



Climate Transition Plan

December 2023



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Foundations





Foundations

Hogan Lovells is committed to supporting inclusive and sustainable development in which people and planet prosper. Delivering on our commitments to Responsible Business is one of our five strategic priorities and incorporates the ambition to become a legal industry leader in relation to sustainability.

2021

Measured our global baseline (2019) and first year emissions (2020) for Scope 1, 2 and selected Scope 3

First submission to CDP (Score B)

2022

Set greenhouse gas emissions reductions targets and submitted to SBTi for validation

Second submission to CDP (Score B)

2023

Conducted full estimation exercise for relevant Scope 3 categories

Preparation of a global transition plan

Validation of SBTi targets

Our global climate journey

In 2021 we undertook the first measurement of our global greenhouse gas (GHG) emissions for Scope 1 and 2, using 2019 as our baseline year. We set emissions reductions targets in 2022 of a 90% reduction in global Scope 1 and 2 (market) and submitted our targets for validation by the Science Based Targets Initiative (SBTi). In 2023 we completed an estimation exercise for our relevant Scope 3 GHG emissions and set an engagement target requiring 75% of our suppliers by emissions to have set targets consistent with limiting global warming to 1.5 degrees Celsius above pre-industrial levels. In addition, we have a 2050 Net Zero target to reduce emissions by at least 90% in all 3 scopes. These targets were formally approved by the SBTi in December 2023.

Hogan Lovells Climate Targets

Hogan Lovells commits to reach net-zero GHG emissions across the value chain by 2050.

Require suppliers which represent 75% of our procurement estimated emissions to have set an emissions reduction target consistent with limiting global warming to 1.5°C	By end of 2027
Reduce Scope 1 emissions by 90%	By end of 2030
Reduce Scope 2 (market) emissions by 90%	By end of 2030
Reduce Scope 3 emissions by 90% and offset remaining emissions to achieve Net Zero in all three Scopes	By 2050

The target wording approved by the Science Based Targets initiative (SBTi) in December 2023 is "Hogan Lovells commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2030 from a 2019 base year. Hogan Lovells also commits 75% of its suppliers by emissions covering purchased goods and services, capital goods, upstream transport and distribution, and business travel, will have science-based targets by 2027."



Implementation

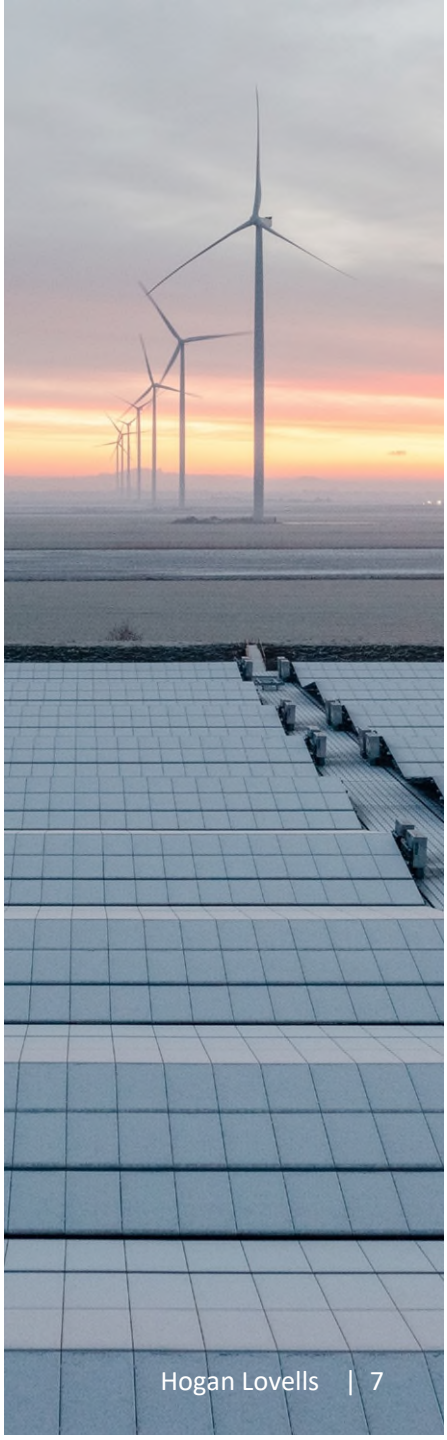
Implementation

Our transition planning includes actions to reduce our GHG emissions, to manage the firm’s risks arising from climate change, and to evolve our practice to be appropriate for a low carbon economy.

