



Impacting society, towards sustainability

Our honest reporting and commitment for 2020

Transformative Legal Experts

PL
MJ

About the report

This is our first sustainability report. Our pledge is to publish our sustainability report every year way to communicate what we have achieved and as an accountability tool to measure success in meeting our commitments. This first report sets the stage: it recognises our effort but, most importantly, it shows how much work we need to put in to accomplish the ambitious commitments that we have defined for ourselves.

We have structured this report according to the topics that are important to us and to our stakeholders – our materiality matrix. As a result, we have focused on three topics: mental health and well-being, responsible business, and diversity and inclusion. Our commitments are defined in these three topics. In addition, we report on our sustainability performance according to the Global Reporting Initiative. This report covers the period between January and December 2020.

A message to the future

“We have been pioneers and often the very first. But nostalgia, only for the future.”

Sustainability is a priority on all fronts of our lives. Personally, we strive for a low environmental footprint and to leave the world a better place than we found it, based on our day-to-day consumption decisions. Professionally, we seek to make use of our skills in working with clients to support them through legal services that improve their businesses and operations and help them move towards sustainability.

Sustainability is about meeting today's needs while allowing prosperity for future generations so, as lawyers, we should spend as much time thinking about the future as we spend thinking about today. What we do now is leaving a mark and influencing the world in which we and our generation will live in ten, twenty, thirty years. How many of us think about the implications of today's actions on the future?

We are privileged to be able to influence the future and we want to honour that privilege.

Justice is a fundamental pillar of a sustainable society. We became lawyers because we deeply believe in a fair and just society. Days and years have passed, and we continue to be driven by this belief.

We are proud of being part of PLMJ because, as we look into the future, we are not afraid to question everything we have learned from the past. We know how to learn from the good and from the bad. We are not part of a perfect organisation. Rather, we are aware and find inspiration in the uniqueness of the people that surround us. We do not strive for perfection but for continuous improvement, mindful of our differences, strengthened by our similarities, to better serve our clients and our community, day after day.

We have been asked so many times ‘where do you want to be professionally in 5 years?’. But this is not the question we should be asking the talented young lawyers who are joining law firms across the world in these unprecedented times we are living through.

Instead, we should be asking ‘how will you contribute to the world you want to live in in 5 years?’. The answer to this question should define the lawyers that we want to be.

The future of our profession and our world depends on how we all answer this question.

Joana Brandão and Rui Vasconcelos Pinto

Our approach to reporting

This sustainability report is the result of a participatory process. Our main activity during the implementation of this methodology, described below, was to listen to our stakeholders, which encompass our employees – including both lawyers and support staff – clients, suppliers, and law students. In addition, we assessed what our peers and other companies are doing in terms of best practices, to learn from them using a cross-sector benchmark.

What we learned from our stakeholders and the benchmark were assessed against the fit with our core strategy. As a result of that assessment, we have designed a materiality matrix, which maps out the key sustainability priorities for PLMJ. This report is the main output of this methodology and its principal focus is to present our short, medium- and long-term sustainability commitments.

Sustainability report

Our commitments

1. Listening to stakeholders

What are the key concerns, priorities and topics for our stakeholders? (employees, suppliers, clients, law students)

2. Benchmark

What can we learn from companies that are thought leaders in sustainability? (both law firms and from other sectors)

3. Strategic alignment

How does the feedback from stakeholders and best practices from peers fit into our strategy?

