body of the Board. The committee oversees the identification, management, and mitigation of the 12 global principal risks for our Firm. Since climate and ESG-related risk is designated a principal risk, each climate-related risk is included in regular reviews and reported to the Board. The CSO is the owner of climate-related risk and ensures that the ARC is kept informed on a quarterly basis and involved in management of this risk category.

The **Executive Committee (ExCo)** is the third delegated body of the Board with oversight of climate-related risk. This committee executes the agreed operational strategy in conjunction with Regional Boards. The committee includes Regional Board Chairs, Regional Chief Operating Officers and Global Senior Management. ExCo's role in managing climate risk is to identify our climate related risk and opportunities and to gauge their materiality and operational impacts in the short medium and longer term.

To facilitate knowledge sharing, Management Board member partner representatives sit on each of ES&B, ARC and ExCo. These representatives are responsible for communicating climate-related updates to the Board. This enhances the Board's understanding of – and involvement in – discussing climate-related risks.

The work of these committees to mitigate climate-related risks, pursue our Net Zero strategy and build the firm's resilience is underpinned by the Global Environmental Sustainability Policy. This policy is reviewed annually by the ES&B on behalf of the Board.

Next Steps

- Monitor the implementation and performance of business plans and strategies which consider climate-related issues
- Continue to keep the TCFD recommendations in mind as the organisational structure evolves and is formalised

2. Strategy

- Describe the climate-related **risks and opportunities** the organisation has identified over the short, medium, and long term
- Describe the **impact** of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning
- Describe the **resilience** of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

The climate-related risks and opportunities facing the Firm are steadily increasing. In terms of financial planning alone, approximately 10% of our revenue in 2023 was contingent on meeting decarbonisation goals.

We have worked with our sustainability partner, Accenture, to identify and assess our most material climate-related risks through a process of extensive engagement and research.

First, we developed a longlist of 19 climate-related risks and nine opportunities. We then narrowed these down to six risks and two opportunities which were identified as high-scoring and/or strategically important. All risks are transition risks, i.e., they materialise during the shift to a low-carbon economy, rather than physical risks resulting from climate change.

Through engagement with key stakeholders across the business, including members of ExCo, we determined the impact of each of these risks, using the definitions from the Firm's existing risk management framework. Since risks may become material over different timeframes, we assessed each risk according to the time horizons listed below:

- **Short-term – 12 months** (aligned with management plans for principal risks)
- **Medium-term – 3–5 years** (aligned to the strategic planning cycle)
- **Long-term – 15–20 years** (aligned to partner average tenure; includes 2030 deadline for our near-term Science-Based Target)

Risks

In the table below and opposite, we describe these risks, as well as their potential impact and the timeframe in which this will likely materialise. These six risks have now been taken forward for high-level scenario analysis.

Type of Risk	Description of Risk	Impact	Timeframe
Reputation	Decarbonising Business Travel in line with public commitments may be costly and disruptive	Medium	Short-term
Reputation	Failure to integrate sustainability into business strategy and perform against climate targets	Medium	Medium-term
Policy/legal	Not meeting enhanced emissions reporting and/or verification obligations	Medium	Medium-term
Market	Inability to deliver low-carbon services or products	Medium	Medium-term
Reputation	Client engagement messaging and external communications not sufficiently describing Clyde & Co's work to mitigate its climate impacts	Low	Medium-term
Reputation	Reputational damage through working with clients in carbon-intensive industries	Low	Medium-term

We are working to develop mitigating controls for each of these climate-related risks. For example, business travel is our greatest climate-related risk and one of our greatest sources of Scope three emissions. To mitigate this risk, the Board have recently approved global sustainable travel principles, to be enacted in regional specific travel policies, supported by an awareness campaign.

The default position is now that our people should consider whether travel is or is not required. Where travel is deemed necessary, then the mode and class of transport are considered based on their relative emissions. For example, rail travel is preferred to flights and economy flights to business class. All Regional Travel Management Companies are being instructed to present greenest options first, no longer the cheapest.

Opportunities

We take the same approach to identifying and assessing the opportunities presented by climate change. In this case, we developed a shortlist of nine opportunities, which we reduced to the two most material. We are preparing our business to leverage these opportunities.