This includes working towards sourcing 100% of our energy requirements from renewable sources, eliminating sources of Scope 1 emissions as soon as possible, setting climate related requirements for our suppliers, and engaging with our clients to support their sustainability journeys.

Actions

Objectives		Short term actions	Medium term actions	Long term actions
Scope 1	Eliminate use of fossil fuels and other sources of Scope 1 emissions (natural gas and internal combustion vehicles)	Swap to bioenergy fuels	Switch all firm vehicles to electric	Eliminate remaining sources of Scope 1 emissions e.g. from sources such as marine and road transport
Scope 2	Work towards 100% renewable energy for business operations	Purchase renewable energy where possible Engage with landlords and co-tenants to encourage the provision of renewable energy	Explore strategies to enable provision of renewable energy which promotes creation of new resource (additionality) in all regions in which we operate	Maximize advantages arising from the long term decarbonization of electricity



Objectives		Short term actions	Medium term actions	Long term actions
Scope 2	Increase energy efficiency and reduce overall energy use	<p>Migration to cloud based systems where possible</p> <p>Strategies to reduce energy use associated with data storage</p> <p>Installation of energy efficient fixtures and fittings</p> <p>Streamline operation of central plant equipment (to coincide with times of greatest need)</p>	<p>Target for all offices to become ISO 14001 certified</p> <p>Reduce office area footprint</p> <p>Reduce data center footprint</p>	<p>Where possible investment in:</p> <ul style="list-style-type: none"> • Smart building technology • On site renewables • Increased use of analytics to support operational efficiencies
	Real estate portfolio optimization	<p>Sub-let space which is not being utilized</p>	<p>Reduce the overall size of the real estate portfolio</p> <p>Prioritize buildings with credible sustainability credentials for new leases</p>	<p>Net Carbon Zero operational buildings</p>
Scope 3	Reduce emissions from purchased goods and services (Scope 3 Category 1)	<p>Update supplier code of conduct</p> <p>Collect information on suppliers' climate commitments</p> <p>Extend the standard usage span of equipment</p> <p>Prioritize low emissions delivery options</p>	<p>Engage with 75% of suppliers to set targets for emissions reductions</p> <p>Engage with suppliers to request:</p> <ul style="list-style-type: none"> • estimation of emissions associated with provision of product/services, and • an estimate of when the product/service could be supplied on a carbon neutral basis (ISO 14068-1:2023) 	<p>Set requirement for carbon neutral products/services for all suppliers</p>

Objectives		Short term actions	Medium term actions	Long term actions
Scope 3	Reduce emissions from capital goods (Scope 3 Category 2)	Target ambitious sustainability credentials for new fitouts Working with suppliers on individual sustainability, returns and offsetting programs	Extend product lifespans and include consideration of product lifecycle costs and emissions in purchase decisions	Partner with suppliers to develop zero waste disposal / recycling of end-of-life equipment (e.g. IT equipment and print devices)
	Reduce emissions from Waste generated in operations (Scope 3 Category 5)	Reduce paper use/printing Promote recycling strategies Improve data capture for waste	Set waste reduction targets	
	Reduce emissions from business travel (Scope 3 Category 6)	Introduce a new business travel policy promoting: <ul style="list-style-type: none"> the minimization of unnecessary travel use of non-air travel for short journeys adoption of technology to collaborate with colleagues and clients Pilot technology to improve data capture of emissions associated with business travel Continue using improved technology for virtual meetings Employee benefit schemes supporting low emissions commuting methods, such as cycling and public transport	Adoption of a single global travel provider to optimize information capture and provide information about low carbon options at the time of booking Develop a preferred hotel program prioritizing accommodation providers with sustainable credentials Supplier engagement to promote energy and emissions efficient transportation	Internal carbon budgeting Setting absolute contraction targets for Scope 3 category 6

Policies

This section describes the policy statements applicable to our global operations. These statements are complemented by internal local policies and supplemental guidance.



Environment – Hogan Lovells is committed to minimizing the environmental impacts of our business operations and increasing our resilience to environmental risks and impacts. We comply with the relevant environmental legislation in the jurisdictions in which we operate and have an ongoing programme of ISO 14001 certification.



Energy – Our Energy Policy is designed to reduce our impact on the environment, manage our business running costs, and promote a comfortable working environment for our employees. We will manage energy consumption in our offices where possible to reduce GHG emissions and promote the procurement of renewable energy.