4. Materiality assessment

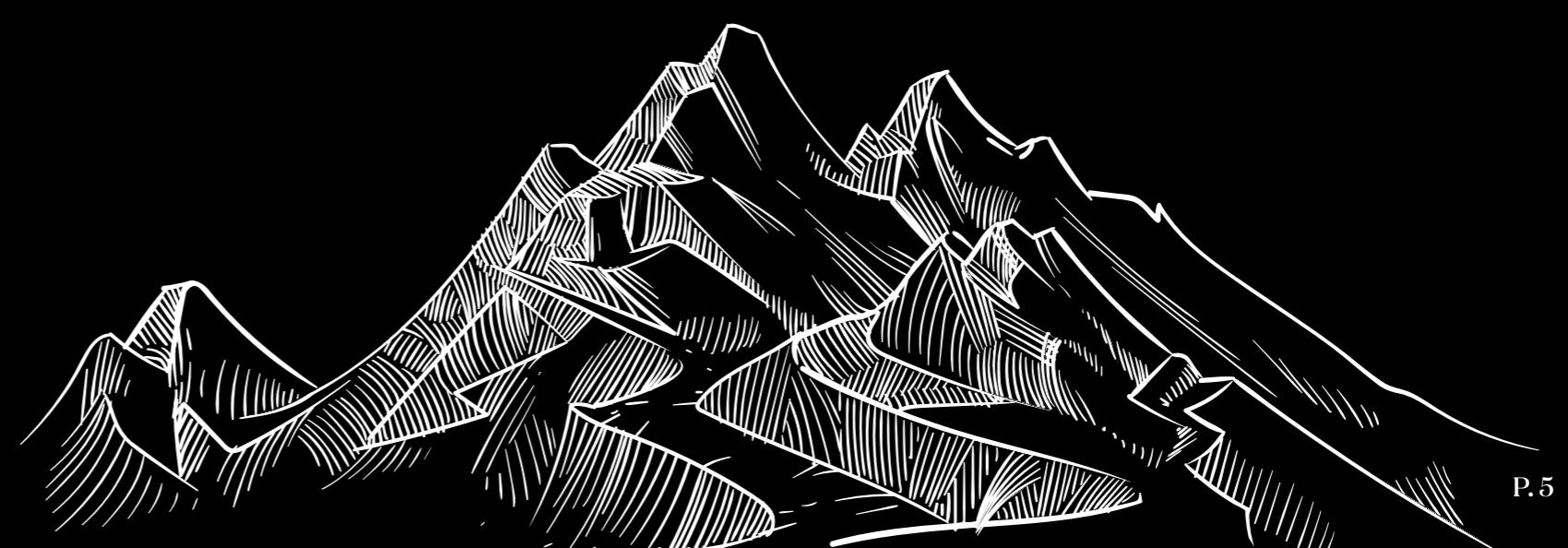
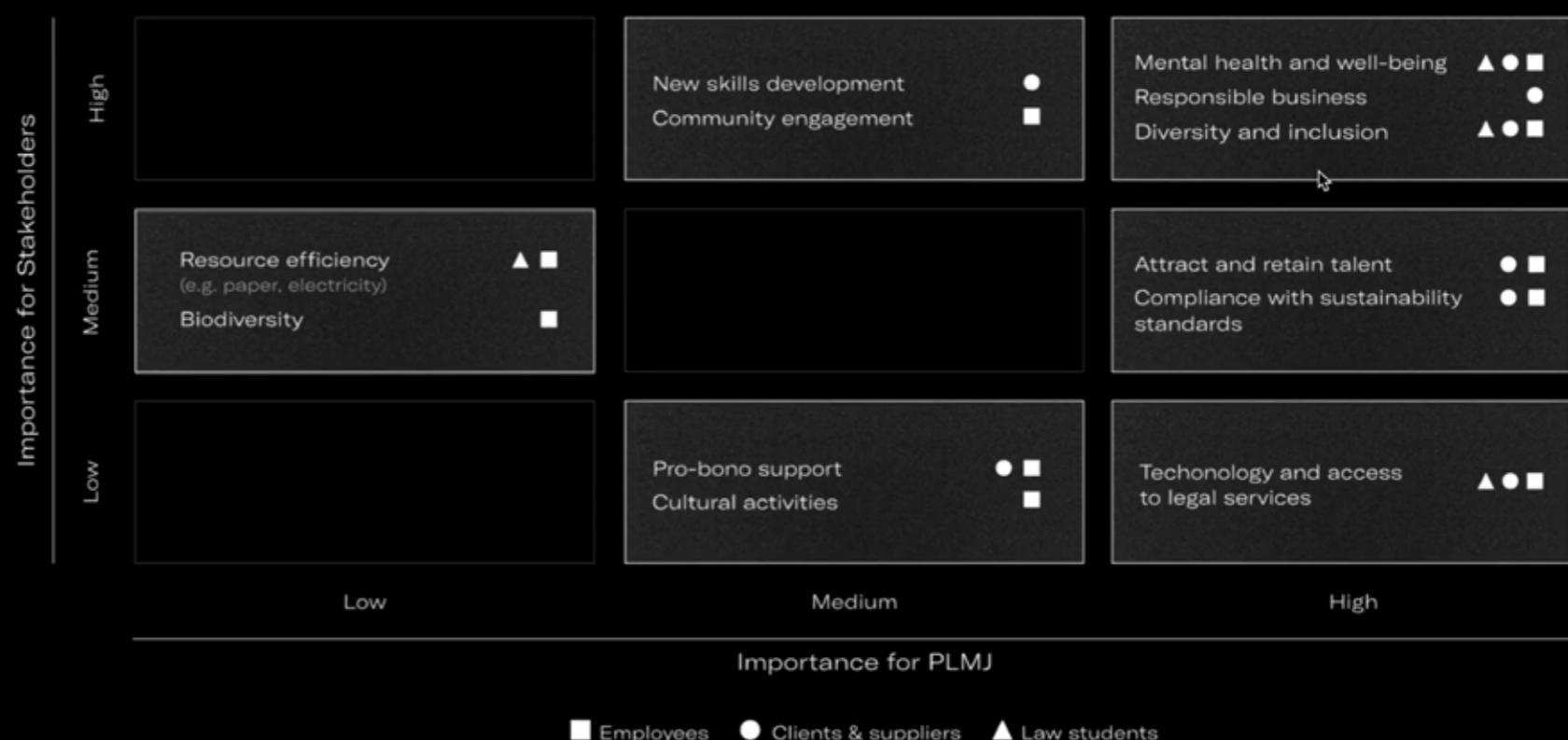
How do we map and prioritise across the range of topics that emerged during this process?

