

**Baker
McKenzie.**

**Annual
Sustainability
Report 2023**



Message from our global chair

Crisis and consolidation. 2022 was another year that saw the world disrupted by crisis. With the COVID-19 pandemic not entirely behind us, we saw Russia invade Ukraine, beginning a war that remains ongoing as we write this report in 2023; and in 2023, we saw a devastating earthquake and humanitarian crisis in Türkiye and Syria. There are zones of conflict across all regions of the world; injustice and increased violence in developing and developed countries alike; as well as political unrest and extreme climate events. According to the United Nations Secretary-General António Guterres' report "Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet," one quarter of humanity lives in conflict-affected areas, and as of May 2022, a record 100 million people had been forcibly displaced worldwide, which is more than double the number a decade ago. All of this reminds us just how fragile our world is — our planet, our people, our systems — and how lives can change overnight.

Once again, we see the importance of values. Keeping your objectives in sight and consolidating your actions behind your organization's values to make the progress that is needed for our environment, for people and for societies.

For us, 2022 was a year of consolidation. We focused on consolidating our efforts around our values with a consistent strategy. We continued to make progress on the objectives that we've set ourselves as an organization, while capitalizing on what we've done and building on our efforts to go further. We stayed the course on our set strategy with intention, for accountability and transparency; this is how we believe we can all make real progress and how we can create a sustainable business and a sustainable world that is built to last for the long term. While our strategy will need to evolve over time, the fundamentals that underpin it must remain solid.

In 2022, we also advanced on our environmental strategy to meet our targets and committed to science-based targets, and we advanced on our renewable energy strategy and started examining our supply chain in greater detail. We continued to work toward achieving our gender aspirational targets and maintained our efforts on race and ethnicity, LGBTQ+ rights, social mobility and people with disabilities. We saw our values challenged and we responded by reaffirming them and by taking action consistent with our values.

We continue to be an active participant of the UN Global Compact and uphold our commitment to the Ten Principles, operating in a way that meets our fundamental responsibilities with respect to human rights, labor, environment and anti-corruption.

Most importantly, in the face of crisis, we saw that the commitment we have made to our values has a broad impact both within our own organization and externally. In this report, you will read about examples of our people bringing our values to life: how our people care about each other and are looking after each other and their broader communities; how through a range of pro bono and community investment projects our people are using their passion to give a voice to the underrepresented and advance causes that are important to them, which is giving them a greater sense of purpose; how we are working to create an environment where everyone can be heard and be their authentic self; how we are working with clients who share our values to help them advance their own sustainability and ESG strategies; how we are collaborating with clients on projects that advance the inclusion, diversity and equity agenda and on pro bono projects to advance justice; and how, collectively, we can make a difference.

We are proud to see how well the Firm that we have been building since 1949 has fared in 2022 when faced with global crises, and we believe that if we stay true to our values, we will continue building a law firm that will stand the test of time. While there may be more setbacks and unexpected crises to face, we continue to be resolutely committed to building for our long-term future — for our people, our clients, our planet, our communities and society.

Best regards,



Milton Cheng

Global Chair



How to read this report

This report reports on calendar year 2022 and — much as we are — is led by people. We are guided by our prioritized Sustainable Development Goals (SDGs), which we view as a roadmap to achieving and building a firm that stands the test of time. Identified by a thorough materiality assessment, taking into account the values and opinions of stakeholders from across our entire value chain, including nearly 1,400 of our people, as well as clients, law schools and suppliers, our prioritized SDGs reflect what is important to our stakeholders and what they expect from us as a firm. People-related issues, represented by the social SDGs — the “S” of ESG — were identified firmly at the forefront of our materiality assessment results, and thus underpin our strategy.

Although this report is structured under the headings of our prioritized SDGs, it also highlights their interconnectedness, the importance of partnerships in achieving them, and the necessity of robust governance in making meaningful, lasting change at the global level. Beginning with social, followed by environmental and underpinned by governance, we follow our prioritized SDGs throughout the report, as they intertwine and weave together a strategy that is based upon our core values of inclusion, diversity, equity, climate action and upholding the rule of law.

Aligning our sustainability strategy with our SDGs

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Social

The values and issues represented by these prioritized SDGs — each of which relate to the “S” in ESG — are all firmly pointed at helping people bring their authentic selves to work. This underpins our culture of inclusion, diversity and equity (ID&E), which is crucial to our Firm and its strategy. Our Firm was founded on diversity. We value it, and celebrate it, and we strive to advance an inclusive culture where all of our people can thrive and succeed, bringing diverse perspectives to the work we do for clients and the way we interact with each other and the world. Our sustained and consistent focus on ID&E across our

business benefits our people, our clients, the legal profession and the communities in which we operate.

People are at the heart of these three SDGs. We are a people business, so what matters to our people, matters to our Firm. This has been consistently reaffirmed year after year as we reflect on progress against our prioritized SDGs — and was particularly borne out in 2022 by the response of people across our entire network to support both our colleagues in Ukraine and colleagues with family in Ukraine following Russia’s invasion.



SDG 5: Gender Equality



SDG 8: Decent Work and Economic Growth



SDG 10: Reduced Inequalities

The Ten Principles:

Human Rights

- Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2:** make sure that they are not complicit in human rights abuses.

Labor

- Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4:** the elimination of all forms of forced and compulsory labor;
- Principle 5:** the effective abolition of child labor; and
- Principle 6:** the elimination of discrimination in respect of employment and occupation.



SDG 5: Gender Equality

Gender equality has long been a priority for us, culminating in the Firm setting measurable global gender targets in 2019. Since then, experience has shown us the value in remaining focused on our targets and the impact we are making on gender equality by being consistent, evolving our efforts and habits to ensure we continue to live our values and embed a gender inclusive culture across the Firm. We take a similarly consistent approach in our external engagement on issues of gender equality, building on our longstanding commitment to advancing gender equality through external partnerships and initiatives.

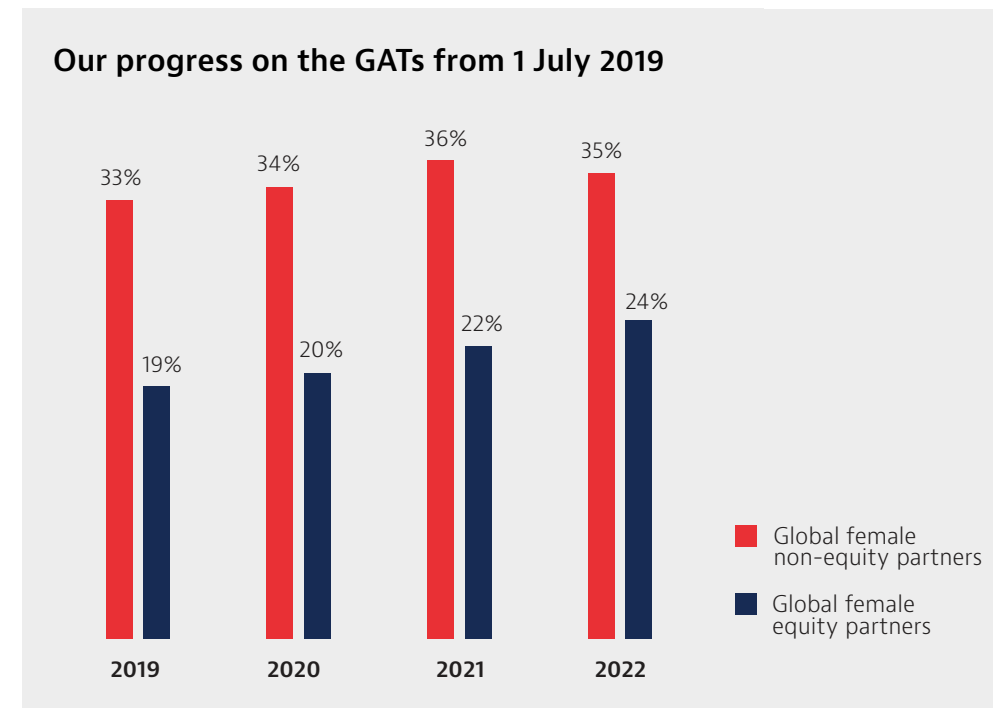
Driving systematic change with our gender aspirational targets

We have long recognized that gender equality has widespread benefits and that we have a responsibility to close the gender gap. However, we also recognized that closing the gender gap in our most senior ranks globally would require something to spur systemic change — and that is why in 2019 we adopted global gender aspirational targets (GATs) of 40:40:20 gender diversity by July 2025. The targets, which represent 40% women, 40% men and 20% flexible (women, men or nonbinary persons), apply to partners, senior business professionals, committee leadership and candidate pools when recruiting for these roles. Not only were we the first global law firm to set GATs, we were also the first global law firm to invite people across the gender spectrum into the conversation by recognizing nonbinary persons in our GATs.

We actively monitor progress against the GATs and report to senior leadership on progress at least every six months. We use reporting, dashboards and data analysis to measure progress and align initiatives with impact. While we still have more to do, the GATs have already made a notable impact across the Firm, and we hope that by continuing to cultivate a culture of inclusion, our GATs and 40:40:20 will become second nature and business as usual behavior across the Firm.

Although globally our initial focus has been on gender, a number of our jurisdictions have put in place targets to advance other types of diversity, such as race and ethnicity targets. Read more [here](#).

Progress indicators

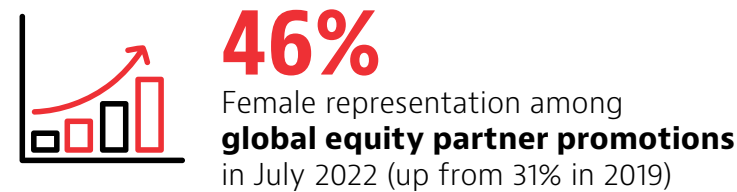


Data as of 1 July 2022

SDG 5: GENDER EQUALITY

Operationalizing gender equality

Since their adoption, the GATs have been critical to progressing our global gender equality strategy. Setting targets has enabled us to track and measure progress, clarify goals to which we align behaviors, build accountability and operationalize change. GAT considerations are woven into processes from partner promotions and recruitment to mentorship, sponsorship and other initiatives that not only help us to meet the targets, but which retain that diversity by creating a truly inclusive workplace and will allow us to reap the benefits of that diversity over time. Examples of concrete measures that we have put in place and continue to execute to operationalize the GATs and make the impact we sought to achieve in setting them include those that follow.



LIFT sponsorship program

Leaders Investing For Tomorrow (LIFT) is a global sponsorship initiative launched in 2017 to support the progression of women to senior leadership roles, building leadership skills through a personalized development program and increased visibility. LIFT pairs high-potential female non-equity partners with Firm senior equity partners, who work closely with practice group leadership to accelerate opportunities for career advancement. Because the program is committed to supporting participants' longer-term career development, participants are also given the opportunity to work with an external coach as part of the program.

The program runs from July to June each year, with a cohort of 25 participants. By the end of 2022, 142 women had participated in the LIFT program, with 80% of participants having moved into leadership roles during or after the program.

RISE mentoring program

Our RISE mentoring program is designed to advance the visibility and career development of high potential female senior associates. The program is led regionally, and was first launched in 2019 in the EMEA region. Since then RISE has successfully expanded to other regions.

The program is designed to give participants exposure to partners and peers from other offices around the Firm, and support from a wide network of peer coaching groups. Participants are also given a partner mentor who they can turn to for advice and guidance including on how to help them balance and prioritize the competing demands on them as their level of seniority increases and confidence building to help them in their career trajectory. To date, more than 175 female associates have participated in the program.

Greater gender equity in senior global leadership

As of 1 July 2022, women make up:

32% Global Practice Group Steering Committees

47% Global Industry Group Steering Committees

50% Business Services Leadership Teams

42% Client Service Directors



SDG 5: GENDER EQUALITY**Business-led joint mentoring**

We participate in joint mentoring initiatives such as through the 30% Club, a business-led cross-company mentoring scheme that pairs women mentees with women mentors from other organizations. The scheme helps mentees hone their skills to prepare for the next step in their career development, including developing their executive presence and learning about people management and how to become solutions focused, thereby strengthening necessary pipelines to achieve parity of women in leadership and board roles. Baker McKenzie women have participated as both mentors and mentees in the 30% Club, where mentors help mentees to navigate real time business issues and build confidence in their leadership abilities.

Collaborating with clients on shared gender objectives

We believe that business must take a central role in championing gender equality, which is a view shared by many of our clients. We actively look for opportunities to collaborate with clients on shared gender equality goals, all with the objective of sharing and implementing best practices on gender equality issues, drawing on our collective knowledge and diverse perspectives to increase impact.

Return-ity

Launched originally as a pilot program, our London office has now run several intakes of the Return-ity new parental leave and return-to-work scheme, which seeks to address gaps in return-to-work support for both clients and our people who have been on parental leave. Return-ity is intended to be inclusive and is open to applicants who have been on any kind of parental leave (including maternity, paternity or adoption leave) for three months or longer.

The 18-month program originates from the experience of one of our associates when returning from parental leave, during which she identified an opportunity to fill gaps in return-to-work support for our people — and our clients. It is designed to provide support during what can be a challenging time and to give them networking and business development opportunities at a stage when they may not be able to take part in traditional networking events. All participants are invited to attend a range of virtual networking events including group coaching on return-to-work topics with experts, as well as group and one-on-one access to senior mentors. Client participants receive a pre-return knowhow briefing on new developments in relevant areas of law and 10 hours of legal support on discrete tasks from a Baker McKenzie associate, to help ease any backlog that may have accumulated during parental leave.

Delivering client service through inclusive and diverse teams

Because diverse perspectives bring creativity and innovation, enhance problem solving and provide greater insight into our clients' needs, and to align with the values of many of our clients, we are committed to delivering service and advice to our clients through inclusive and diverse client teams. While on occasion the team with the required technical expertise for the assignment may not be as diverse as we would like it to be, we always keep the diversity of the teams we lead top of mind so that in time, we will always be able to staff client assignments with diverse teams. We use internal client team gender dashboards to provide client teams with a real-time view of the gender balance of global practitioners working with individual clients so that we can engage in transparent, data-driven, proactive dialogue with clients on inclusion, diversity and equity.