Travel - We have updated our Global Travel Policy to include using train/rail where possible for travel taking less than four hours or other lower emission forms of transport depending on regional variations and practicalities.

Financial planning

As a business we are investing in resources to help us mitigate our impact on the environment, improve the resilience of our business operations to environmental risks and impacts, and maximize our ability to help our clients transition to a low carbon economy.

Materiality assessment

We engaged ERM, an independent sustainability advisory firm, to complete our first double materiality assessment. This involved a comprehensive desk-based review of our responsible business strategy and the ESG policies we have in place, as well as a peer and industry trends analysis to identify ESG topics potentially relevant to our firm. Key internal and external stakeholders were engaged to prioritize and determine the materiality of these topics to our firm.

The assessment identified ten material ESG topics. Each of these topics can be categorized within the three pillars below. We are now working to incorporate the results into our business and strategy planning.



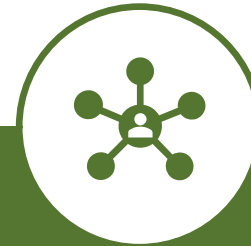
Governance

Strong Governance, Integrity
& Ethical Conduct
ESG Risk Management
& internal Control
Data Privacy



Environment

Climate: Net Zero Transition
Global Supply Chain ESG Performance
Other Environmental Impacts



Social

Employee Attraction,
Development & Retention
Diversity, Equity & Inclusion
Health & Wellbeing
Pro Bono &
Community Investment

Products and services

Our Environmental, Social and Governance (ESG) legal practice is structured under five key practice areas covering Environmental Impact, Energy Transition, Sustainable Finance & Investment, Social Value and Governance.

The practice has also developed an ESG 360 tool to help structure the evaluation of specific risks and opportunities with our clients. We are able to work closely with clients to help them transition to a low-carbon business model and manage their own risks related to climate change.



Engagement strategy

Engagement strategy

Upstream and downstream engagement

We have implemented a supplier 'code of conduct' and are engaging with our suppliers to encourage the setting of GHG emissions reductions targets which are consistent with limiting warming to 1.5 degrees above pre-industrial levels. We have set a target that 75% of our suppliers by emissions covering purchased goods and services, capital goods, upstream transport and distribution, and business travel, will have science-based targets by 2027.

We are engaging with our clients to offer assessment of their Scope 3 emissions associated with the provision of our service to them and advise on the climate-related and other ESG aspects of the legal matters on which we are engaged.

Engagement with the legal sector

We are members of the Legal Sustainability Alliance and the All Legal Industry Sustainability Standard (ALISS).



Metrics and targets

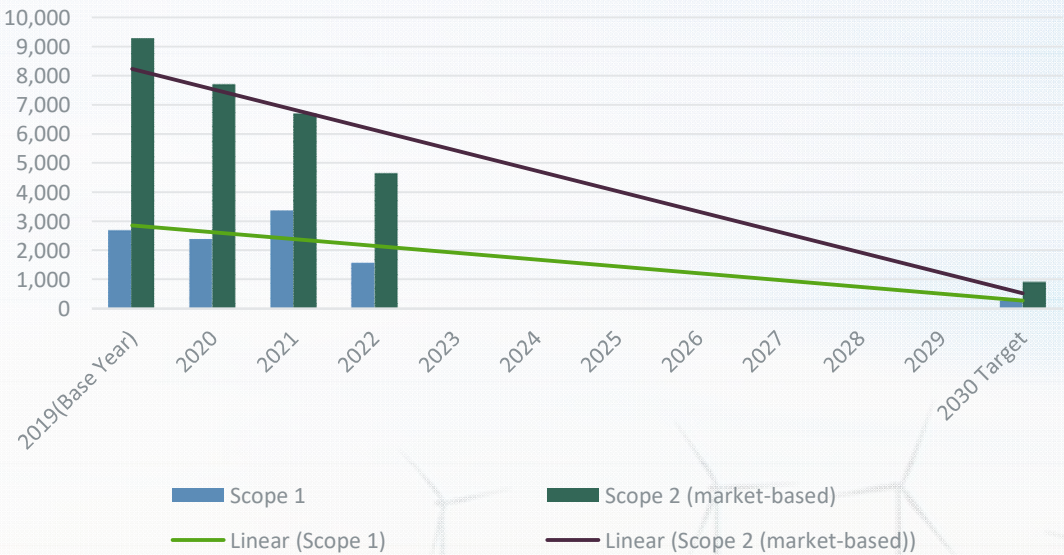
Metrics and targets

We report on our GHG emissions and our progress against targets annually via CDP. We also report on other responsible business metrics on other platforms including the UN Global Compact and EcoVadis.