Materiality assessment

A materiality assessment is the exercise of identifying what topics matter to us as a company and to our stakeholders (internal and external). From this assessment, a matrix is built based also on how much these topics matter for each group of stakeholders. Comparing how these topics overlap results in a materiality matrix, which is summarised in the image below.

Assessing the materiality of sustainability topics is fundamental from a strategic point of view because it guides us towards our focus in the short-term but also informs us about the topics that we should look out for in the future. For the next three years, our strategic focus in terms of sustainability will be the issues placed as highly important for both us and our stakeholders (internal and external).

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A set of high priority topics emerged from the materiality assessment and they will be our focus for the next 3 years:



The next three chapters describe what each of these three key priority areas means to us, the work we have done on them and where we are falling short. For each area, we have defined commitments for which we can be held accountable in the years to come.



Mental health and well-being

Mental health and well-being

Stimulate meaningful conversations and concrete actions that focus on improving the wellness, and the mental and physical health, of our teams.

A light to guide into the future

The facts are worrying. According to the World Health Organization, one in four people in the world will be affected by mental health issues at some point in their lives. The legal profession is well-known for being extremely demanding and this level of performance can generate stress that can take its toll on lawyers.

The unprecedented challenges that the COVID-19 pandemic has brought are placing an additional focus on mental health globally, and the consequences of the pandemic are on the rise across the world. Stress is a known cause of mental health issues and we know it is present throughout the legal profession. Though intangible, we see it every day across our desks and along our corridors. We continued to see it in our screens as we moved into online and remote working environments. In fact, mental health issues are the real global pandemic that we will collectively face, and this has been accelerated by the COVID-19 pandemic.

We care deeply about our employees and we are committed to ensuring that everyone in our firm has the conditions and the right tools to build resilience and wellness into their daily routines, both mentally and physically. The prioritisation of this agenda explains why it is an area where our focus is exclusively on the short-medium term, as we want to take timely actions to address this topic on an ongoing basis.