SDG 5: GENDER EQUALITY**Continuing to champion gender equality externally**

We have a longstanding commitment to use our global reach and expertise to contribute to gender equality initiatives outside of our Firm, and we continue to build on this momentum to support external global initiatives aimed at accelerating gender diversity. Examples of our ongoing commitments and recognition in the marketplace around gender equality include the following:

- We are a proud signatory to the UN Women's Empowerment Principles, a set of principles offering guidance to businesses on how to promote gender equality in the workplace, marketplace and community. This includes participation in the global HeForShe program, an initiative to encourage male leaders to act as allies and champions for gender diversity. Many male partners across our Firm have signed up to become allies and agreed to various commitments to drive change.
- We are among the 50-plus initial members of the Gender and Diversity KPI Alliance, supporting the adoption and use of a set of key performance indicators to measure gender and diversity, an ongoing initiative to which we remain committed.
- Global Chair Milton Cheng joined more than 70 CEOs in signing Catalyst's CEO Champions for Change, pledging to champion Baker McKenzie women, including women of color, into senior leadership positions. The progress we have made on increased gender equality by embedding our gender aspirational targets (GATs) into the heart of our organization was featured by Catalyst as one of its spotlight stories that highlight ideas that organizations can put to work to drive positive change.
- We were awarded "Women in Business Law Firm of the Year" and "Career Development Firm of the Year" at the inaugural Euromoney Women in Business Law Global Awards 2022. The Awards recognize law firms that have developed strong innovative practices and projects that highlight gender diversity, as well as women lawyers working in business law.
- Law360 Pulse 2022 Glass Ceiling Report 2022: Women in Law — Baker McKenzie ranked in the top 20 for gender equity.
- Included in the 2022 Seramount Best Law Firms for Women survey, which is a list that honors the firms that encourage women to rise to the top.





SDG 8: Decent Work and Economic Growth

As a global law firm of over 13,000 individuals, we are a people business. Our people are our greatest asset, and the success of our business relies on their ability to achieve the highest levels of performance — our collective knowledge, relationships and shared values are what drives our business. That is why for us, Decent Work and Economic Growth means providing opportunities for professional development and career progression, with a focus on health and well-being. We also recognize the importance that purposeful work plays in the course of a happy, healthy and productive career and strive to provide a working environment where people can find both purpose and professional fulfilment.

Given the high-performance culture of the legal profession, we believe that it is particularly important to focus on both health and well-being and purpose in order to provide our people with a supportive environment where they can thrive and undertake work that is meaningful to them.

Fostering professional and personal qualities in line with our values

We are a business of over 13,000 people from different backgrounds in over 75 different locations who speak some 80 different languages, so diversity is a key element of our Firm's culture. From our inception, and as the first truly global law firm, maintaining our connection to the local communities and cultures that make us who we are is second nature to us, and we have always seen it as a business imperative.

Recognizing the need for a global framework for career development that reflected our diverse makeup, with a common ground that could apply to our people across different regions and cultures, we developed our Development Framework nearly 20 years ago. The Development Framework seeks to inform, guide and

inspire our people at every stage of their career. It provides a common language for discussing performance to help our people achieve their full potential and is underlined by a broad range of topics, from technical legal skills to topics centered around the Firm's values and well-being. Taking a person-centered approach, the Development Framework also outlines the personal qualities and values expected of those who want to succeed in our Firm, including collaboration and respect at work. We believe that this approach has been key to the Development Framework's longevity and success.

The Development Framework — one of the first of its kind to be adopted by a law firm and selected by Harvard Business School as a best-practice case study on talent management — continues to guide us to meet the needs of a diverse, healthy, well-rounded workforce that increasingly seeks purpose-driven fulfilment alongside professional success.



SDG 8: DECENT WORK AND ECONOMIC GROWTH

Embedding a culture of workplace well-being

We strive to build a healthy environment for our people to work in, where they are confident that they can bring their whole selves to work and thrive. We are part of a profession and industry where competitiveness and toughness are often dominant traits, and self-care is not a priority. We are conscious of the pressures that are commonplace in our industry, and have responded by implementing global initiatives around education, activities and support focusing on positive workplace behavior and psychological safety. Our objective is to provide a safe and supportive working environment, where everyone feels supported and able to speak up if they need assistance. We believe that a high-performance culture must be one where talking about mental well-being is comfortable and real, without fear of repercussions and have taken a number of actions to destigmatize talking about mental health.

In 2021 we launched the BakerWellbeing Principles — eight cultural guidelines to act as a framework for us as a business to support our people to thrive, to create conversations, to make us stop and consider how our colleagues may be feeling and to build understanding about the factors that affect our well-being. The BakerWellbeing Principles are supported by suggestions about how individuals, leaders and teams can work and interact more effectively to enhance their own and others' well-being and continue to underlie and inform a number of initiatives around the Firm, examples of which include the following:

- Our PointONE program sets clear expectations about the behavioral standards we have of each other including via a number of global workplace policies, lets all our people know

that it is safe to speak up if they have concerns, provides a means for them to do so and ensures appropriate action is taken. The program helps build a consistent Firm-wide culture of respect, inclusion and psychological safety. In addition to a range of clear reporting channels, a network of trained colleagues, known as PointONE contacts, is also available to individuals if they feel that someone's conduct in the workplace is breaching a Firm policy or is creating a risk to their or someone else's mental or physical health or safety. We continue to promote the PointONE program because we have seen how effectively it has been used to raise issues so that they could be investigated and action could be taken quickly and efficiently.

- Our mental health first aid training program provides specialist training to employees to become "peer-to-peer" mental health first aiders who can help spot the signs of ill mental health. The first aiders are trained to support colleagues dealing with a mental health issue by acting as a listening ear and, where appropriate, encouraging and assisting them to seek help.
- Our external assistance program (EAP) is a confidential counselling and support service offering funded by the Firm that provides support on personal and professional challenges at no cost to the individual. It is an important part of our BakerWellbeing program, and is designed to support the mental, physical and social well-being of our people. We work with select providers to ensure that our people — and where applicable, their immediate families — have access to impartial, professional counselling services, as well as online well-being resources and referrals. The EAP helps with a range of topics including stress, life and family challenges, bereavement, anxiety and depression, debt management and everyday, practical concerns.

- Because we believe it is important to continually demonstrate the importance of destigmatizing mental health issues within the workplace, we encourage open discussion of mental health and well-being issues across a range of local, regional and global initiatives and events across the Firm. For example, we invite external speakers to talk about the importance of mental and emotional health and also provide colleagues, including senior leadership, with the opportunity to share their own experiences of building mental health resilience, because knowing that you are not alone in these struggles is a key element in overcoming them.

Something that we are immensely proud of is our culture of humanity and the peer-to-peer concern that our colleagues have for each other's well-being — as embodied in the responses of people across our network to support their Ukrainian colleagues affected by Russia's invasion of Ukraine. Read more [here](#).



SDG 8: DECENT WORK AND ECONOMIC GROWTH



Pro bono and purpose

Attracting, developing and retaining a happy, engaged and fulfilled workforce is a business imperative. We know that having a clearly stated purpose that our people can connect with, and understand their contribution to, inspires deeper engagement, an increased sense of well-being, and a long, fulfilling career.

For us, pro bono is a key enabler of purposeful work and well-being. When our people can apply their specialist skills to issues and causes that align with their personal values, pro bono can be a conduit between a person and their purpose. It can also be a key driver of professional development, providing opportunities for lawyers and business professionals alike to gain professional experience beyond their usual focus area, build relationships with like-minded peers and mentors, and find purpose and connection “beyond the billable hour.” This is in alignment with the multifaceted, “whole-person” centered development we strive for and upon which we built our Development Framework.

In addition to our global pro bono practice, which carries out its work through long-standing relationships with clients, international bodies and grass-roots organizations to develop global solutions to complex societal issues, we actively support our people to connect with causes that are important to them personally. As a Firm of 13,000 people with diverse passions and interests, those causes are equally diverse. In 2022, we saw our people work to make progress on issues including animal rights and employment rights for marginalized communities and people with disabilities, and give advice on the environmental damage inflicted by conflict, to name just a few.



SDG 10: Reduced Inequalities

In 2022, we worked to multiply our impact as a law firm and global employer through our ID&E efforts, seeking to create better experiences for our people, our clients and our industry. In particular, we broadened the conversation from inclusion and diversity to include the concept of equity (when everyone gets what they need for success), with a view to improving equality (when everybody gets the same). In doing so, we focused on the importance of inclusion as a means of cementing shared values and ensuring a sense of belonging in our Firm.

We also continue to use our sphere of influence toward reducing inequalities more broadly in the legal profession and in the communities in which we operate, and to contribute to efforts to mobilize the private sector in tackling inequality more broadly.

Our approach to ID&E and reducing inequality focuses on the following:

Leadership: We lead on ID&E, and where we go, others follow. Our dedication and commitment come from our top management and are lived by our people at all levels, who champion ID&E efforts across the globe.

Accountability: We focus on accountability for ID&E action at both a Firm level and through individual responsibility. We are passionate about progress, and regularly measure our status against our industry-leading ID&E targets, such as our gender targets (read more [here](#)).

We believe that inclusion is what makes ID&E progress a reality because a truly inclusive workplace allows for the retention of a diverse workforce. Holding everyone at all levels in the Firm accountable for their behavior drives a culture where inclusion becomes the rule and not the exception.

Humility: We approach ID&E with humility. We continuously refine, innovate and build on best practices, and we know that we do not have all the answers and there is more to be done. We recognize that we achieve more and multiply our impact when we collaborate with others.

We want all of our people to thrive at Baker McKenzie — as professionals, individuals and global citizens. This means giving credit where it is due and incentivizing inclusive behaviors, providing equal access to opportunities for career progression, being a flexible workplace, and offering an intellectually rich and supportive environment. Access to the brightest legal minds, who bring diverse and connected perspectives to complex legal and commercial questions, is key to business success. We believe ID&E unlocks innovation and enables stronger guidance and seamless solutions.

We know that inclusion is a key element of making diversity take a better hold across our Firm. It is critical for diverse talent to feel included and know that they are in a safe space. Inclusion is what enables people to feel a sense of belonging; and this sense of belonging allows people to develop trust and a lasting bond with their workplace colleagues.



SDG 10: REDUCED INEQUALITIES

Successful inclusion, equity and belonging efforts must start with the tone from the top, and at Baker McKenzie, our executive leadership, partners and senior business professionals embrace our holistic approach that focuses on embedding diversity — and more importantly, inclusion and equity — across our global organization. And to drive our ID&E efforts and accountability, we have a global ID&E committee chaired by a member of the Firm's Executive Committee and composed of senior leaders from all regions. The ID&E committee proactively advances the Firm's ID&E strategy and works to continuously multiply our impact through ID&E to create better experiences for our people, better outcomes for our clients and sustainable change in our industry.

However, tone from the top is not enough; all levels of our Firm focus on advancing ID&E and ensuring that team members, in particular those from historically underrepresented groups, feel seen, included and valued, and have access to development opportunities. As overarching examples of how we work to operationalize inclusion and equity across a range of diversity issues, two initiatives that we put in place and which are still going strong are our affiliate networks and our Inclusion Circles.

Inclusion Circles

Initially rolled out in the EMEA region and focusing on women and other underrepresented groups, Inclusion Circles involve listening and sharing experiences — including about the barriers to inclusion and equity as seen from all levels. They encourage candid discussion with open dialogue and provide access outside of the day-to-day work environment to senior leaders who have successfully overcome barriers in their career progression.

While a primary focus of the Inclusion Circles is to promote open dialogue, trust and candor for participants, another benefit is the insight into the lived experiences and barriers they provide to senior leadership, which is essential to create organizational solutions to address these barriers.

Feedback from the members of the Inclusion Circles has been highly positive, with members saying that their participation gave them confidence in attaining a senior position, and gave them a greater sense of belonging in the Firm.

Affiliate networks

We have resource groups — which we refer to as “affiliate” networks — active in many of our locations across the globe, which play an integral part in advancing our Firm's ID&E efforts. They bring together affiliates and allies, serve to raise awareness, foster allyship, provide mentorship and offer opportunities for professional and business development among their members.

Affiliate networks are a critical component in creating a sense of community among the diverse groups and local offices within the Firm. They are open to anyone who supports the group's initiatives as a self-identified member or an ally. Each network sets its own agenda and goals specific to the issues the community feels are most important to them. Additionally, affiliate networks serve in an advisory capacity and are an ID&E resource for the Firm.

Global and regional affiliate networks include BakerWomen, BakerPride+ Allies, BakerWellbeing, BakerEthnicity, Black Attorney Network Alliance, Unidos (Hispanic/Latinx Network), Baker Asian Attorney Network and several others across our Firm.



SDG 10: REDUCED INEQUALITIES

Disability and accessibility

Since becoming a signatory to the Valuable 500 in 2021, a global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion, we have continued to deliver on our commitment to raise awareness of all types of disabilities and provide equal access to employment opportunities to individuals with visible and hidden disabilities and those with long-term health conditions.

Following on from the adoption of our Global Disability and Accessible Inclusion Position Statement developed in 2021, we have taken action to embed disability and accessibility awareness throughout the Firm via our dedicated internal disability inclusion website and resource toolkit, educational programs, discussions and other events — including in partnership with our clients. We believe that one of the best ways we can dismantle barriers to disability inclusion is by helping people learn about and understand what living with a disability really feels like.

For example, we celebrated the UN International Day for People With Disabilities (IDPWD) in 2022 with a series of global virtual events across different time zones and collaborating with a number of our clients to discuss disability inclusion, the business of accessibility and how the benefits of accessibility at work are not limited to only those with a disability. Also to coincide with IDPWD, and to continue to foster dialogue and inclusion around disability issues, we launched a #SharingStories campaign and dedicated internal page where a number of our colleagues were able to share their experiences of living with a disability or caring for those with a disability.

While awareness is an essential step in overcoming the barriers to disability inclusion, we know that there are also concrete actions we can take across the Firm to quite literally break down barriers, and we have expanded our range of assistive technologies to enhance learning, working and daily living for those with disabilities, including tools such as a screen magnifiers, color filters, contrasts, closed captions, mouse and keyboard functions, and more.