Opportunity	Impact	Timeframe
Increased demand for services from clients due to environmental laws and regulations	Medium	Medium-term
Partnering with clients and horizon scanning legislation to co-create a future-proof Clyde & Co client offering	Medium	Medium-term

Building resilience through scenario analysis

To gain a more in-depth understanding, we are now taking our most material risks and opportunities through climate scenario analysis. To do so, we selected 3 scenarios from the Network for Greening the Financial System (NGFS). The scenarios are aligned to the recommendations of both the TCFD and the FCA and the transition elements considered are deemed most relevant to Clyde & Co. These scenarios are:

- **Net Zero 2050** – This ambitious scenario limits global warming to 1.5 °C through innovation and stringent climate policies, reaching Net Zero CO₂ emissions around 2050. The scenario involves higher transition risk, lower physical risk, and sharp changes towards decarbonising all aspects of the economy from today.
- **Delayed Transition** – This scenario assumes global annual emissions do not fall until 2030. Limiting warming to below 2°C requires strong new policies from 2030 onwards. Negative emissions are limited. This scenario involves higher transition risk, significant physical risk, an aggressive change towards decarbonising the economy from 2030 onwards.
- **Current Policies** – Under this scenario, only currently implemented policies are maintained. This scenario involves limited transition risk, higher physical risk, and reduced support to limit the effects of climate change – only current policies are applied.

We are currently studying how these risks and opportunities will change under different scenarios. In addition, we will study these 4 focal questions under the scenario analysis:

- How does our global operating model impact our **emissions profile**, by geography, structure, and growth plans?
- How fit for purpose are our **governance structures** to drive climate integration into our business strategy and achieve targets; and what are the key tensions between our **business strategy and climate strategy**?
- When is our reputational risk exposure at its **highest** because of the information we choose to publish and the clients we choose to work with?
- What are the **key variables and events** that need to be monitored and understood around client-related risk (operational and client-related) at Leadership level?

Since the process of scenario analysis is still underway, we cannot yet address the financial impacts of our risks, opportunities, and controls in place. We aim to provide findings in the next reporting year.

Next Steps

- Following completion of scenario analysis, disclose the strategic impacts of climate risks against the time horizons under different tested scenarios
- Continue to explore and disclose the interdependencies between the factors driving the climate risk and opportunities
- Once fully aligned with the TCFD recommendations and having submitted our long-term Net Zero Science-Based Target, develop a climate transition plan that aligns with both a 1.5°C trajectory and guidance of the Transition Plan Taskforce (TPT)

3. Risk management

- Describe the organisation’s processes for **identifying and assessing** climate-related risks
- Describe the organisation’s processes for **managing** climate-related risks
- Describe how processes for identifying, assessing, and managing climate-related risks are **integrated** into the organisation’s overall risk management

Identifying, assessing and managing climate-related risk

We have a rigorous process to identify and assess climate-related risks and opportunities and intend to make this an annual requirement. Starting with a long list of potential risks and opportunities, we use key stakeholder input to rank these within defined time horizons, using our impact and likelihood matrix.

Financial and strategic impact are averaged across four categories:

- Profitability & Liquidity
- People & Wellbeing
- Reputational & Clients
- Operations

which, in turn, are averaged into one impact score. This score is then reviewed alongside stakeholder comments with amendments are made to the impact ratings as needed.

The impact and time horizon for each risk – and subsequently for each opportunity – are then plotted on a heatmap graph. The highest-ranking risks have been prioritised for scenario analysis. Risks that are not highly rated but considered strategically important for scenario analysis have been added to the prioritised risk group by exception. These risks are then modelled qualitatively through climate scenario analysis to understand their impact on the business.

The outcome of this scenario analysis will inform how we will manage these risks and opportunities. The process starts by assessing the current resilience of our

strategy. Working with the ES&B, the CSO is responsible for monitoring these risks and ensuring that they are managed appropriately at regional and global level and that the necessary investment is assigned to programmes that mitigate risk and capture opportunities.

Integrated into our global risk management

Our approach to managing climate-related risks is integrated into the Firm’s global risk management process, which encompasses all potential risks, practice groups, sectors, jurisdictions, and locations in which we operate.