Our approach to mental health and well-being is built upon two main pillars: internally, where our priority is to offer our employees the tools they need to be in their best shape in terms of mental health given the extremely demanding performance levels; externally, by being an active voice in promoting meaningful conversations about mental health in our profession.



How we are doing

Key figures

During the peak months of the COVID-19 pandemic and lockdowns, we assessed our employees' well-being. The objective of this assessment was to identify needs and establish priority areas in which to act.



75%

of our employees want to do more physical exercise



55%

of our employees want to adopt healthier eating habits



45%

of our employees want to learn better ways of dealing with stress

Where are we falling short



Mental wellness emerged as a key topic for our employees and as an area in which we have a lot of work to do to meet internal expectations. Surprisingly, our clients have also mentioned this as an area in which they would like us to take a stance and lead by example.

Client

It is important for us to know that the mental health of the legal teams that support us is in the best shape.

Employee

Wellness and work-life balance ranks as the #1 priority area for our employees.

Impact stories

We were among the first group of signatories of the Mindful Business Charter, a cross-industry initiative founded by Barclays, Addleshaw Goddard and Pinsent Masons that promotes better mental health and well-being in the workplace.

The Charter mobilises professional services firms to make a formal commitment across several areas. These include building trust and effective communication, following smart meeting and email guidance, considering the need to ‘switch off’, and implementing best practices on approaching collaboration, instruction and delegation.

PLMJ is the first Portuguese company to sign on to the Mindful Business Charter, which has 65 signatories in total. In addition, the group of signatories is expected to grow as members aim to introduce the Charter to a new member every 12 months.

“Long gone are the days where some topics were a taboo. Mental health is a priority and it is our role, individually and collectively as a firm, to ensure the well-being of those who are closest to us: our teams.”

Nuno Líbano Monteiro



Our Commitment

Short-medium term (1-3 years)

Monitor the uptake and impact of our flexible working policies and adjust, as necessary.
UN Global Compact Principles 1 and 6.

Maintain and expand our annual pulse survey focused on the topic of mental health and well-being, to identify the main needs and inform actions accordingly.
UN Global Compact Principles 1 and 6.

Organise a conference to discuss mental health in the legal profession with peers and clients.
UN Global Compact Principles 1 and 6.

Promote the Mindful Business Charter in Portugal.
UN Global Compact Principles 1 and 6.

Structure a tailored package of wellness support services for all employees, where PLMJ can be either a provider or an enabler.
UN Global Compact Principles 1 and 6.

Expand the pilot with Mystery Minds, an impact startup whose solution creates an informal support network among work colleagues.
UN Global Compact Principles 1 and 6.