SDG 10: REDUCED INEQUALITIES

Race and ethnicity

Advancing the racial and ethnic diversity at all levels of our Firm is important to us, including in leadership, because we believe that it is important to demonstrate racial and ethnic diversity at the top if the objective is to achieve that diversity across the entire organization. Our US and Canada offices have adopted targets for underrepresented racial and ethnic groups to make up 15% of equity partners, 20% of non-equity partners and 15% of leadership by 2025. Our London office has adopted targets for 14% Black, Asian and other ethnic minority group representation at every level by 2025.

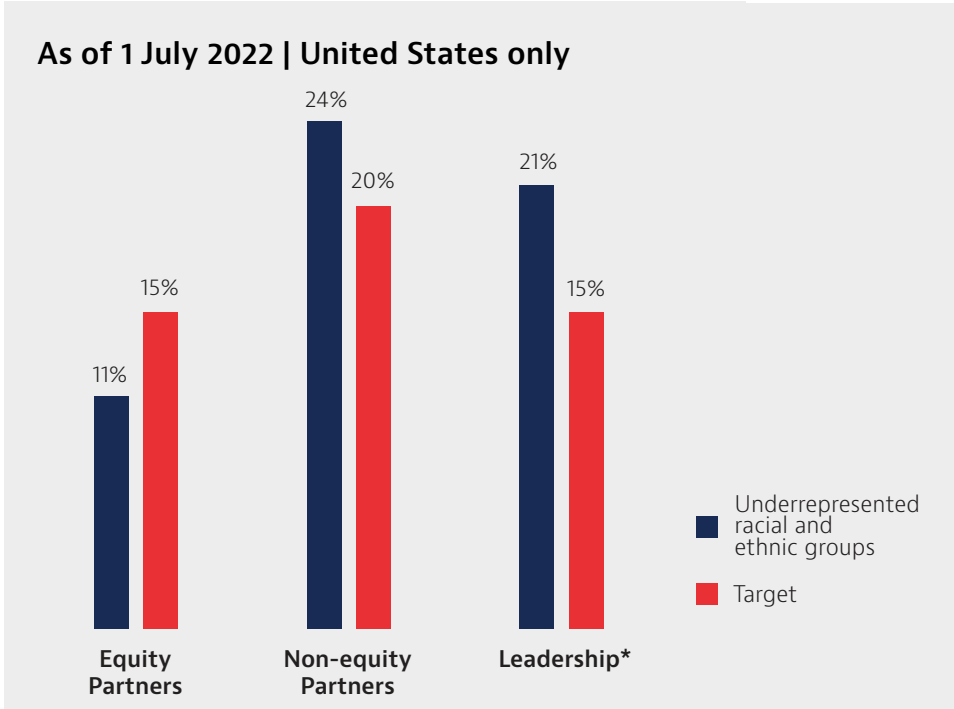
To maintain focus on leadership accountability, we have implemented resources and tools, including our Leadership Toolkit and Diversity Scorecard, which sets out the Firm’s expectations on retention, development and promotion of underrepresented racial and ethnic groups.

However, and as we have said elsewhere in this report, tone from the top is important — but it is not enough. To achieve better racial and ethnicity representation at all levels, we focus on actions we can take to improve the recruitment, retention and advancement of members of historically underrepresented groups and their access to development opportunities, and to provide safe and impactful forums for sharing, listening and learning. Some examples are highlighted in this section.

US non-equity partners from underrepresented racial and ethnic groups

18% → **24%**
1 July 2019 1 July 2022

Progress against targets



*US members of the North America Regional Council, Talent Management Financial Management and Compensation Committees



SDG 10: REDUCED INEQUALITIES**2022 Lawyers of Color Conference**

Following on from the introduction of our successful Lawyers of Color Conference in 2020, our 2022 Lawyers of Color Conference brought together 140+ of our US and Canada lawyers of color, along with Firm leadership, clients and other senior leaders, for two days of programming focused on the key themes of connection, empowerment and action. The conference helped forge connections among our lawyers of color community, empowering participants with knowledge and providing access to leadership, and also sought to reinforce a feeling of belonging and culture of inclusion. The important discussions at the conference also provided insights into the specific challenges faced by participants, which will allow us to better target our action to disrupt inequities, dismantle structural racism and equitably support the growth and career progression of all of our people.

bConnected

bConnected was launched in 2022 to support and mentor lawyers from underrepresented racial and ethnic groups in North America. Embracing the necessity for inclusion to create a lasting diverse workplace, this 12-month comprehensive program focuses on enhancing the retention, promotion and development of participants while continuing to build and embed a culture of inclusion and belonging, by pairing mid-level associates of color with senior partner advocates.

2022 Baker McKenzie Racial Equity Challenge

In North America, over 600 of our people participated in the 2022 Baker McKenzie Racial Equity Challenge, which included three weeks of daily short learnings that examined aspects of race, racism and the intersection of race and other marginalized identities. This important program, spearheaded by the North America Inclusion and Diversity Committee, deepened participants' understanding of race, power, privilege, supremacy and leadership. The goal of the challenge was to provide an opportunity to support self-education, growth and awareness in the quest for racial equity and the office with the highest participation received a cash prize to donate to a local charity or non-profit organization of its choice whose mission is focused on racial equality.

Continuing our reconciliation journey — First Nations engagement

Reconciliation Action Plans (RAPs) provide a framework for organizations to leverage their structures and spheres of influence to support the Australian reconciliation movement and to strengthen relations with First Nations (Aboriginal and Torres Strait Islander) peoples. Our Australian offices formally embarked on the journey of reconciliation in 2019, with the launch of a "Reflect" RAP, which set out our commitment to developing and strengthening our relationships with First Nations peoples as well as reflecting on our challenges and learnings.

Continuing and strengthening our commitment to reconciliation, in 2022 we launched our "Innovate" RAP, through which we aspire for our people to have a greater awareness of issues and challenges facing First Nations communities and a deeper respect and understanding of the complex histories that have shaped the Australia of today. This includes the role of the legal system in that landscape and how we can contribute to redressing the inequities and inequalities experienced by First Nations peoples. Our Innovate RAP seeks to make a meaningful contribution toward removing barriers that impact First Nations peoples, with a particular focus on improving employment, economic and social outcomes, and provides opportunities for our people to engage in and contribute to the advancement of relations, respect and opportunities for First Nations peoples, such as through pro bono legal support to First Nations clients, by participating in the CareerTrackers program to provide internship opportunities to First Nations law students, other volunteering activities and educational events — all of which also provide our people with the opportunity to learn more.

National Black Law Student Association Tax Mentor Program

Following on from its inaugural 2021 participation, the Firm joined forces in North America with the National Black Law Student Association (NBLSA) for a second intake of the Baker McKenzie NBLSA Tax Mentor Program. In 2022 we welcomed 20 mentees, each of whom was assigned a Baker McKenzie mentor (or co-mentors) to meet monthly for one-on-one and group sessions consisting of networking, professional development, client panels and more. Facilitated by the North America tax practice, ID&E and recruitment teams, this program is designed to educate interested NBLSA members about a career in tax law and to dispel the myth that a successful career in tax law requires a background or interest in tax, math or accounting.

SDG 10: REDUCED INEQUALITIES

Socio-economic diversity

Talent is everywhere, but not all talented people have access to opportunities that allow them to reach their full potential. Because we believe that everyone should be able to reach their full potential and know that socio-economic background, race and ethnicity and other factors can have a significant impact on the opportunities available to people within our communities, we recognize we can do our part to address a systemic lack of access to the legal profession.

Attracting, recruiting, developing, promoting and sustaining a diverse workforce that better reflects the communities we serve makes us stronger and allows us to multiply our impact. We continue to consolidate our efforts across the Firm to provide broader access and opportunities to talent from a range of socio-economic backgrounds, both within our Firm and the legal profession more broadly.

Recognizing those who are advancing socio-economic diversity

As part of our global socio-economic diversity program, in 2021 we launched the Paul Rawlinson Award to honor our late Baker McKenzie chair Paul Rawlinson's commitment to increasing access to education and opportunities for everyone, regardless of socio-economic background. Paul was highly regarded across the Firm and the wider legal sector and business community as a champion of ID&E, and in particular of socio-economic diversity. He believed that when your community and view of the world is narrow, so too are your ambitions, and was passionate about and creating opportunities and access for all. His championing of underrepresented communities is a value that we continue to honor in his name through this award.

The Paul Rawlinson Award recognizes those in our Firm who are working hard to embed a culture of socio-economic diversity in their offices and in their communities and offers financial support for initiatives that increase access to work and career opportunities to

people from underrepresented groups. In 2022 we were delighted to recognize two recipients.

- Our North American Business Development Team was recognized for their Inclusion and Diversity Summer Internship Program for students from underrepresented groups looking to move into legal marketing roles, including project work, development training and support.
- Our Johannesburg office was also awarded for its work with Unite Siyafunda, an organization that enables community transformation through access to technologies and the internet, and which was co-founded by a member of the Johannesburg office. It provides tech, robotics and coding training to young people in marginalized communities, and to date approximately 3,000 young people have been trained in these technical skills that they can carry with them in their future careers.



PAUL RAWLINSON
Award

SDG 10: REDUCED INEQUALITIES

Partnering with clients to improve access to the legal profession

Building on our commitment to expand access to the legal profession, in 2022 we partnered with leading biopharmaceutical corporation AbbVie, on a mentoring initiative that sought to champion diverse talent and support the career development of young lawyers and senior law students from underrepresented communities in Asia Pacific, the Middle East and Africa. The Young Lawyers Mentoring Program provided 25 mentees from diverse backgrounds with the opportunity to participate in conversations with a combined team of AbbVie and Baker McKenzie legal mentors on career progression, skills development and private practice and in-house legal careers. The program involved two personal skills training webinars and four one-on-one sessions where mentees interacted with, and learned from, experienced Baker McKenzie and AbbVie lawyers — taking a deeper dive into key considerations and insights on building a career in private practice or as in-house counsel. For mentees, the program also offered networking opportunities among other mentees; and for mentors, it provided an opportunity to learn from mentees and give back to their communities.

London office open days to connect and engage with a wider pool of incoming talent

To engage and connect with a wider pool of incoming talent, the London office recently launched a reimagined series of seven open days focused on engaging with members of underrepresented groups. In 2022 these open days included the following: Employability Open Day, Women Open Day, LGBTQ+ and Allies Open Day, and Black Lawyers and Allies Open Day.



Social Mobility Foundation 2022 Social Mobility Employer Index

8th place ranking for our London Office and Belfast Center



SDG 10: REDUCED INEQUALITIES

LGBTQ+

We understand that organizations work best when all employees are given the opportunity to meet their potential, regardless of their sexual orientation or gender identity and expression. Our origins are rooted in respect for and appreciation of a diverse and inclusive workforce. We are not neutral on issues impacting the LGBTQ+ community and are deeply committed to equal opportunity for advancement and development within the Firm. Since 2017, all of our locations operate as either an advocate or an embassy of LGBTQ+ equality. While we embrace and support equality for all people, and do not discriminate or condone discrimination, we also respect local laws and culture.

In markets where we can do so, we are external advocates of LGBTQ+ rights; in jurisdictions with legal restrictions, we are internal embassies of LGBTQ+ equality. We also support our clients as they look to develop their own LGBTQ+ inclusive workplaces. From helping them understand LGBTQ+ legislation, to advising on best practice policies and practices, partnering on pro bono projects, speaking at LGBTQ+ inclusion events and social and networking events, we collaborate as a way to build more inclusive workplaces.

To ensure that members of our LGBTQ+ community do not feel alone, feel comfortable to be their authentic selves, and feel their work and contributions are respected and valued throughout the Firm, we have implemented a number of policies, guidelines and initiatives to encourage open dialogue on LGBTQ+ issues, such as the following:

- Because we have an expectation that all our people should contribute to creating and maintaining an inclusive and supportive working environment, within local law requirements, we have put a global LGBTQ+ policy in place that outlines our Firm's commitments to LGBTQ+ inclusion, including maintaining a zero tolerance approach to discrimination and harassment, offering education opportunities and providing equal benefits to same-sex partners.
- We also have a global statement of support for the transgender and gender diverse people within our Firm, as well as a number of local guidelines in place in North America, Australia and the UK that address the specific needs of transgender, gender nonconforming and nonbinary employees. These guidelines clarify how we protect the legal rights and safety of gender diverse people and are supported by our Firm Code of Business Conduct.
- The BakerPride+ Allies Business Resource Group brings together senior leaders from across the globe to advance LGBTQ+ equality. The group is supported by "in-country" LGBTQ+ liaisons, who are often partners, responsible for ensuring that their local offices participate in activities and advocacy to advance equality (to the extent that it is safe and legal to do so). As a result, we have a number of active local groups that advocate for LGBTQ+ equality in their jurisdictions.

We also benchmark our LGBTQ+ progress with external rankings and surveys. For example:

- In 2022, we received a Gold Award in Stonewall's Global Workplace Equality Index of Top Global Employers for LGBTQ+ people. Stonewall's Top Global Employers is the definitive list showcasing the best multinational employers for LGBTQ+ people. The award reflects our continued global commitment to LGBTQ+ inclusion, demonstrated by proactively cultivating an inclusive and diverse environment through leadership accountability, policies and practices and client and community outreach. Organizations are scored against a set of standardized criteria, which includes ensuring global HR policies are inclusive of LGBTQ+ people everywhere they work, as well as supporting safe travel for all across the world.
- In 2022, Loke-Khoo Tan, senior partner in Baker McKenzie's IP & Technology Group in Hong Kong and Mainland China and a member of the Firm's Consumer Goods &



SDG 10: REDUCED INEQUALITIES

Retail Industry Group Steering Committee, was named one of four Stonewall Global Changemakers of the Year. Loke-Khoo is an active member of the Global BakerPride+ Allies Business Resource Group, and has championed LGBTQ+ inclusion across the Firm and in particular in the Asia Pacific region. He also supports clients in the region with their own LGBTQ+ events and promotes practical advice on how to be an ally to LGBTQ+ communities in Asia Pacific.

- Since 2015, we have received a 100% score from the Human Rights Campaign Foundation's Corporate Equality Index (CEI) every year, including in 2022. The CEI is the foremost benchmarking survey and report in the US measuring corporate policies and practices related to LGBTQ+ workplace equality. Employers who use the CEI as a guide can help ensure that their existing policies and practices are inclusive of LGBTQ+ employees and their families, which increases recruitment and retention of diverse workforces.
- We were awarded the Silver Employer Recognition, Top Employers for LGBTQ Inclusion in the South African Workplace Equality Index 2022.
- We were also named as one of the Best Places to Work for LGBTQ+ Equality — Human Rights Campaign (US and Mexico).