GHG emissions metrics and targets

Base Year					Target Year
	2019	2020	2021	2022	2030
Scope 1 tCO2 ^e	2,684	2384	3351	1,571	268
Scope 2 Market tCO2 ^e	9257	7690	6693	4649	926
Scope 2 location tCO2 ^e	11,185	9,691	11,563	8,846	

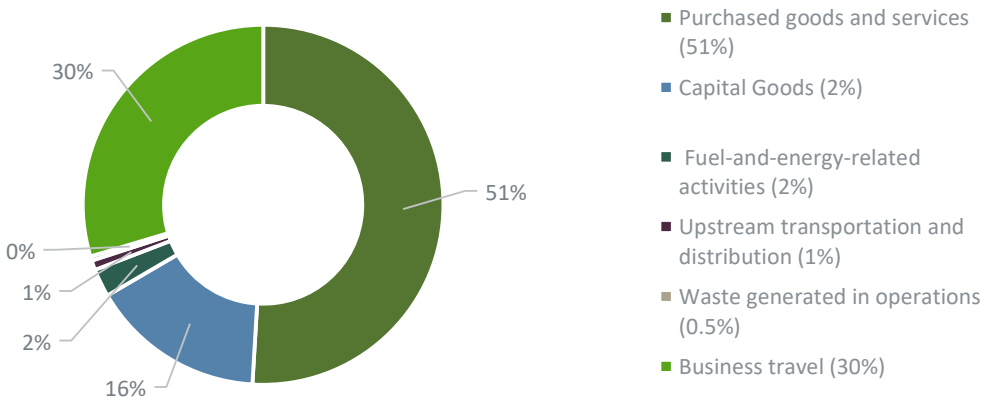
Global Scope 1 and 2 Emissions Reduction Progress



GHG emissions metrics and targets

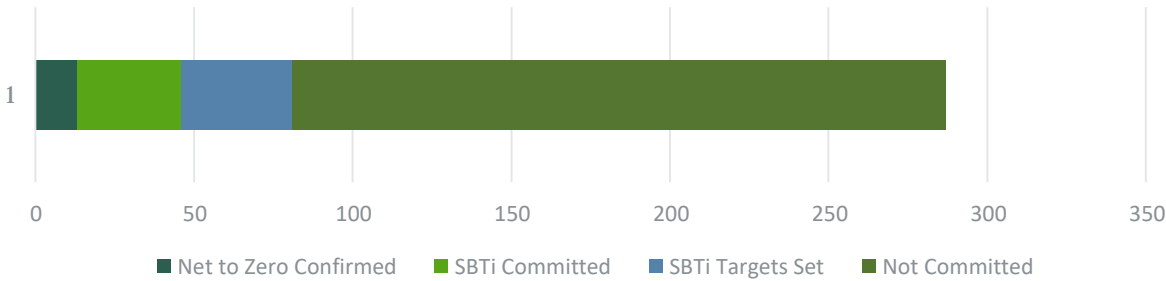
	Base Year				Target Year
	2019	2020	2021	2022	2030
Scope 3 tCO2e				42401	

Scope 3 Emissions Breakdown for 2022



Scope 3 Supplier Target Progress:

SBTi and Net to Zero Commitments based on total number of 75% Suppliers



Offset strategy and carbon credit providers

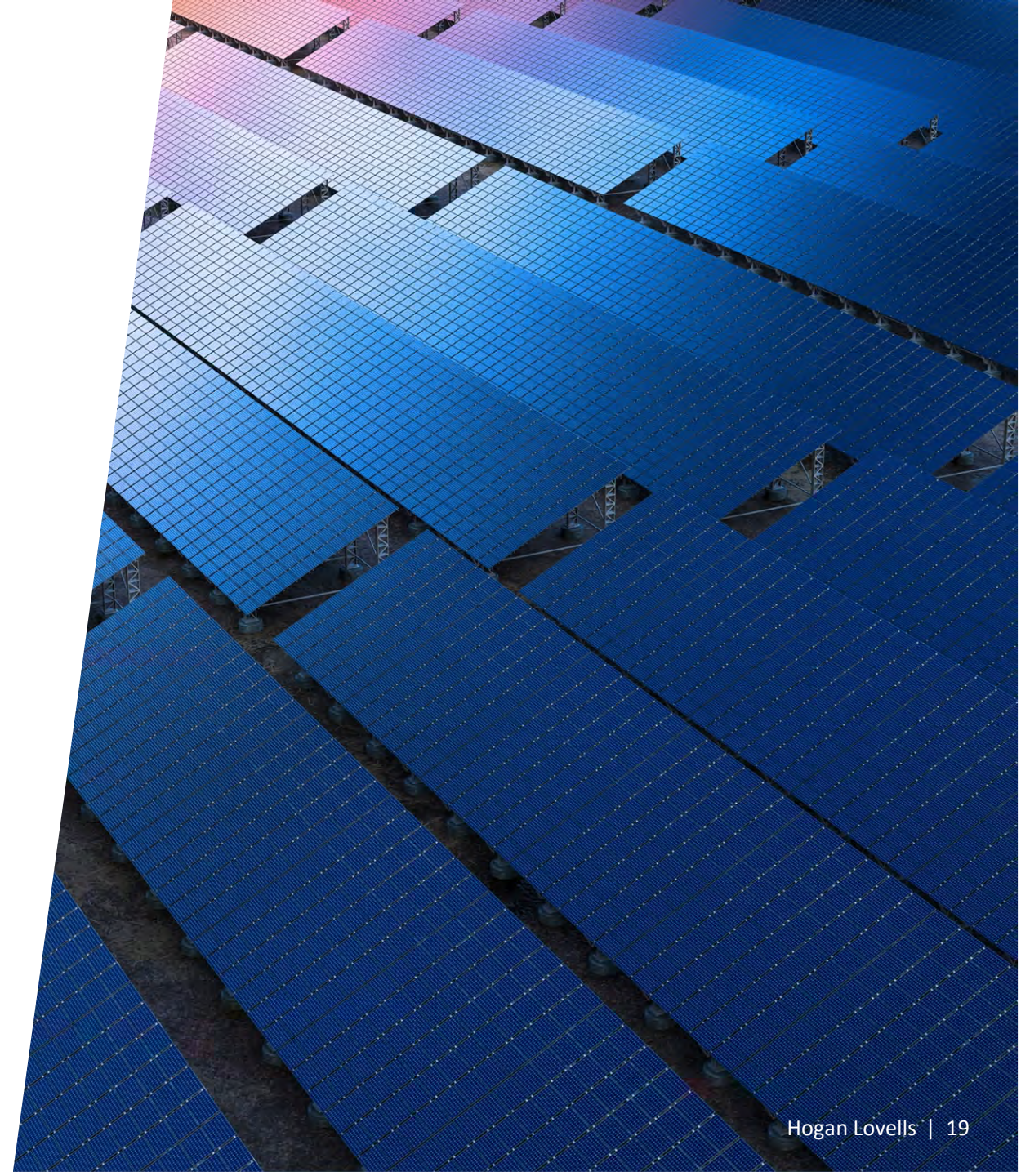
We have undertaken to purchase carbon credits equivalent to our Scope 1 and 2 (market) emissions from January 2022 whilst working towards our 2030 target of a 90% reduction in these scopes against a 2019 baseline. We have also committed to offsetting all business travel (land, air and sea) from January 2019.

We selected Climate Impact Partners as our first carbon credit provider.¹

Purchased carbon offsets

The table in the Appendix details the carbon credits we have purchased to date.

¹ Climate Impact Partners are founding members of the International Carbon Reduction and Offset Alliance (ICROA), and are a certified B Corp. They report that projects are independently audited to internationally-agreed standards (including Gold Standard, Verified Carbon Standard and the American Carbon Registry) and have third party certification.





Governance

Governance

Oversight and reporting

The Hogan Lovells transition plan has been drafted to demonstrate how the firm intends to meet its GHG emissions targets and manage risk and opportunity whilst transitioning to a low carbon economy. It has been approved by the Board, the International Management Committee, the Deputy CEO, and CEO. All receive regular updates on progress made towards our SBTi emissions reductions targets and other sustainability goals.