Responsible business

Responsible business

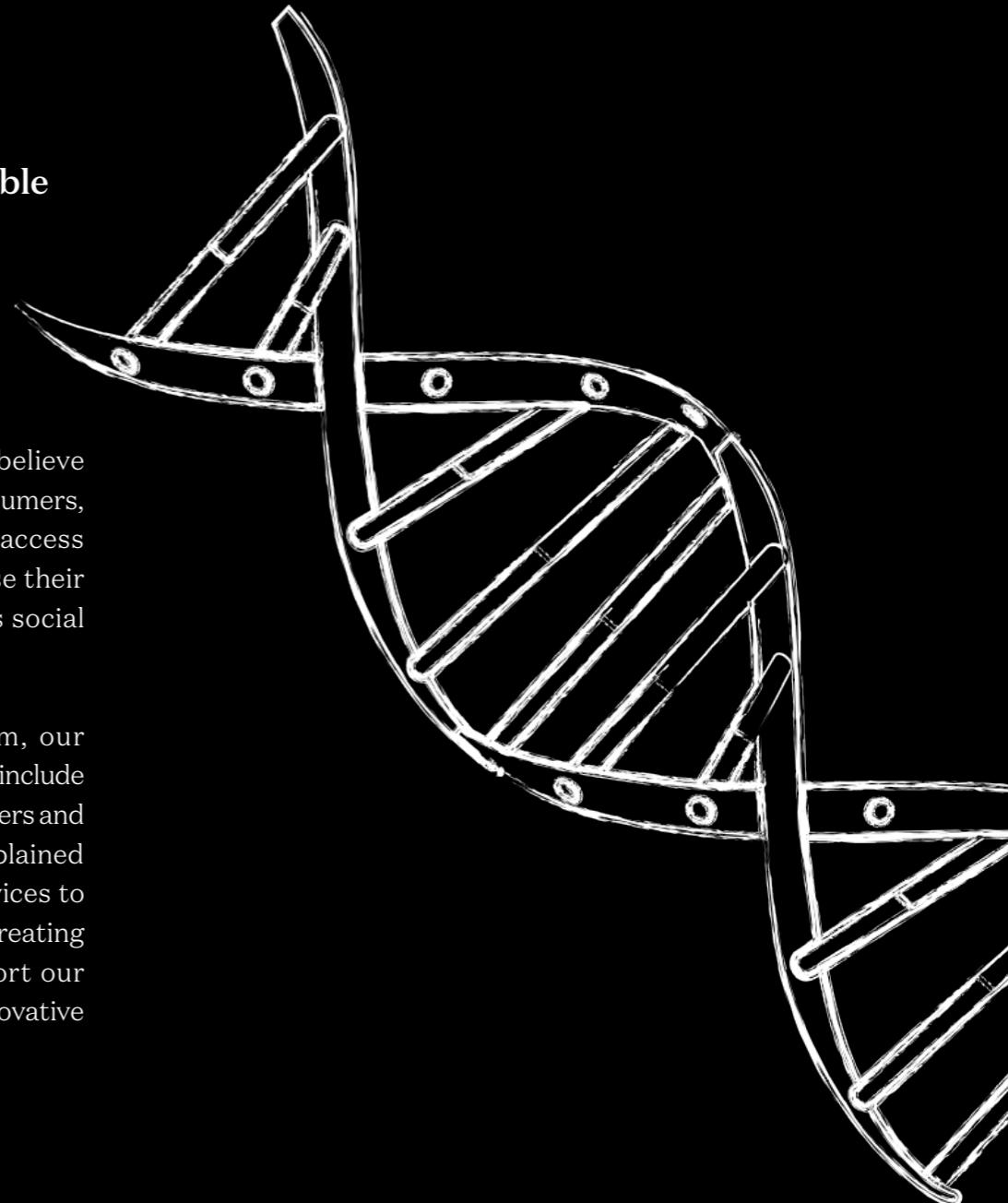
Support our clients and partners on their journey towards becoming more sustainable and honour our privileged position in influencing their actions.

A core element of our corporate mission

Responsible business is the business approach that considers its impact on people and the planet. Based on such considerations, businesses adopt their course of action towards operating in a sustainable manner.

At PLMJ, we approach the topic of responsible business from two perspectives: (i) internally, by constantly improving how we operate, and (ii) externally, as we honour the privilege of our capacity as advisers to all types of businesses, supporting them in their journey towards becoming more responsible. The key tenets that guide our responsible business strategy are:

- It is a business imperative. Business leaders have the responsibility and power to make the changes necessary to achieve a more inclusive and sustainable economy.
- It is a business opportunity. We strongly believe that the businesses with more engaged consumers, that can attract the best talent and have access to capital at a lower cost are those that use their business models and products to address social and environmental challenges.
- It sits within a spectrum. As a law firm, our responsibility includes a range of actions that include (a) ensuring the well-being of our team members and the sustainability of our operations, as explained in this report, (b) providing pro-bono services to those that cannot access legal support, (c) creating a responsible business practice to support our clients and, (d) opening our doors to test innovative impactful solutions.