We also encourage our people to contribute to external advocacy via LGBTQ+ associations and initiatives, examples of which include the following:

- Lawyers from our Madrid office contributed to the development of the **"Towards LGBTI+ Sensitive Justice Systems for Children in Europe Challenge Paper,"** the result of a joint initiative between the Global Initiative on Justice With Children and the Child Friendly Justice European Network, which identifies the ways in which justice systems within Europe can become more sensitive to LGBTI+ children. The paper offers actionable recommendations for policy makers to inform child-centered and LGBTI+ sensitive provisions and guidelines, and for professionals to improve their understanding of the needs of LGBTI+ children.
- Our Justice in Action pro bono "sprints" in the month of June 2022 were organized around the theme of Pride, covering LGBTQ+ issues. Read more [here](#).

External engagement on ID&E

We believe that we also have a responsibility to facilitate open dialogue and share best practices on ID&E beyond our Firm as part of the wider business community's role in tackling inequality. Examples of our 2022 outward-facing efforts to engage around ID&E and contribute to continuous learning and organizational improvements include the following:

- 2022 saw the return of our popular Inclusion and Diversity Virtual Series, a webinar series that we began hosting in 2021 to explore, challenge and celebrate the many aspects of inclusion and diversity through the power of personal stories, for both clients and colleagues. In 2022, we continued the conversation to explore topics such as the importance of accurate data in remedying actual or perceived underrepresentation, building trust so that the work environment feels safe, and understanding privilege and how the dynamics of power and influence can be used positively to effect change. We invited clients and external speakers to join our own people as panelists and share their different perspectives and experiences, and real-life examples of how they deal with sensitive inclusion and diversity topics in practice. We are continuing the series into 2023 to broaden the conversation to include discussions around equity and with a focus on embedding inclusion through organizational change.
- In 2022, we became a member organization of the Business Commission to Tackle Inequality (BCTI), a cross-sector, multi-stakeholder coalition of organizations and their leaders with a mission of mobilizing the private sector to tackle inequality and generate shared prosperity for all; our chief sustainability officer acts as the BCTI commissioner for the Firm. Founded in 2021 and led by the World Business Council for Sustainable Development (WBCSD) — one of our Firm's key strategic policy-shaping forum partnerships, of which we are also a member — the BCTI's work seeks to drive greater levels of business attention, investment and action in favor of a more inclusive and equitable society. Through our participation in the BCTI we contribute to discussion and thought leadership and share best practice examples of tackling inequality in the private sector, for example through contributions to BCTI-published insight articles such as **Creating an inclusive and diverse workplace**.

Standing by our Ukrainian colleagues in extraordinary circumstances

We have a strong bond with our Ukrainian colleagues, having opened our Kyiv office in 1992. Thus, when Russia invaded Ukraine in February 2022, our Firm's first and main priority was — and continues to be — the safety and well-being of our Ukrainian colleagues and their families. As the war in Ukraine continues, we are continually struck by the courage and resilience of our people who have remained in Ukraine and those who have had to leave their homes.

And we have been moved by the compassion and humanity demonstrated by so many of our people from across the Firm, who have come together to support their Baker McKenzie colleagues and their families — demonstrating the spirit and values of the Baker McKenzie "family." With their support, in the immediate aftermath of the invasion, we were able to provide accommodation, transport, financial, visa and immigration support.

Their dedication has been inspirational — even at times putting themselves at risk to transport our Ukrainian colleagues and their families out of Ukraine to safer locations. Our Warsaw office implemented a 24-hour support team and system and our Warsaw colleagues welcomed more than 50 Ukrainians into their homes. Colleagues from several different locations — Germany, Switzerland, Hungary, Türkiye, Czech Republic, Belgium and beyond — also opened their homes. An internal fund was established, donations from which are being used to provide support for those who had to leave their homes with few possessions, to repair damage caused to their homes by the invasion and ongoing fighting, or to obtain medical treatment. Colleagues from across our Firm, including those of Ukrainian heritage, came together to form a support network for colleagues who have been affected, to provide emotional and other support and to ensure they have access to helpful information.

Supporting each other and our clients for 30 years: a milestone anniversary of our Ukraine operations

2022 marked the 30th anniversary of our Ukraine operations, with our presence dating from when Ukraine had just become a sovereign independent state. Our Kyiv office grew with the country and its legal system, with our lawyers being at the forefront of the legal market and undertaking pioneering legal work to help clients navigate periods of economic uncertainty, reforms and revolution.

Against this backdrop, it should be no surprise that our Kyiv office continues to provide first-rate legal advice to clients during these challenging times. We have witnessed our colleagues' continued courage, determination and resilience, adapting to the unique challenges of doing legal business in wartime and supporting our clients whose business activities, operations and people have also been impacted, including those clients who are making important contributions to rebuilding Ukraine. The Kyiv office management has been doing everything possible to ensure the safety of our people, and to ensure their professional skills are kept up to date, providing them with purposeful work in anticipation of the work that will undoubtedly be needed to rebuild Ukraine's business environment after the war.

The following are examples from 2022:

- After the introduction of martial law in Ukraine, our Kyiv office produced (and continues to update) its "Ukrainian Laws in Wartime" publication, a guide for international and domestic businesses containing responses to common questions raised and considered by international and Ukrainian business as the war continues.

- Our Kyiv office has been advising World Bank Group member and longstanding Kyiv office client International Finance Corporation (IFC) on projects that provide vital assistance to Ukraine: (i) advising on channeling up to EUR 25 million of EU grant funding across Ukrainian cities to help renovate municipal buildings to provide secure and quality temporary accommodation to people who have had to flee war-affected areas in eastern and southern Ukraine, and at the same time creating jobs and driving economic recovery; and (ii) advising on channeling up to EUR 25 million to Ukraine's Energy Efficiency Fund to help homeowners' associations restore war-damaged residential buildings; the program will pilot in a number of cities to help households across Ukraine restore residential buildings destroyed by the war and seeks to support Ukrainian families and boost the resilience of the residential sector.
- A number of our Kyiv lawyers have been contributing to projects of national importance to Ukraine, including advising on the development of legislation for determining and compensating environmental damage caused by the Russian invasion, and assisting with the completion of parts of Ukraine's application for EU membership.

Supporting the wider humanitarian efforts and other support initiatives

In the face of the war and its ongoing devastating consequences, we have seen that as a community of over 13,000 global citizens, we can make an impact beyond our Firm, calling on our collective humanity to help those affected, including those displaced internally within Ukraine and those who fled into neighboring countries and further afield.

Our people also generously contributed to the emergency humanitarian response fund raised by the United Nations High

STANDING BY OUR UKRAINIAN COLLEAGUES IN EXTRAORDINARY CIRCUMSTANCES

Commissioner for Refugees (UNHCR), an organization with which the Firm has a longstanding relationship, often working together on crucial pro bono matters to support its work to protect the rights of asylum seekers and refugees. The Firm also donated to the UNHCR to match the donations made by our people. Many of our local offices also collaborated with local NGOs on support initiatives, such as in-office collections of urgently needed goods and their distribution to refugee centers, or pro bono legal advice on immigration.

A number of our offices are also contributing to initiatives aimed at providing continuity and assurance to business professionals and law students whose business or career aspirations have been disrupted by the ongoing war in Ukraine. For example:

- In cooperation with the Polish Women's Entrepreneurship Foundation, the SPK Enterprising Women Network is a Baker McKenzie Warsaw office-led initiative for enterprising Ukrainian women currently based in Poland, helping them relaunch the businesses they started in Ukraine before the war, or finding a position that matches their experience. In addition to offering training workshops covering topics such as legal issues for entrepreneurs and jobseekers, the program facilitates networking with other female founders with a long-term target of creating a platform for cooperation between Polish and Ukrainian female founders that will last and flourish beyond the war.
- Since March 2022, our Dusseldorf and Frankfurt offices have been supporting Safe Harbor 4 UA Students, an initiative driven by academics and lawyers across the world specializing in arbitration that seeks to provide Ukrainian law school participants of the Willem C. Vis International Commercial Arbitration Moot and other moot court competitions with a safe harbor so that they can continue to prepare for moot

competitions and keep their career path in sight. Our Dusseldorf and Frankfurt offices founded the regional hubs of the initiative, facilitating the placement of students at participating law firms in Dusseldorf and Frankfurt. Participating law firms support the students via internships, which give them experience and the opportunity to continue their moot court preparations in a safe and supportive environment. Our Dusseldorf and Frankfurt offices supported female team members from the Ivan Franko National University of Lviv, the Ukrainian Catholic University of Lviv and Taras Shevchenko National University of Kyiv, and two Ukrainian law students have continued to work with our colleagues in Dusseldorf and Frankfurt.

- Baker McKenzie's Kyiv office continues its tradition of supporting the legal profession and helping law students gain practical insights into the practice of law through its cooperation with Ukrainian universities — a tradition that is particularly important as many aspiring Ukrainian lawyers face a period of disruption and uncertainty. During the 2022-2023 academic year, a number of Baker McKenzie Kyiv lawyers joined the teaching staff of the International Law Department of the Institute of International Relations to hold a series of lectures; for the fourth consecutive year our Kyiv lawyers delivered a guest course for the commercial law master's degree program for the Law Department of the National University of Kyiv-Mohyla Academy; and in September 2022, Baker McKenzie Kyiv launched a new intellectual property and information technology law course for master's degree students at Yaroslav Mydryi National University.
- In honor of 2022 being the 30th anniversary of Baker McKenzie's operations in Ukraine, our Kyiv office launched two scholarships for bachelor's law degree students at Taras Shevchenko National University of Kyiv.



Continuing to stand with Ukraine

Baker McKenzie continues to stand with the people of Ukraine against the widespread devastation and humanitarian crisis caused by the Russian invasion. The Ukrainian people have an inalienable right to a future free from war and we remain unequivocally opposed to Russia's invasion and continued acts of aggression, which stand in stark contrast to our values, the values of our clients and those of the wider global business community.

Environmental

We appreciate the importance of environmental sustainability to the future of our planet, and to our people, our clients and the communities in which we live and work. In addition to improving the environmental performance of our own operations, we know that as a leading global law firm we have a unique role to play in improving environmental performance on a broader scale. Through the advice we provide our clients that supports them to achieve their own environmental goals, and through our collaboration across the legal sector to facilitate systemic change in law and legal practice, we have the opportunity to support the

decarbonization of business and the energy transition. We also recognize the growing importance of nature and the role that business can play to prevent biodiversity loss.

Across our network, it is our people who come together in promoting greater environmental responsibility and responding to the climate crisis: whether that is through playing their part at a local level to help us meet our global environmental goals or using their expertise to help clients understand and contribute to global efforts to address climate change and biodiversity loss.



SDG 7: Affordable and Clean Energy

SDG 12: Responsible Consumption and Production

SDG 13: Climate Action

The Ten Principles:

Environment

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

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

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



SDG 7: Affordable and Clean Energy

We are passionate about supporting our clients across every industry in their journeys to transition to clean energy solutions and decarbonize their businesses and importantly, their supply chains. We remain committed to collaborating within the legal profession on taking a climate-conscious approach to legal practice, including to help build capacity and share our leading knowledge and best practices to accelerate the energy transition across all sectors.

Energy transition

We believe that the global transition to renewable energy is integral to achieving deep reductions in emissions, and that lawyers have a role to play in enabling that transition through the work they do to support clients as they decarbonize their business operations and their supply chains — whether it be to help their clients understand and navigate the complex regulatory environment or to provide transactional and innovative contractual solutions to help clients implement their renewable energy goals. Baker McKenzie is at the forefront of that energy transition enabling work with our leading renewables and climate change practices, using our multi-disciplinary global expertise to support clients across all sectors in their energy transition journey. In this section we highlight examples of our leading work in this area undertaken in 2022.



**Law Firm of the Year: Regional North America
Renewable Energy & Clean Technology**

Wind Investment Awards 2022

Helping companies deliver on commitments to a low-carbon energy future

The incremental shift to renewable technologies has been enabled by rapid technological advancement, economies of scale and a growing appetite from financial institutions to invest in sustainable initiatives. In addition to continuing to support clients as they implement power purchase agreements (PPAs) to enable the purchase of renewable energy, examples of our work during 2022 to support clients with options to decarbonize business operations include the following:

- We assisted our long-standing client Mars Australia to implement a PPA with Lightsource bp, which will enable Mars to source renewable energy from one of Lightsource bp's operational solar farms and from a further solar farm under construction. As part of Mars' vision of a sustainable future for people, pets and planet, this PPA will help Mars achieve its goal of moving to 100% renewable energy in its direct operations by 2040 and net zero across its value chain by 2050; it will also expand the generation of renewable energy in Australia.
- We advised energy technology company Baker Hughes as part of its ongoing commitment to provide cleaner energy

solutions, on the acquisition of the power generation division of BRUSH Group, an equipment manufacturer specializing in electric power generation. Through the acquisition — which supports Baker Hughes' growing commitment to providing clean energy solutions for the natural gas industry and historically hard-to-abate sectors — Baker Hughes will expand its electrification capabilities and leverage its supply chain to allow industrial customers to benefit from Baker Hughes' broader climate technology solutions offerings.

- We assisted BIM Group and ACEN Corporation to secure a USD 107 million innovative financing package from Asian Development Bank (ADB) for BIM Wind Power Joint Stock Company (BIM Wind), to support the operation of an 88-megawatt wind farm in Vietnam and a further USD 5 million grant from the Goldman Sachs and Bloomberg Philanthropic-backed Climate Innovation and Development Fund to be administered by ADB. The power plant is expected to help Vietnam reach its clean energy and climate action targets and produce 339 gigawatt hours of renewable energy per year that will help avoid about 251,000 tons of carbon dioxide annually. The grant funding will be used for initiatives to mitigate environmental and social risks in the project locality including to preserve wildlife habitats.