This global risk management programme is directed by the ARC in conjunction with our risk management partner, Barnett Waddingham, with oversight from the Management Board. The ARC has identified the Firm’s 12 principal risks through an extensive engagement process and maintains a global risk register. A risk owner is assigned to each of the 12 risks, with the CSO responsible for climate and ESG-related risks. The ARC and the Board receive reports on a quarterly basis.



Next Steps

- Deepen engagement on our initial climate-related risk findings and continue to integrate management of climate-related risks and opportunities into Firm’s risk management processes
- Continue to align with TCFD, reviewing the climate-related risk materiality assessment annually, managing climate-related risks, building climate resilience into business strategies, and disclosing management of climate-related risks and opportunities
- Align to Taskforce on Nature-Related Financial Disclosure (TNFD). As nature-related risks and interdependencies with climate-related risk are increasingly recognised as areas of risk for businesses we have accepted an invitation from the TNFD Forum to influence the evolution of the TNFD framework.

4. Metrics and targets

- Disclose the **metrics** used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process
- Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) **emissions** and the related risks
- Describe the **targets** used by the organisation to manage climate-related risks and opportunities and performance against targets

Metrics and targets are central to implementing our ambitious climate strategy and achieving our targets. Our near-term Science-Based Target (SBT), which is approved by the SBTi, commits us to emissions reduction targets in line with a 1.5°C trajectory, an 80% reduction in absolute Scope 1 & Scope 2 emissions, as well as a 50% reduction in absolute Scope 3 emissions by 2030 from a 2019 base year. We plan to submit a long-term Net Zero Science-Based Target to the SBTi for validation by the end of 2023.

To support our SBT, we are developing metrics to monitor progress against these targets for key elements of our decarbonisation programme, which in turn help to mitigate our top climate-related risks, and these are summarised below:

- Scope 1 and 2 targets - we commenced activity to reduce our usage through efficiency measures and green our energy in 2019. All our UK offices are now powered by 100% renewable energy sources. We are prioritising purchasing our electricity from 100% renewable sources for all office outside the UK. Where such tariffs are not available, we will acquire energy attribute certificates.
- Scope 3 target - we launched our Supplier Engagement Programme in 2023. By collaborating with top suppliers (by spend) on emissions reduction, we will build resilience into our supply chain. Our initial target is our top 200 suppliers representing more than 80% of non-matter related spend value.

With regards to KPI's and metrics to monitor progress against targets, our initial focus has been on the UK as our single largest region. We have used the KPI's within our SECR to monitor our progress against the targets noted above. We are therefore currently able to monitor the progress being made in the UK with regards to the SECR metrics.

During the next reporting period we will expand and develop further, our metrics at country level, rolling up to a global level, so as to monitor our overall progress against the SBTi targets for our Net Zero strategy across the full extent of Scopes 1, 2 and 3.

We use the Greenhouse Gas (GHG) Protocol to calculate our emissions and report these in our SECR Report on page 3 in our Financial Statements for the year to 30th April 2023

As a provider of legal services our GHG emissions primarily result from emissions within our supply chain, from our business travel and from the energy we consume or purchase. Our SECR report contains only the calculations for Scope 1, 2 and limited Scope 3 emissions, arising from our UK operations and as such do not include emissions from the remainder of our global operations.

We are working with our sustainability partner, Accenture, to establish a Data Managed Service to report on our overall global emissions footprint. We expect to be able to retrospectively report scope 1, 2 and 3 emissions for the period 1 May 2022 – 30th April 2023 during the financial year 1 May 2023–30th April 2024.

Next Steps

- Submit a long-term Net Zero Science Based Target in 2023, in addition to refreshing our existing near-term Science Based Target to account for the impact of the merger with BLM on 1 July 2022
- Implement decarbonisation clauses in supplier contracts aligned with the Chancery Lane project, in addition to climate-related requirements in our Supplier Code of Conduct and recently approved Global Sustainable Procurement Policy
- As signatories to Legal Charter 1.5, collaborate on the methodology behind measurement of advised emissions (also known as Scope 4)

490

Partners

2,400

Lawyers

3,200

Legal professionals

5,500

Total staff

60+

Offices worldwide*

clydeco.com

*includes associated offices

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