How we are doing

Key figures

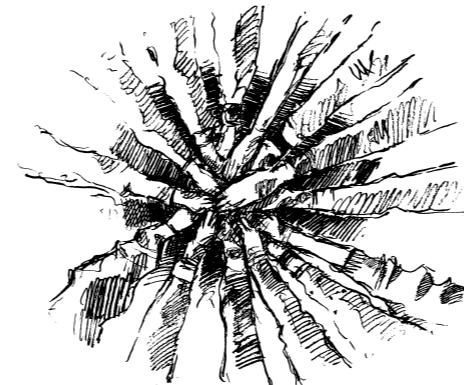


Pro bono support

Legal work undertaken voluntarily and without payment, targeting social organisations. We prioritise depth of support (fewer organisations) as opposed to scale (many organisations).

Since 2018

7000+	hours of pro bono support
7	social organisations supported
220+	lawyers engaged
20	impact startups supported through partnership with Maze X impact accelerator
75	initiatives (conferences, employee volunteering, training)

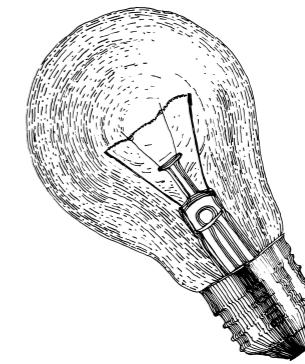


Work for clients

Portfolio of services made available to clients that aim to improve the social and environmental impact of their operations.

Since 2018

1st	Establishment of the first social entrepreneurship fund in Portugal
€300 m	Advised on the €300 million green bond issuance by REN
€5 m	Advised on three transactions of investment in Portuguese impact startups totalling €5 million, on behalf of investors from Portugal, the UK and Switzerland



Open innovation

Internal platform that creates opportunities for early-stage companies to test their impact solutions within our firm, as a way to grow and create traction.

Since 2018

150	startups mapped in priority areas: employee wellness and civic engagement
2	pilots with impact startups (1 from Portugal, 1 from Germany)
1	hackathon (2-day tech marathon) to prototype solutions for internal changes

Where are we falling short



Our clients want to improve the sustainability of their operations, which is something we wish to provide in a structured way. Our employees made it very clear that sustainability starts internally. Future lawyers have made it clear that sustainability is key to accessing the best talent.

Client

We would love to see PLMJ as an adviser in sustainability topics and that is not happening yet.

Employee

Sustainability starts from within and will only we be able to inspire our clients if we do this internally.

Law students

87% of law students state that the sustainability positioning of a law firm influences their choice of a future employer.

Impact stories

Rnters is a startup that is reimagining ownership by making renting as easy and convenient as buying, hence fostering a more sustainable consumption and use of products during their lifetime. We met Rnters as part of our partnership with Maze X, a 3-month acceleration programme that helps 10 impact startups a year grow their business and impact. Our role in this programme is to provide pro bono legal support to these startups.

During the programme, our support to Rnters mainly took the form of advice in the areas of employment law and the structuring employee documentation and processes. 18 months on from completion of the acceleration programme, Rnters has raised its first equity round of €1.2 million from international investors like Techstars, Übermorgen and MSM.

Our team had the opportunity to work once again with Rnters, as we led in providing the legal support for this investment on behalf of the investors. As part of this work, we have structured how all investment contracts consider the environmental performance indicators that Rnters is targeting, as part of its crucial mission to make everyday consumption more sustainable.

“Supporting early-stage impact startups makes me feel that my skillset is contributing to a more sustainable world.”

Samantha Zürn



Our Commitment

Short-medium term (1-3 years)

Expand the Responsible Business practice area launched in May 2021.

UN Global Compact Principles 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10.

Implement the Community and Sustainability modules of APlanet (an integrated solution to track and manage ESG key performance indicators).

UN Global Compact Principles 1, 6, 7, 8 and 9.

Become a B Corporation.

UN Global Compact Principles 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10.

Include ESG criteria in selecting suppliers.

UN Global Compact Principles 1, 2, 4, 5, 7, 8, 9 and 10.