SDG 7: AFFORDABLE AND CLEAN ENERGY

Supporting companies as they develop and implement new low-carbon energy technologies

To address the climate emergency, many countries believe that hydrogen offers an effective way of transporting and storing clean energy, and are accelerating hydrogen policy developments, scaling up production capacities and growing the clean hydrogen market. We continue to be at the forefront of the emerging hydrogen industry, advising clients on the development and deployment of hydrogen technologies, and supporting acceleration of their adoption.

For clean hydrogen that is enabled by carbon capture and storage (CCS), a technology that provides companies and governments with an opportunity to reduce the impact of greenhouse gas emissions during the transition to a low-carbon economy, we maintain our long and unparalleled track record in shaping market trends and developments that underpin CCS technology, regulation and business models, including through our active involvement in several industry bodies, including Hydrogen UK and Japan's Hydrogen Association.

Examples of our work during 2022 and beyond to support companies as they implement new low-carbon technologies include the following:

- Following on from our previous work in advising on project development and commercial contracting aspects of the Advanced Clean Energy Storage hydrogen project in Utah — the leading green hydrogen production and energy storage facility in the US — in 2022 we advised Advanced Clean Energy Storage I, LLC along with Mitsubishi Power Americas, Inc. and Magnum Development, LLC, on the US Department of Energy's (DOE) USD 504.4 million loan commitment to the project. The loan will help create a viable market for hydrogen and will make it scalable in the western US and electrical grid, financing the fundamental infrastructure necessary to deploy this facility — a solution that stores and generates electricity with zero-carbon emissions. In recognition of our work on the Advanced Clean Energy Storage Project, we received the Net-Zero Transition Award at the 2023 International Financial Law Review Americas Awards.
- We worked with the Global CCS Institute to develop its Regulatory Indicator tool, which covers over 50 jurisdictions, and can be used to present opportunities to all countries to progress and improve their legal and regulatory frameworks for CCS. While the tool itself is high-level, the analysis behind it is based on a deep dive on legal and regulatory trends and the applicable regulatory frameworks, including relevant enabling legislation and incentive frameworks for CCS in each jurisdiction, and have continued to track regulatory developments to inform periodic updates since its creation in 2015.



SDG 7: AFFORDABLE AND CLEAN ENERGY

Enabling universal access to affordable, reliable and modern energy services for all

The transition to a low-carbon and environmentally sustainable economy requires robust financing for clean energy projects, with a focus, where possible, on projects that also provide opportunities for economic and sustainable development. We continue to support our client Standard Chartered Bank on its green financings in Africa, including advising on the commercial term loan facility to support the Angola Rural Electrification Project, working to secure sustainable electrification of 60 communities in five provinces in Angola, increasing opportunities for socio-economic development by providing access to basic services.



GFC Media's Bonds, Loans & ESG Capital Markets Africa Export Finance Deal of the Year and Power Finance Deal of the Year

Project Gleam, commercial and loan term facility to support the Angola Rural Electrification Project

Enabling energy transition through education

We are also committed to enabling the energy transition more systemically through our contributions to educating the legal profession and clients across a range of sectors, by sharing our in-depth knowledge of key legal and commercial aspects of the energy transition more widely. Examples of our energy transition educational initiatives in 2022 include the following:

- We launched our Asia Pacific Energy Transition Academy, a two half-day hybrid event for our associates as well as clients from 70+ organizations ranging from financial institutions and renewable developers to tech companies. The training was designed to upskill attendees with knowledge, best practices and knowhow on energy transition-related topics such as the new energy landscape, offtake agreements and renewable energy projects, financing renewable energy projects with a focus on portfolio financing, renewable energy M&A transactions, and net-zero strategies, particularly on voluntary carbon markets and projects, hydrogen and the role of storage. Following the success of the program, we are replicating it in other regions, sharing our insights and practical guidance and tracking energy transition regulatory developments and trends as they evolve in this fast-developing area.
- We continued to host our **Energy Transition Webinar Series**, with topics for the 2022 edition including hydrogen, trends in renewable energy financing and energy strategies launched by governments around the world and the regulatory frameworks put in place to enable those strategies.

- We published our **Battery Storage — a global enabler of the Energy Transition** thought leadership report, which highlights key opportunities as well as challenges for the energy storage sector from a global perspective, as well snapshots of regulatory frameworks, government support and market features in key jurisdictions.
- We also published our **Guide to IPOs for Renewable Energy Companies**, which provides an overview of the key stages of an IPO, key issues and listing requirements that renewable energy companies need to consider, including the key stages of the process and an indicative timeline, who's who in the IPO deal team, practical tips for a successful IPO and other key issues and listing requirements to consider when preparing for an IPO.
- We collaborated with the Japan Institute for Overseas Investment (JOI) in hosting two energy-related webinars entitled "Conventional energy/oil and gas companies moving into renewables: issues and pitfalls" and "Key CCS considerations and regulations." Our professionals presented real-life, valuable insights into the challenges and opportunities facing traditional energy companies and players as they position themselves for the energy transition.
- We continue to maintain our **Hydrogen Hub** and our **Global Hydrogen Policy Tracker**, an interactive resource that tracks the key legal, regulatory and policy developments in relation to clean hydrogen across the globe and which is made available to the public on our website, together with a dedicated **Energy Transition** page that collates our latest thinking and legal alerts relevant to this area.



SDG 12: Responsible Consumption and Production

Operating sustainably and responsibly underpins our Firm's purpose and strategy and reflects our commitment to our people, our clients and our communities. In 2022, we focused on consolidating our internal efforts including through our bespoke environmental management system "bGreen," to continue to reinforce more responsible consumption habits across our organization. Externally, our lawyers contribute to a broader societal shift toward sustainable consumption by supporting many of our clients as they mobilize the finance needed to implement and incentivize responsible consumption and production across society.

bGreen: driving our environmental performance

Aimed at helping our offices and centers embed sustainability into their operations and drive more responsible consumption across our Firm, bGreen is our proprietary environmental management system (EMS). Launched in 2016 to help us understand and manage our environmental impact, bGreen was the first-of-its-kind cutting-edge system to be used by a law firm. As a global law firm with a presence in more than 75 locations, we knew we had the opportunity to effect a large-scale impact, and developing an EMS tailored to our needs was critical.

When we announced our carbon emissions reduction targets in 2019, bGreen became mandatory for all our locations — a turning point in our sustainability journey.

In 2022, we continued to strengthen bGreen with a focus on improving its carbon footprint reporting module. We implemented a deeper and more consistent data quality check process, and offered additional training and best practice sharing opportunities across all locations. A key factor in achieving more accurate data has been our successful collaboration with local teams including strengthening our relationship with the bGreen champions — those responsible for reporting their local carbon emissions data.

We also worked closely with our real estate and facilities experts to update Refit-Smart, bGreen's real estate-related module. bGreen includes six topical modules (energy, real estate, waste, travel, meetings and paper) with measurable targets and actions that can be taken to better a location's environmental performance. Refit-Smart provides a checklist of environmental measures to consider when moving to a new building, fitting out new offices or modifying existing spaces.



SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

A new office designed with sustainability at its heart

In 2023, our London office — the largest in the Firm — will move to new premises. Planning for the move has taken place over a number of years, and sustainability has driven many decisions in the move planning. One of the key environmental aspects considered when searching for new space was a desire to refurbish an existing building, rather than building from scratch as refurbishment generally has a lower environmental impact. In addition, our new hybrid working model has allowed for a reduction in floorspace, allowing us to be flexible with space and to use less energy. Furniture and its delivery will be sustainable; the floors will be made from sustainable materials; more efficient technology will be used, such as replacing the current two computer screen set-up of all desks with one larger computer screen; and overall the building will be more efficient to heat and cool.

Working with our value chain to improve environmental performance

As business is learning and new regulation makes clear, it is essential for all organizations to look at their Scope 3 emissions and drive performance through their value chain. We have therefore taken steps to engage proactively with our value chain. That means not only being responsive to our clients’ demands for improved environmental efforts and impact, but also working on our own procurement processes to drive better environmental performance among our suppliers. In 2022, we undertook a review of our global sustainable procurement processes, as a result of which we developed specific sustainability provisions for inclusion in our standard global supplier terms and conditions. These sustainability provisions set out the expectations we have of our suppliers to work continuously to improve their environmental performance and also require suppliers to comply with a certain number of minimum standards relating to the reduction of their own environmental impact. With the provisions finalized, they will be implemented in global supplier contracts in calendar year 2023.



EcoVadis

We report under EcoVadis, a leading sustainability and supply chain ratings provider and complete an annual questionnaire with modules covering labor and human rights, ethics, environment and sustainable procurement. We earned a silver rating in 2022.

SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainable finance — facilitating responsible consumption and a more sustainable future

We leverage our knowledge of sustainable finance products and the regulatory environment in which they operate, and our relationships with financial institutions to work with clients to help increase access to sustainable finance and incentivize more sustainable consumption. Through our participation in a number of industry bodies aimed at developing sustainable financial systems, we also contribute to shaping market trends, developing best practices and promoting more responsible business practices. Examples of how we helped clients finance a more sustainable future during 2022 include the following:

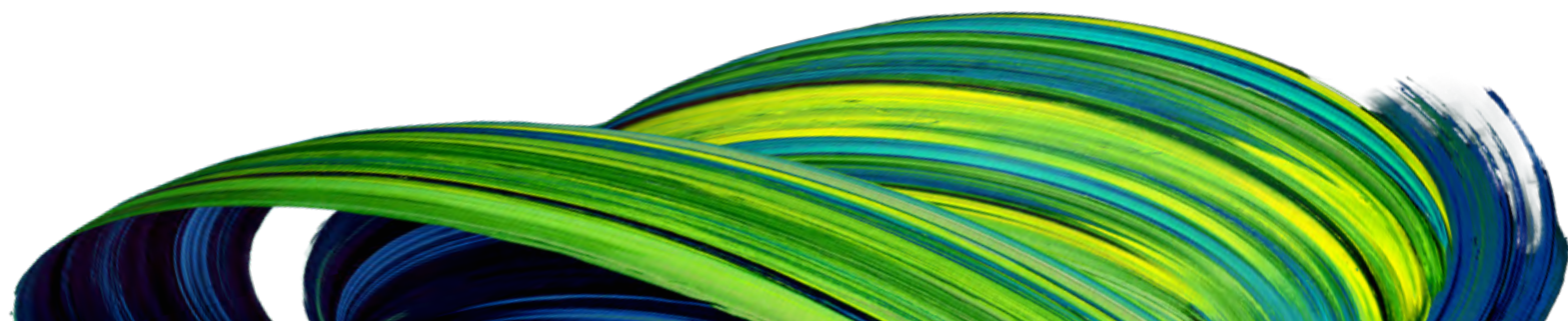
- We advised AirTrunk, a hyperscale data center specialist, on all aspects of the development and landmark green loan financing of its second data center in Japan (TOK2). The green loan for TOK2 is part of AirTrunk's new Green Financing Framework. It is the first green loan for a data center in Japan and sets several industry benchmarks, including being the first to use eligibility criteria based on operating power usage effectiveness and water productivity.
- We assisted Indonesia's state electricity company PT Perusahaan Listrik Negara (Persero) (PLN) in securing a USD 750 million syndicated term loan facility, which will be used

to implement PLN's green projects and programs. This is the first commercial green loan obtained by PLN and any state-owned enterprise in Indonesia, and it is an important transaction in support of Indonesia's transition to a low-carbon economy.

- We acted for a syndicate of lenders for an innovative sustainability-linked financing to Liberty Latin America's subsidiary, Liberty Servicios Fijos LY S.A. (Liberty Costa Rica) as part of a USD 450 million package (including a USD 400 million sustainability-linked bond) that will be used to increase digital access in Costa Rica. The bond seeks to accelerate digital infrastructure by expanding and improving access to a fiber-to-the-home network to narrow the digital divide, and the related sustainability-linked financing framework incentivizes more sustainable behavior through targets that require climate mitigation actions.
- We acted for a syndicate of 10 underwriters on the multi-tranche USD 2.5 billion (equivalent) sustainability-linked bond offering by certain subsidiaries of Teva Pharmaceutical Industries Limited. The sustainability-linked bonds are linked to three environmental and social KPIs, which are tied to targets such as improving access to Teva's portfolio of medicines in low- and middle- income countries and reducing Teva's absolute greenhouse gas emissions.

Continued participation in sustainable finance associations

- Member of the **International Capital Markets Association** (ICMA) Green Bond Advisory Committee, including the Advisory Council of the Green Bond Principles and Social Bond Principles Executive Committee
- Member of the **Association for Financial Markets in Europe** (AFME), including the AFME Sustainable Finance Steering Committee
- Member of the Industry Advisory Panel, which operates under the auspices of the **Joint Sustainable Finance Working Group** (JSFWG) for the **ASEAN Working Committee on Capital Market Development** (WC-CMD) and the **ASEAN Capital Markets Forum** (ACMF)
- Member of the **International Swaps and Derivatives Association** (ISDA) Sustainability Linked Derivatives Documentation Working Group, APAC ESG Working Group and Sustainable Finance Working Group
- Member of the **Loan Market Association** (LMA) Pan African ESG sub-working group



SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION



Consumer Goods & Retail Industry Group — continuing our Positive Luxury collaboration

Our Consumer Goods & Retail Industry Group continues to be at the forefront of the sustainability dialogue with clients in the sector, supporting them in their journey toward more sustainable products and greater transparency. And as part of efforts to remain in dialogue with industry players on sustainability challenges and opportunities, our Consumer Goods & Retail Industry Group has continued its collaboration with Positive Luxury — the company behind the Butterfly Mark, a unique mark awarded to luxury lifestyle brands, retailers and suppliers in recognition of their commitment and verified actions to creating a positive impact on our world.

In 2022, we collaborated with Positive Luxury to develop and publish the **ESG Policy Guide – The Future of Sustainability Legislation for Luxury**, a guide featuring recent and upcoming developments to ESG legislation and policies in the US, UK and EU and explaining how these impact the luxury, fashion and cosmetics industries — including to highlight the growing importance of biodiversity and how the regulatory landscape is starting to address loss of biodiversity.



SDG 13: Climate Action

As advisers to some of the largest businesses in the world, we drive climate action by supporting our clients’ climate-related efforts, by joining forces with other law firms and like-minded organizations to improve climate change education, and by activating our sphere of influence to help effect change at the policy-level.