Roles, responsibility and accountability

We have established a global network of sustainability stewards and committees in our offices worldwide who have responsibility for the collection of sustainability-related data and implementation of local initiatives. Each office has an individual transition plan detailing the emissions generated in the office, information highlighting which sustainability topics are important locally, and details of emissions reduction initiatives. Best practice from these local initiatives are shared via an internal global platform.

Our sustainability committees utilize the skills and experience of our client-facing and business services people.



Culture

Delivering on our commitments to Responsible Business, including DEI, Pro Bono and Sustainability is one of our five strategic priorities and incorporates the ambition to become a legal industry leader in relation to sustainability.

Incentives and remuneration

One of the factors in setting the compensation of certain members of firm management is achievement towards our targets

Training

In addition to the ESG Academy series which provides summary insight and information for our clients on key topics, the firm provides training to our people, our clients and social enterprises via the firm's impact economy practice, HL BaSE. HL BaSE training is a mini-MBA style course for trainee and junior lawyers, developing their commercial skills and social impact.



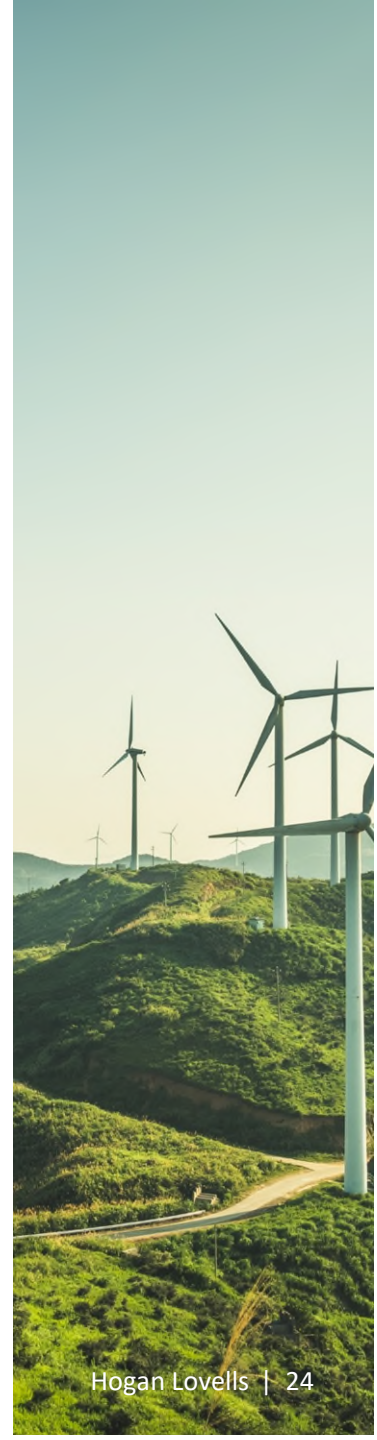


Appendix

Appendix

Offsetting Data

Carbon offset provider	Project purchased	Country	Project type	Project category	Category Type	Units purchased (tCO2e)	Certification standard	SDGs	Date purchased
Climate Impact Partners	Portfolio – Renewable Energy	Global	Renewable Energy	Sustainable Infrastructure	Avoidance	1,250	CDM/ VCS/ Gold Standard	7, 8, 9	May-22
Climate Impact Partners	Darkwoods Forest Conservation, Canada	Canada	Afforestation/Reforestation	Nature based solution	Removal	1,500	VCS/ CCB/ SD VSta	1, 3, 4, 5, 7, 8	May-22
Climate Impact Partners	Gyapa Efficient Cookstoves, Ghana	Ghana	Clean cooking	Health & Livelihoods	Avoidance	1,500	Gold Standard	6, 13, 15	May-22
Climate Impact Partners	Portfolio – Chinese Afforestation	China	Afforestation/Reforestation	Nature based solution	Removal	1,500	VCS/ CCB	8, 13, 15	May-22
Climate Impact Partners	Portfolio – Renewable Energy	Global	Renewable Energy	Renewable Energy	Avoidance	37,000	CDM/ VCS/ Gold Standard	7, 8, 9	Jan-23
Climate Impact Partners	Portfolio – Renewable Energy	Global	Renewable Energy	Sustainable Infrastructure	Avoidance	238	CDM/ VCS/ Gold Standard	7, 8, 9	Jan-23
Climate Impact Partners	Nature Based Removals Portfolio, Global	Global	Afforestation/Reforestation	Nature based solution	Removal	6017	VCS	13, 15	Aug-23
						49,005 tCO2e(Total)			





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