Include quantitative and qualitative responsible business targets in annual appraisals of employees.

UN Global Compact Principles 1 and 6.

Implement internal and external whistleblowing channels.

UN Global Compact Principle 10.

Inclusion of our Code of Conduct on our website.

UN Global Compact Principle 10.

Long Term (+4 years)

By 2025, 10% percent of revenues coming from the Responsible Business practice.

UN Global Compact Principles 1, 2, 7, 8, 9 and 10.

Net zero target: achieve carbon neutrality of our operations by 2030 through a combination of reduction, removal and offsetting actions.

UN Global Compact Principles 7, 8 and 9.





Diversity and inclusion

Diversity and inclusion

Build an environment founded on the principles of diversity and inclusion that is open and respectful, and where everyone can bring their whole self to work and can progress.

How we want to improve

Diversity for us is to understand that everyone is unique. This uniqueness can be demonstrated through dimensions such as prior experience, socio-economic background, age, race, ethnicity, gender, sexual orientation, physical abilities, religious beliefs or other ways of thinking. Inclusion for us is to ensure that, in their uniqueness, everyone feels part of our team.

We strongly believe that diverse teams can lead to better outcomes in legal services. Diversity brings different and complementary points of view, skills and ways of working which, all together, enrich the services we provide to our clients. Diversity is a key tenet in our DNA of being transformative legal experts, as transformation takes place when incumbency is questioned, and the best way to do this is to find new ways to approach it.

We, and the legal profession in the countries where we operate, need to start taking a more formal approach and reflect on the lack of diversity and inclusion in the industry, especially at the leadership level. The first step is to recognise that firms in some of the other developed countries are in a better position and started this discussion earlier than we did.

The second step is to define key priorities and to act on delivering them. We understand the complexity of the topic of diversity and inclusion and, therefore, we have strategically decided to focus on specific areas in the next three years:

Diversity: improve on the gender balance, especially at partner level.

Inclusion: ensure high levels of employee satisfaction in inclusion matters in our annual pulse survey.



How we are doing

Key figures

Our diversity focus is on creating the conditions for gender equal representation because, while there are a balanced number of women practicing law (if not more women than men), there is disparity once we look at partner level. 30% of our partners are female. We are above the UK's average on female representation at partner level, which currently sits at 23%, with some magic circle firms having even lower representation. However, we want to improve the gender balance across our firm, to create intergenerational sustainable change.

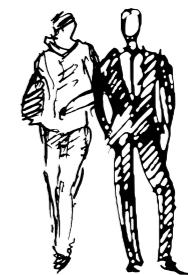
PARTNERS

58%
Female 42%
Male



ASSOCIATES

30%
Female 70%
Male



TRAINEE LAWYERS

63%
Female 37%
Male



STAFF

70%
Female 30%
Male



Where are we falling short



All the stakeholders we surveyed have unanimously stated gender equal representation as a priority topic for us and as an opportunity to show thought leadership in the legal profession.

Client

Diversity is a priority to us, and we expect our legal providers to be aligned with our values.

Employee

It is exciting to see the firm's focus on policies to foster diversity, but there is still a lot that we can do together.

Client

Diversity must include not only gender but social, cultural and ethnic backgrounds.

Impact stories

Diversity was a key driver when we designed a new process for performance measurement, compensation, and career progression back in 2019. We have moved towards a qualitative model based on 360º feedback with transparent procedures and governance. It is our strong belief that diversity policies should find the right balance between promoting meritocracy and addressing the structural barriers affecting certain segments of the population, such as women in their professional lives.

We have based our processes on the following tenets:

- Zero-tolerance gender discrimination policy when hiring or promoting.
- Parental leave and career progression policies are the same regardless of gender.
- Increase in both maternal and paternal leave.
- Neither the bonus nor the progression is impacted when either of the parents takes leave.
- Flexible working models to suit different needs.
- Transparent and independent evaluation process, where the assessment is done by a diverse committee..