In addition to the progress we help drive by these activities, as a large business in our own right, we must take the necessary steps to reduce the carbon footprint of our own operations — and throughout 2022 we maintained our focus and efforts to meet our greenhouse gas emissions reductions targets.

Our global carbon targets

In 2019, Baker McKenzie publicly committed to the targets below, and we have been consistently working toward them ever since. These targets drive our internal environmental efforts across our Firm, provide us with a road map for improvement of our environmental performance across all locations via our bGreen program, are an integral element of our wider sustainability strategy and support our prioritized SDGs.



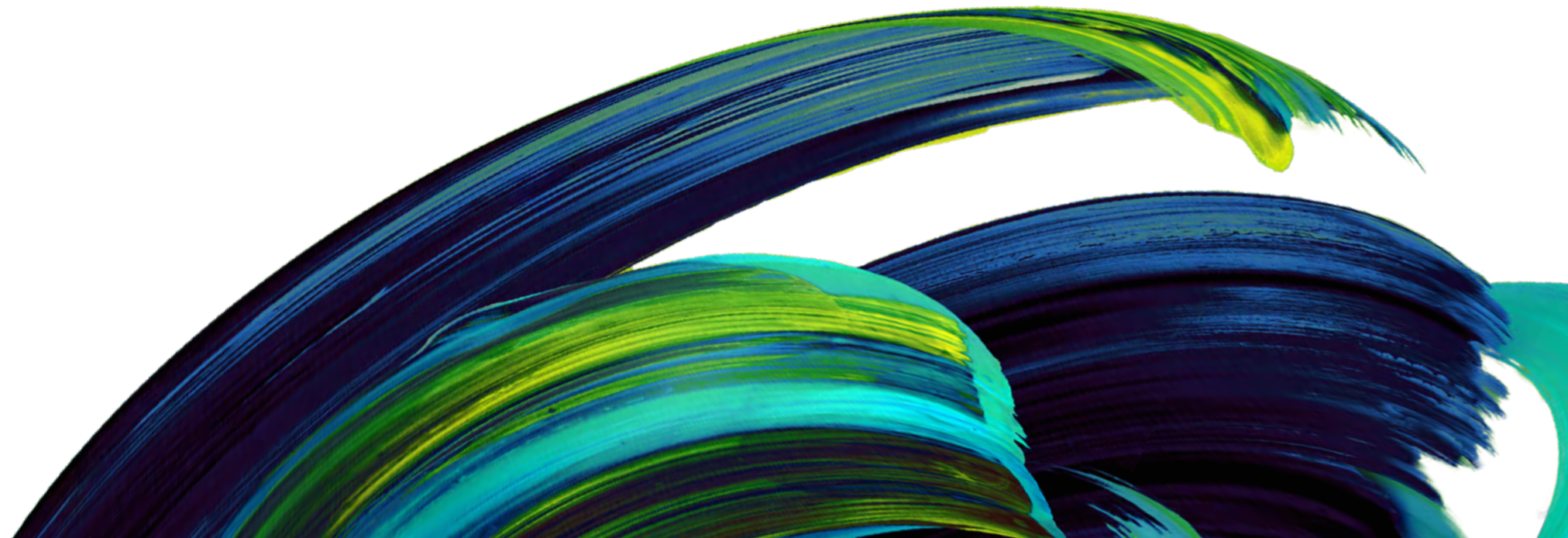
Reduce carbon emissions from our energy consumption (Scope 1 and 2 emissions) by 92% by 2030 (against a 2018 baseline)



Set a business air travel target and strategy for 2030



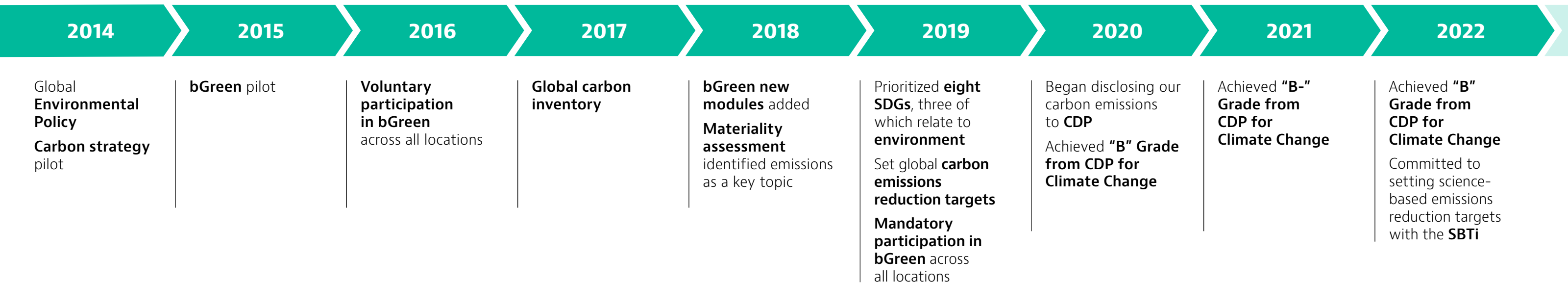
Publicly disclose our carbon targets and emissions





SDG 13: CLIMATE ACTION

Progress toward our global carbon targets



Our commitment to set science-based targets

In June 2022 we committed to setting near-term science-based emissions reduction targets (SBT) with the Science Based Targets initiative (SBTi), a partnership between CDP, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature, whose mission is to mobilize and guide the private sector in SBT setting. Having taken the first step of committing to SBT, we are now working with stakeholders across the Firm to develop measurable and achievable targets to reduce our Scope 1, 2 and 3 emissions and will submit them for validation by the SBTi by June 2024.

Continuing to report on our global carbon emissions

We believe that data and transparency is essential to driving positive change. In 2020, we began reporting our global carbon emissions on an annual basis to CDP, the leading global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. We use the CDP reporting process and feedback as a tool to ensure consistency and transparency in our reporting and as guidance on how to better our data measurement — implementing changes across our operations as we strive to continue to improve year-on-year. We received a B grade for Climate Change in 2022, reporting on our 2021 emissions.

SDG 13: CLIMATE ACTION

Awareness-raising through Earth Day engagement

Internal engagement is a critical element in anchoring the need for climate action across operations and part of our internal efforts is raising awareness and providing opportunities to educate and engage our people on climate change and the different actions we can all take to reduce the effects of global warming. With the annual celebration of Earth Day, the month of April is one of collective environmental action and awareness-raising for our Firm. The official theme of Earth Day 2022 was #InvestInOurPlanet, focusing on the importance of collaboration in partnership for the planet.

Building on our existing relationship with EarthDay.org, in 2022 we supported The Canopy Project to demonstrate the impact our community of more than 13,000 global citizens, working together — globally and locally — can have on a common purpose.

As in 2021, we planted one tree on behalf of each person in our Firm and invited everyone across the Firm to donate to plant an additional tree and increase impact, and to participate in the Great Global Cleanup. As a result, in 2022 we planted more than 15,000 trees on behalf of Baker McKenzie and several locations organized local clean-ups for local impact. The Canopy Project uses our donations to add trees to reforestation projects in some of the areas around the globe most at-risk from climate change.

Our climate change practice

In 1997 Baker McKenzie recognized the importance of climate change law and policy — the first law firm to do so — and remains a market leading legal innovator in this field. Our climate change practice was established at the time of the first climate legal regimes and has continued to evolve in sync with the market, ranked Band 1 for Climate Change by Chambers Global since 2008. We continue to help accelerate progress toward a low-carbon future by using our expertise to help clients in the private and public sectors as they seek to be part of the solution for reversing the effects of global warming, respond to the risks and opportunities presented by climate change, and shape and implement their carbon strategies and ensure compliance with climate change regulation.

**Band 1 for Climate Change**

Chambers Global since 2008

Our climate change experts have longstanding involvement in international climate change negotiations and continue to lead on the development of both international and domestic carbon markets, working with governments on addressing regulatory barriers to achieve carbon neutrality. Examples of our work in this area from 2022 include the following:

- In 2022, Baker McKenzie Thailand signed a Memorandum of Understanding with the Thailand Greenhouse Gas Management Organization (TGO) to collaborate on building an enabling legal environment with the aim of promoting implementation of climate action in Thailand. Under this collaboration, Baker McKenzie supports TGO on the development of a legal framework and mechanisms, in particular carbon trading mechanisms, to facilitate implementation of TGO's mission to assist organizations in the move toward carbon neutrality and achieving net-zero emissions in line with the targets laid out by the Thai government.
- Also in 2022, we supported the development of Malaysia's voluntary carbon market as part of Malaysia's ambition to achieve net-zero greenhouse gas emissions by 2050, advising on the launch of Bursa Carbon Exchange (BCX), the first Shariah-compliant carbon exchange. We drafted the rules for the BCX, provided legal and regulatory advice on the nature of carbon credits (which also underpinned the analysis by the Shariah Committee on the BCX being a Shariah-compliant trading platform) and conducted a regulatory review of the carbon credit market and the operation of carbon credit registries. The launch of the BCX will play a significant role in supporting Malaysia's and the world's voluntary carbon market system.

SDG 13: CLIMATE ACTION

Putting our skills toward Paris Agreement goals

In 2022, acting on a pro bono basis for the Good Law Project, we secured a victory for a judicial review challenge brought by the Good Law Project, Friends of the Earth and ClientEarth to the UK government's Net Zero Strategy (NZS), originally published in October 2021. The NZS purported to comply with the secretary of state's duties under the Climate Change Act 2008 to prepare policies and proposals for meeting "carbon budgets," which establish the maximum allowable greenhouse gases over five-year periods. The Climate Change Act requires the government to achieve net zero by 2050, to make proposals as to how it will meet that target and to lay a report before Parliament. The case alleged that the government's strategy was inadequate and unlawful, essentially because it did not identify how the greenhouse gas targets would be met and instead merely listed aspirations and possible pathways for the country.

The court found that the NZS as originally published lacked sufficient information to facilitate Parliamentary scrutiny and accountability, and ordered that the UK government lay an amended NZS before parliament. The outcome shows the importance of setting a clear climate strategy with demonstrable, achievable targets, as well as the role the legal profession can play to help achieve the Paris Agreement goals.

Continuing to interpret climate policy and share awareness through our participation at the UN Climate Change Conference of the Parties (COP)

After several years of participation in and involvement at COP, we were once again present on location at the 2022 COP27, which took place in Sharm El-Sheikh, Egypt and had a strong focus on implementation. Partners from Baker McKenzie and Brazil firm Trench Rossi Watanabe* attended COP27 in person, participating in ground-breaking discussions and obtaining insights that help us to stay at the cutting edge of climate law developments and sharing those insights more widely.

Following the event our attendees who had been on the ground, together with our broader climate change team, led a three-part webinar series focused on COP27 key takeaways and the impact of the developments from COP27 on emerging markets. Also, as part of our efforts to contribute more widely to improve climate change education and awareness, Baker McKenzie and Trench Rossi Watanabe* partnered with the ICC UK and Brazil to produce a number of expert interviews on decarbonization, sustainable value chains and the role of the private sector, with experts from companies across a range of industries sharing their perspectives. Read more on our [COP27 Hub](#).

*Trench Rossi Watanabe and Baker McKenzie have executed a strategic cooperation agreement for consulting on foreign law.



SDG 13: CLIMATE ACTION



Collaborating on climate capacity building within the legal profession

Consistent with our commitment as a founding member of the **Net Zero Lawyers Alliance** (NZLA), a “race to net zero accelerator,” which supports the transition toward global net-zero emissions, we continue to collaborate within the legal profession to build climate change capacity among lawyers. Examples from 2022 of how we have engaged with others in the legal profession and contribute beyond the profession to efforts intended to drive greater climate ambition, breaking down barriers to progress, include in particular our contributions on the topic of safe industry collaboration to achieve climate goals:

- As part of an NZLA-led event at London Climate Action Week 2022, Baker McKenzie competition law lead knowledge lawyer Grant Murray participated as a panelist in a session on “Competition Law, Climate and Transition.” This panel explored the way in which real and perceived fears of falling foul of competition law can hinder or even prevent industry collaboration that could assist in achieving climate objectives, and perhaps more importantly, how to find a path forward to ensure alignment between competition law and the transition and why such a path is absolutely critical.
- In our **Collaborating with Competition: Shaping a New Framework for Net-Zero Success** podcast, Baker McKenzie competition law partner Luis Gomez was joined by Luke Disney, SVP Sustainability & Climate of Rabobank and Christina Figueres, former UN climate chief and now founding partner of Global Optimism, to explore why collaborating with competitors — in compliance with competition laws — is critical for net-zero success, and examine the challenges that businesses face when it comes to balancing net-zero collaboration with healthy business competition and successful growth strategies.

Continuing our tradition of educating the public on climate change

We believe that education on environmental and climate change issues is an imperative for everyone, and remain committed to sharing our knowledge by organizing educational series and sessions open to the public and the legal profession, providing a forum for discussion on how international businesses are advancing on their climate change commitments. Examples from 2022 include:

- We continued our popular **Demystifying ESG** webinar series, a series of thought leadership webinars sharing insights and practical guidance for businesses on what ESG means for them.
- Our global environmental group held its 31st annual environmental conference, combining the expertise of our global environmental lawyers with EHS leaders from a variety of sectors to share their perspectives on managing corporate EHS and ESG issues and priorities.
- As part of our post-COP27 insight sharing, our attendees on the ground together with our broader climate change team led a three-part webinar series focused on developments and impact of COP27 on emerging markets and key takeaways. Read more [here](#).

SDG 13: CLIMATE ACTION**Recognizing the biodiversity imperative**

2022 was an important year for biodiversity, with the Task Force on Nature-related Financial Disclosures publishing the first draft of its disclosure framework in March 2022, and the UN Biodiversity Conference (COP15) in Montreal, Canada concluding on 19 December 2022 with the adoption of the Kunming-Montreal Global Biodiversity Framework, a landmark agreement that sets out four overarching goals and 23 biodiversity targets to be achieved by 2030.

We also recognize the growing importance of nature and the important role of business to advance the biodiversity agenda. Partners from Trench Rossi Watanabe* attended COP15 in person and their firsthand participation and observations have given us a better understanding of what the outcomes of COP15 mean for our clients' businesses and allow us to better advise them as they advance on their biodiversity initiatives.

Advising on nature-based solutions — landmark debt-for-nature-swap in Galápagos biodiversity hotspot

In 2022, we began advising Oceans Finance Company in its role as project manager to structure, implement and oversee the government of Ecuador's record USD 1.6 billion debt-for-nature swap on the world's largest debt conversion for marine conservation. The transaction will provide over USD 300 million for independently managed marine conservation around the Galápagos Islands, a biodiversity hotspot, over the next 18 years, and the role of the project manager is critical to ensuring the project meets all the required environmental and social safeguards.

*Trench Rossi Watanabe and Baker McKenzie have executed a strategic cooperation agreement for consulting on foreign law.



Governance



SDG 16: Peace, Justice and Strong Institutions



SDG 17: Partnerships for the Goals

We believe that the rule of law and good governance is a cornerstone of a just and productive society. Sustainable development and economic growth are only possible where institutions are transparent, business is accountable and peace is paramount. As a global law firm, we have a responsibility to uphold the rule of law, advocate for transparency and act ethically. As advisers to some of the world's largest businesses, governments and international organizations, we remain committed to promoting those same values and championing the role of business in developing and maintaining standards of best practice.

The Ten Principles:

Anti-Corruption

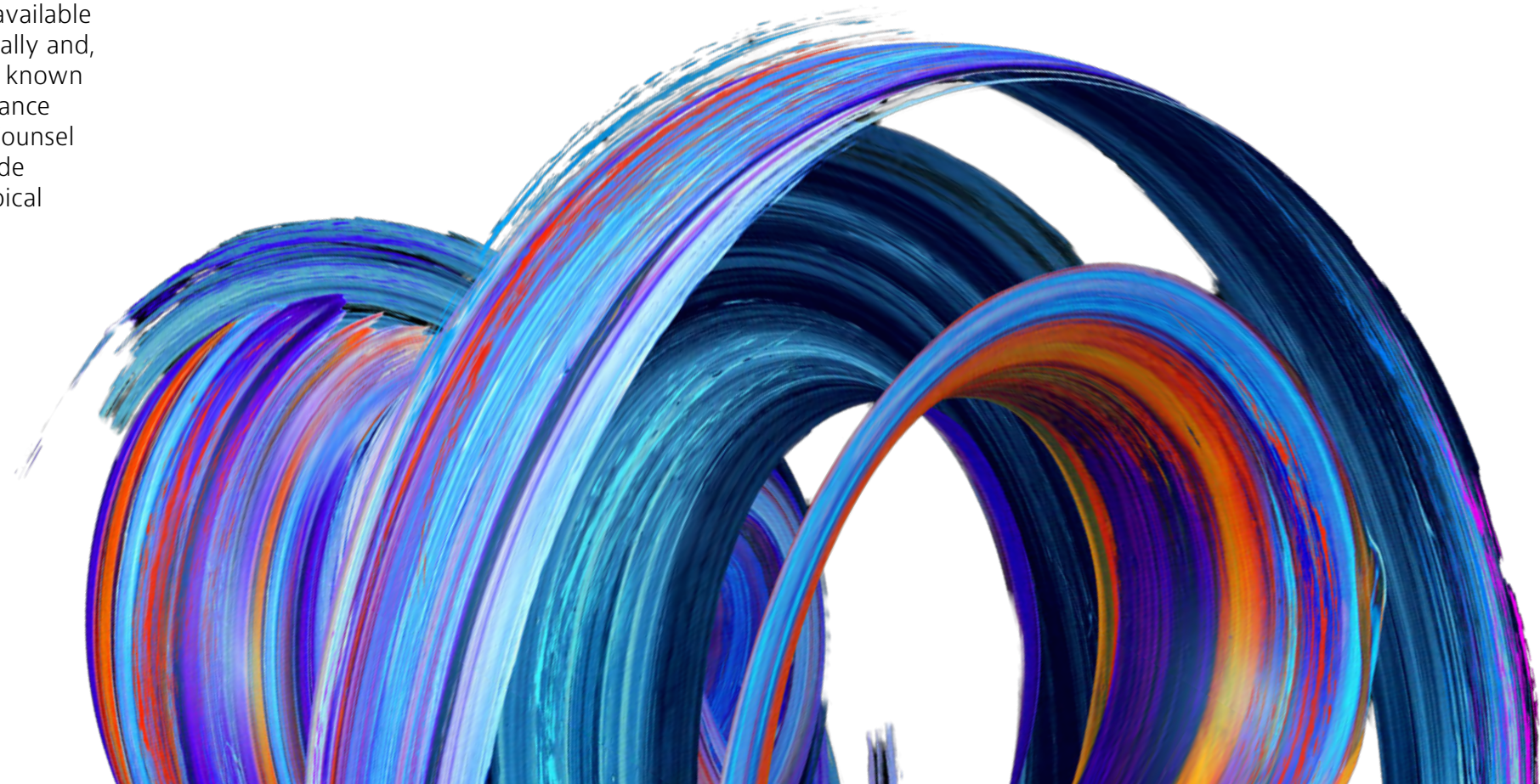
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Governance

Our Code of Business Conduct

Our **Code of Business Conduct** reflects our commitment as an active participant of the UNGC to align our policies and operations with the UNGC's principles in the areas of human rights, fair labor, the environment and anti-corruption. It spells out our policies, legal and ethical responsibilities and the behavior we expect from our people and suppliers in relation to a number of areas including compliance with anti-corruption laws, dealing with sanctions, the prevention of money laundering and the avoidance of conflicts of interest. It also provides guidance on how to act when specific, clear policies are not available.

We require all of our people to complete an annual Code of Business Conduct training session each year. We have also implemented a Code of Business Conduct Hotline, available to anyone in our Firm to ask questions, seek guidance or report concerns confidentially and, where permissible, anonymously, by phone or through a confidential reporting tool known as EthicsPoint, which is managed by NAVEX Global (a provider of ethics and compliance services to more than 10,000 organizations worldwide). The Office of the General Counsel has also developed a series of informative newsletters, "Eye on Ethics," which provide guidance on ethics as they relate to the legal profession and raise awareness on topical issues related to ethics, including information on compliance with sanctions in our business and for our clients.





SDG 16: Peace, Justice and Strong Institutions

As a law firm we have a role to play in increasing access to justice and a professional responsibility to uphold the rule of law. We continually harness our global presence and activate our sphere of influence in order to call attention to injustice and drive forward a global agenda for Peace, Justice and Strong Institutions.

We believe that systemic issues need systemic solutions, which is why we are consistent in our approach. We work year on year to develop programs and relationships, always reconfirming our dedication to issues including children's rights, gender justice, justice crossing borders and LGBTQ+ advocacy. Where populations are marginalized and underrepresented, we amplify voices and help build foundations for change.

Access to justice for children

In particular, our award-winning pro bono work in the area of children's rights continues to address gaps in juvenile justice systems around the world. By building longstanding relationships and consulting with local youth advocacy groups across the globe, we can understand the needs of the children they represent, provide specialized training and guidance, and ultimately help to drive change at the policy level. This work represents a core value of our business, our people and of SDG 16, which calls for the end of "abuse, exploitation, trafficking and all forms of violence against and torture of children."

- In 2022, we hosted our 9th Annual Children's Rights Summit in partnership with several of our clients, convening experts from various disciplines within the legal community and children's rights advocates to learn from each other, collaborate and reimagine what the juvenile justice system could look like.
- The **Homeless Youth Handbook** produced in partnership with over 28 dedicated organizations in the US, has been an ongoing project for 10 years, now rolled out in 12 states and Washington, DC.
- For several years, we have partnered with the Consortium for Street Children (CSC) to develop a digital tool that takes the UN General Comment on Children in Street Situations — which provides guidance to governments on how to ensure they offer the same human rights protection to children in street situations as any other child — from paper to practice. **The Legal Atlas for Street Children** tracks the progress and details best practices of countries across the world as they work to meet the expectations in the General Comment. Working with groups of volunteers assigned to different countries, we map the globe to help all countries learn from each other, measure their own efforts and better devise ways to meet the expectations of the UN. The Legal Atlas is freely available to all, with a goal of reaching homeless youth, the organizations working with and advocating for them and the law and policy makers who can help address gaps in local laws.

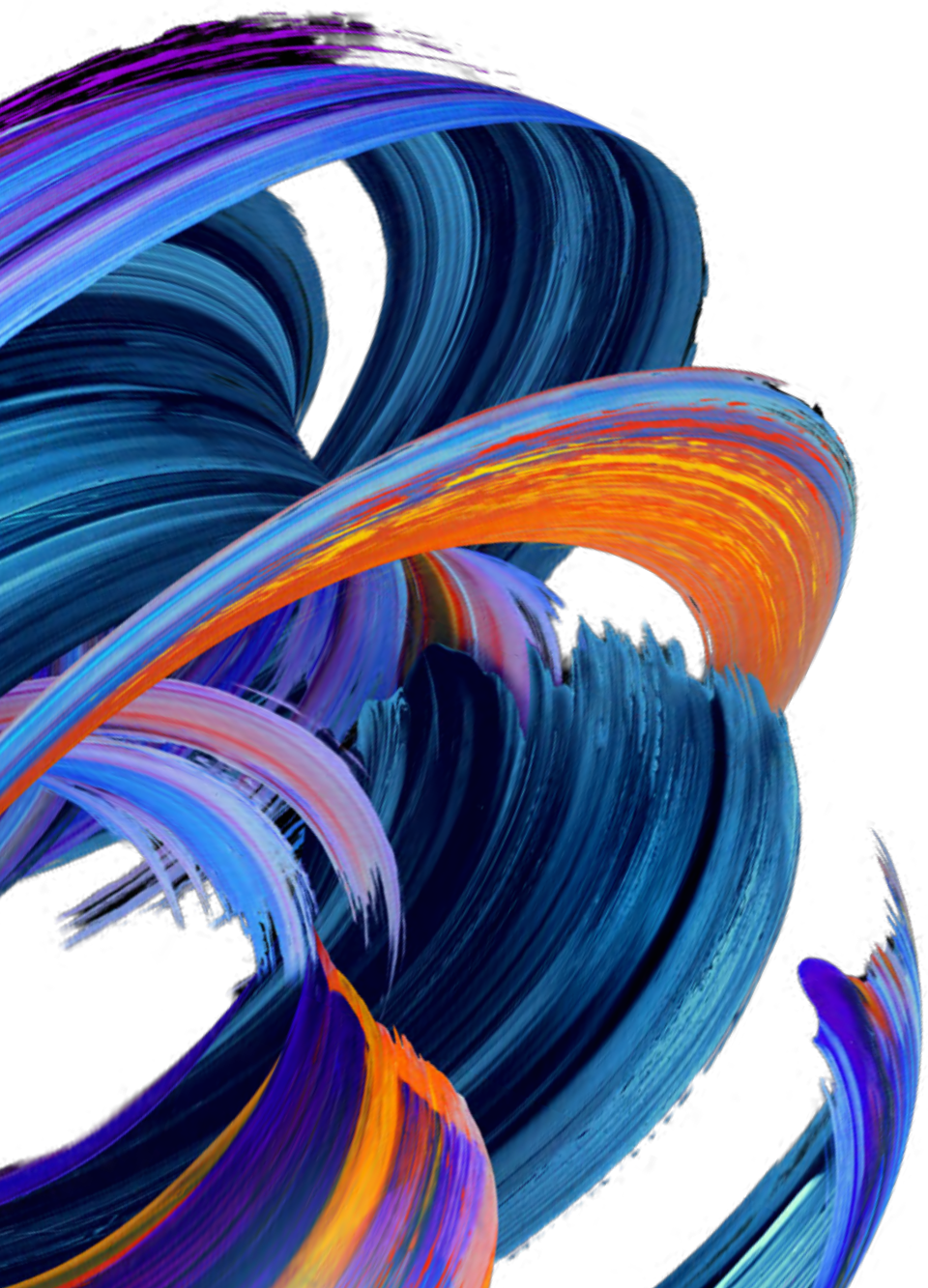


SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS

- We supported the development of World Vision's "End Violence Against Children" campaign. Over this campaign which we have been working on since 2017, almost 100 of our legal professionals worked together with corporate partners across 11 Asia Pacific jurisdictions to publish a series of five easy-to-use legal guides for World Vision to assist local communities and first responders when assisting victims of violence. The legal guides address issues around ending child marriage, sexual abuse, child trafficking, child labor and physical violence.
- Domestic violence is a major health, welfare and social issue. It affects people of all ages and from all backgrounds, but mainly women and children. Since 2016 our Australian offices have provided pro bono legal services to women and children who have experienced domestic violence. In 2022 about 35 of our Australian legal professionals continued working with four community legal centers to assist women and children who have experienced domestic violence apply for counselling, financial compensation and payments in recognition of the violence that they have suffered.
- For homeless youth, a lack of ID creates legal barriers when seeking to access support services or meet basic needs, making it difficult to escape homelessness. In the US, we have been working with the National Network for Youth and the Global Initiative on Justice With Children on "I am Here: Vital Documents and Identification for Homeless Youth," a project that provides resources and assistance to homeless youth who have been unable to obtain documents to prove who they are, such as a license, birth certificate, social security card or other critical identification documents.
- We are working with the International Institute for Child Rights and the Global Initiative on Justice With Children to create "Real Rights," city-specific guides for youth from communities of color to use when in contact with law enforcement to have a clear understanding of what the law says the police can and cannot do, and what they can do to assert their own rights. The guides provide simple and understandable answers to questions such as "Can the police search my backpack while I'm walking down the street" and "Do I need to share the contents of my cell phone if asked by the police?" in 90+ global cities.



SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS



Approaching complex issues with creativity

We approach complex issues in a consistent manner by always applying our commitment to creativity and innovation to find new and inspiring ways to engage, flexing our approach in order to meet the urgent needs of those we serve.

Reimagined in response to the COVID-19 pandemic and with groups of volunteers unable to come together in person, our award-winning Justice in Action Sprints use a digital collaboration platform to bring lawyers from all over the world together for one session — or “sprint” — a short set of hours where volunteers work together virtually on pro bono projects, just as they might at a live clinic, to answer legal questions, summarize complex legislation and create accessible resources for vulnerable populations who do not readily have access to legal information or lawyers. Volunteers receive training before being grouped in teams and given a legal problem to solve together. When the “sprint” is over, any remaining work can be carried over to the next group of volunteers.