“Extended parental leave is one of the most important ways to support parents. For me personally, it was amazing to be able to be close to my daughters and supporting my wife in the challenges of the first weeks of a new-born.”

Hugo Nunes Sá



Our Commitment

Short-medium term (1-3 years)

As the first large organisation to join the HeforShe movement in Portugal, our aim is to help bring the initiative to other firms and companies in the country. UN Global Compact Principles 1 and 6.

Analyse and monitor our compensation structure and packages.
UN Global Compact Principles 1 and 6.

Monitor the uptake and impact of our policies to address systemic barriers to inclusion such as our increased parental leave and flexible working policies.
UN Global Compact Principles 1 and 6.

Implement a sponsorship initiative to encourage and support career progression.
UN Global Compact Principles 1 and 6.

Implement gender diversity in interview panels and audit gender balance in recruitment.
UN Global Compact Principles 1 and 6.

Report on diversity metrics across several dimensions, beyond gender.
UN Global Compact Principles 1 and 6.

Monitor and mitigate unconscious bias and gender-related stigmas, and deliver employee training on inclusion and gender equality.
UN Global Compact Principles 1 and 6.

Support Leading Together, an INSEAD Alumni Association initiative promoting gender balance in business leadership.
UN Global Compact Principles 1 and 6.

Join the second edition of Target Gender Equality, a gender equality accelerator programme from UN Global Compact.
UN Global Compact Principles 1 and 6.

Our focus is the work ahead

Grateful. This is the word that best describes my sentiment after the process of listening to our stakeholders and what they had to say about our work on sustainability.

We have learned so much from our employees, our clients, our suppliers, our partners and from law students whom we have not met yet. Thank you for your honest, unfiltered and constructive views on everything we can improve in the years to come.

This is our first sustainability report and it is the result of a participatory and engaging process where we learned from our stakeholders, we sought inspiration from industry leaders and assessed our strategic priorities for sustainability. Our intention is to report to you our sustainability performance on an annual basis.

One of the things we have learned is that the top #3 priority areas that matter to our employees are exactly the same as those that matter to the law students we surveyed, as well as being widely mentioned by our clients. This has informed the three priority areas of our sustainability strategy, giving us comfort that we are tackling the right issues: (i) mental health and well-being, (ii) responsible business and (iii) diversity and inclusion. Our commitments in these areas span short-term objectives as well as long-term ones.

From a performance standpoint, we adopted the Global Reporting Initiative guidelines to report our sustainability performance across economic, social and environmental metrics. Starting in 2020, our ambition is to annually improve on these dimensions, which purposely overlap with our three key strategic priorities. We reaffirm our commitment to the Ten Principles of the United Nations Global Compact, which guide the vast majority of our initiatives, and help us define increasingly ambitious goals.

Through my learning journey on the topic of sustainability, one thing has been unequivocal from the beginning: as a law firm, we have the rare opportunity to drive sustainability both internally and externally.

Internally, we have the opportunity to transform the legal profession to tackle taboo topics such as mental health and wellbeing, which have affected so many of us. We also have the capacity to be an industry that leads by example in positioning diversity and inclusion as anchor elements that define the workplace of today.

Externally, we have the responsibility to advise and support our clients and partners, who, collectively across our industry, have the ability to take gradual steps that can yield exponential changes in the most exciting economic opportunity of our times: building a sustainable and equitable global economy.

We only have nostalgia for the future and the road is ahead of us. Our commitments are defined, and our utmost commitment is to work hard every day to deliver on them.

Thank you for being part of this journey.



Bruno Ferreira
Managing partner

GRI Metrics

Our performance: Economic, social, environmental and governance

We apply the Global Reporting Initiative (GRI) to frame and report on our sustainability performance. Our interpretation of these guidelines is based on the materiality of the topics for our business operations and industry. As a result, we do not report on every single GRI indicator, but rather on those that we consider relevant to our business. Our 2020 performance disclosure is self-declared, and it has not been audited by a third party. We intend to report on our sustainability performance annually, allowing for year-on-year comparison.

 GRI Disclosure