The themes of the sprints are aligned with our global pro bono program’s main impact areas and often feed in to larger scale global projects. Throughout the month of June 2022, our Justice in Action Sprints were organized around the theme of Pride, covering LGBTQ+ issues including

conversion therapy and nondiscrimination protections for those experiencing homelessness. As part of the 9th Annual Children’s Rights Summit, we hosted a children’s rights themed sprint, bringing together children’s right advocates, youths who experienced the justice system, in-house counsel and technology experts to work together to find rights-based solutions to the issues that affect children in the juvenile justice system.

The new virtual format of the Justice in Action Sprints has allowed us to expand our impact and bring together enthusiastic and skilled volunteers from all over the world. In 2022, we hosted 29 sessions with more than 1,600 participants from across the globe, including from 68 corporate clients.

For more information about Baker McKenzie’s pro bono impact, please visit **Pro Bono | Baker McKenzie**.



National Legal Aid & Defender Association (US)

2022 Beacon of Justice Award



IFLR Asia Pacific Awards 2022

Pro Bono Team of the Year



SDG 17: Partnerships for the Goals

We believe that meaningful, lasting change at a global level can only be achieved when like-minded organizations including governments, business, civil society and policy-shaping forums work in partnership toward the shared goal of a sustainable world.

These collaborative partnerships are key to awareness raising, knowledge sharing and driving progress across each of the 17 SDGs. We value the relationships we have built with global policy-shaping organizations, and those we have deepened with clients, suppliers and NGOs while working together on the issues that matter to us.

Partnering with policy-shaping forums

The biggest issues facing the world today are inherently complex and solving them requires collaboration from varying disciplines, industries, legal jurisdictions, cultures and perspectives. We regularly partner with clients, peer law firms and non-governmental organizations around the world to share expertise, knowledge and resources, in order to accelerate progress on the SDGs. We participate in industry-specific organizations working to set standards and agree on best practice for legal and professional services firms, including the Net-Zero Lawyers Alliance (NZLA) and the Boston College Professional Services Sustainability Advisory Board. We have long-standing relationships with the United Nations Global Compact (UNGC), the World Business Council for Sustainable Development (WBCSD) and the World Economic Forum (WEF) providing legal advice, participating in thought-leadership, hosting roundtables and helping to shape future debate and policy at the global level.

UNGC

In 2015, we joined the UNGC as an active participant. As the world's largest corporate sustainability initiative, the representation of business, academia, government and civil society, and their contribution to shaping policy, makes the UNGC a unique platform that allows us to be on the cutting edge of sustainability trends and regulation.

In 2022, as the next step following our co-patronage of the UNGC's Action Platform for SDG 16 (Peace, Justice and Strong Institutions), we collaborated on the acceleration of transformational governance as members of the UNGC Think Lab on Transformational Governance. As defined by the UNGC, Transformational Governance is a "principles-based philosophy — not a new legal concept — that calls on business to be more accountable, ethical, inclusive and transparent to drive responsible business conduct, improve ESG performance and strengthen public institutions, laws and systems." The Think Lab on Transformational Governance seeks to develop guidance and best practice to help the business sector action Transformational Governance through the targets of SDG 16.

WBCSD

In 2017, Baker McKenzie became the first law firm to join the WBCSD, a CEO-led organization of more than 250 international organizations. By providing legal advice to their sustainability projects and work streams, we have the opportunity to collaborate and lead projects to drive awareness and progress and shape future policy.

In 2022, we hosted sessions for the **LEAP Program**, a new education project designed to help women reach senior positions in their companies and ensure that sustainability is both embedded in their leadership and included in their company strategy. Our people hosted sessions with participants covering career progression, ID&E and sustainability.

In 2022, we also participated in the Business Commission to Tackle Inequality, with our chief sustainability officer contributing to the "**Tackling inequality: The need and opportunity for business action**" report in her capacity as a BCTI Commissioner, and providing insights as a panelist during a session on "**Creating an inclusive and diverse workplace.**"

WEF

Since 2010, we have been partnering with the WEF in its mission to engage political, business, academic and other leaders of society in collaborative efforts to improve the state of the world through public-private cooperation.

In 2022, a Baker McKenzie delegation attended the WEF Annual Meeting in Davos, participating in meetings focusing on geopolitical issues and their impact on business, the global economic outlook and small group discussions around critical issues that are currently front of mind for our clients and governments, including the energy transition, building resilient supply chains and driving sustainability performance through the value chain.

Ahead of the meeting in Davos we contributed to the report "**Predictions 2022: Here's how supply chains might change according to business leaders.**"

In addition to our contributions in the run-up to Davos, in 2022 we continued to contribute to the WEF's thought-leadership on issues including the "**Future of Work**" and "**Cities and Urbanization,**" and also to the WEF's white paper, "**Supply Chain Sustainability Policies: State of Play.**"

SDG 17: PARTNERSHIPS FOR THE GOALS

Partnering with clients to sponsor Equal Justice Works fellows

2022 marked another year of partnering with client organizations to sponsor two-year fellowships with **Equal Justice Works**, the largest US facilitator of opportunities in public interest law. The Design Your Own Fellowship program allows passionate law graduates or private practice lawyers to partner with an organization of their choice and work to ensure equal access to justice and address unmet legal needs among underserved populations across the country. Fellows propose an innovative legal project in order to expand upon the mission of their host organization and help build crucial capacity.

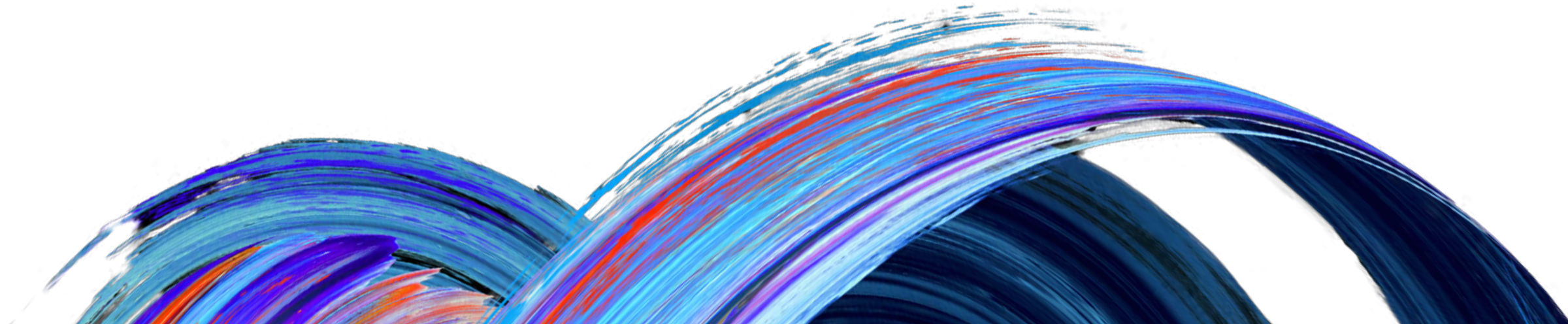
Continuing from the fellowships supported in 2021, in 2022 we co-sponsored **Alison Roberts** (fellowship class year 2022). Hosted by Bronx Legal Services, Alison connects Bronx Residents to the public benefits they need through a new medical-legal partnership, working with community organizations to identify barriers and advocate for improvements to public benefits.

Supporting social justice and human rights advocates — the Baker McKenzie Scholarship Endowment Fund at Columbia Law School

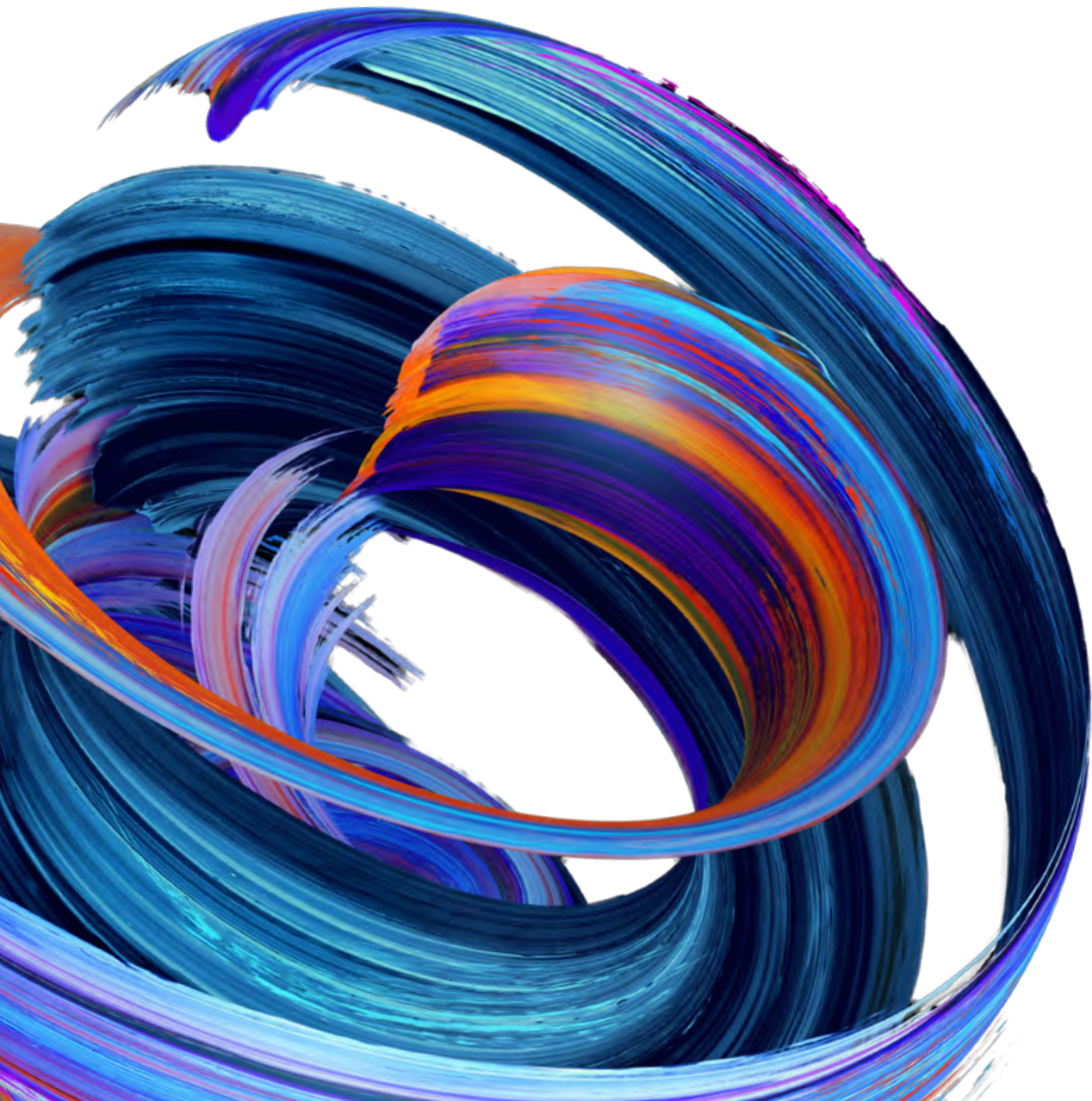
Each year since 2015, the Baker McKenzie Scholarship Endowment Fund at Columbia Law School has awarded USD 50,000 to a Columbia Law School LLM international student from an emerging economy (with priority given to students from Africa, Asia, Eastern Europe and Latin America) who has demonstrated academic success, a passion for championing social justice and human rights issues and a need for significant financial aid. The scholarship is aimed at providing access to studies for students that may not have had access to such studies otherwise, broadening the legal horizons of recipients, and deepening their knowledge of the rule of law and the US justice system so that they can help advance and inspire the legal profession in their home jurisdictions when they return. Past recipients include a women's rights attorney from Argentina, a human rights attorney from Colombia, an economic and social rights advocate from Nigeria, a human rights lawyer from India and a human rights lawyer from Nigeria.

The 2021-2022 Baker McKenzie scholarship was awarded to Somali woman Kifaya Abdulkadir Ibrahim, who after witnessing human rights violations and abuses growing up in Kenya, was inspired to pursue a career in law, which she saw as a remedy to those abuses. After practicing law for several years in Kenya she sought to learn more about social justice and human rights through an LLM year at Columbia Law School, undertaking courses to learn about the intersection of technology and human rights, as well as new and emerging tools for safeguarding human rights. During her LLM year she was selected as one of only 10 externs to work at UN Women, analyzing reports from conflict zones and working on issues at the intersection of human rights and gender.

We are honored to support Kifaya's career development and her advocacy of the need to protect human rights in the technology and privacy fields, a growing issue as the world becomes increasingly interconnected through digitization.



SDG 17: PARTNERSHIPS FOR THE GOALS



Partnering with clients to help them embed sustainability across their operations — Sustainability Client Solution

In addition to our partnerships with third-party organizations to shape policy and make progress on topics of relevance to society and increasing access to justice, we firmly believe that by partnering with our clients, we can help businesses make progress on the SDGs.

In 2022, we continued to work with our clients using our holistic, multidisciplinary global Sustainability Client Solution. Underpinning our solution is our STEPS framework, a simple methodology that translates the complex notions of sustainability into manageable tasks and solutions across critical milestones in the sustainability journey and brings our collective legal expertise, enhanced by our real-life experience from our own sustainability journey to clients, helping them move from aspiration to reality. We help our clients set direction and understand how to embed sustainability across their operations — whether focusing on governance, compliance with regulation and the impact of upcoming ESG regulation and new reporting regimes, human rights, ID&E, assessing and modernizing supply chains, accessing sustainable finance, implementing the energy transition, managing and preventing ESG disputes or facilitating safe collaboration between competitors to support systemic sector change.

For more information, please visit [Sustainability | Expertise | Baker McKenzie](#).

Contact

Thank you for reading our Annual Sustainability Report 2023.



Alyssa Auberger
Chief Sustainability Officer

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Complex business challenges require an integrated response across different markets, sectors and areas of law. Baker McKenzie's client solutions provide seamless advice, underpinned by deep practice and sector expertise, as well as first-rate local market knowledge. Across more than 70 offices globally, Baker McKenzie works alongside our clients to deliver solutions for a connected world.

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