



# Sustainability report 2023

LCA



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# Letter from Managing Partner

## Giovanni Lega

**Dear friends,**

Awareness of sustainability has grown significantly in recent years and this is also reflected within the legal profession. Here at LCA, since 2021, we have been following a roadmap developed to measure the environmental and social impact of our business, which also envisages the voluntary preparation and publication of a CSR report every year. Now, however, we are striving to go above and beyond, by anticipating regulatory changes and legal requirements that have not yet been extended to the realm of law firms.

Indeed, our commitment to a more sustainable world has led us to enhance our reporting techniques, aligning them with the latest industry standards. As a result of in-depth analysis, we have created a precise, analytical reporting method, which has enabled us to prepare this document in accordance with the GRI Sustainability Reporting standards.

In short, we have decided to renew our approach, adopting a new strategy to describe the sustainability objectives achieved in 2023.

The GRI standards were instrumental in this process, along with additional complementary principles that have enabled us to build a comprehensive, cohesive framework. These principles included, for example, the United Nations Sustainable Development Goals.

The adoption of these models marks a transition phase for LCA, positioning us for more stringent and transparent - entirely voluntary - reporting aligned with the new European requirements linked to the first set of European Sustainability Reporting Standards adopted by the European Commission. The real challenge for the future will be to accurately identify the impacts, risks and, above all, opportunities – including those of a financial nature – linked to sustainability.

This data is crucial in order to provide a clear view of the complexity of everything we have built together. Facts and figures aside though, I cannot stress enough that LCA is made up of outstanding people. The concept of sustainability is based on the idea of durability, of meeting





the needs of the present without ever compromising the needs of the future.

For law firms like ours, the key path forward is to practice the profession in a collaborative manner, with an organisation that places people at the core and is built upon the four principles of recruiting, retaining, developing, and handing down.

No-one is born great and the remarkable evolution of LCA over the past twenty years is a clear testament to this. We will always be unified by our shared purpose, driven by the goal of building a lasting team that will ensure the legacy of our achievements can be passed down to future generations.

**Giovanni Lega**







# About us

**1.1** The history and evolution of LCA

**1.2** Our offices

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## 1.1

## The history and evolution of LCA

LCA was founded on 1 April 1988, when lawyers Paolo Colucci and Giovanni Lega - after reflecting on their time spent at Harvard University and their lengthy experience working in the United States - decided to found a law firm together. Their aim was to establish an innovative, international firm in Italy that would also take into account the unique features of the country's national legal system. The firm embarked on its journey as Lega Colucci e Associati, going on to become Freshfields Italia from 1996 to 2004. It then returned to the name Lega Colucci Associati for a while and finally, following a plan to rebrand the firm and redefine its mission, became LCA.

While keeping its roots firmly planted, LCA has changed its structure, transitioning from boutique corporate law firm specialising in mergers and acquisitions to full-service firm through a series of strategic steps. First of all, the firm's integration with Seas, a boutique practice headed by lawyer Salvatore Sanzo, currently chairperson of the firm, followed by the entry of a labour law team, then an intellectual property team and a tax team. The journey continued with new departments dedicated to art law, criminal law, administrative law, and environmental law, through to sports law.

2023 was a year marked by significant changes, during a period of growth not just in terms of size and logistics, but also in alignment with the identity and values that define LCA:

- we appointed and welcomed new partners, brought new teams on board, and strengthened many of the existing teams to further establish the firm as a comprehensive, full-service provider (in particular in areas such as industrial development and fundraising, tax law, copyright, gaming and esports, antitrust, and administrative law);
- we decided to enhance our expertise in

strategic sectors by welcoming highly experienced senior professionals into our fold; these new members are closely connected to the academic world and bring skills spanning multiple departments, enabling us to offer our clients increasingly synergistic and integrated services, both nationally and internationally;

- we successfully completed our project to establish an office in Rome, located in Piazza del Popolo - one of the city's most iconic and cherished sites - inside Palazzo Valadier;
- we completed work for a significant extension of our Milan site, located at Via della Moscova 18, turning the space into a LCA Building to all intent and purposes. With over 6,000 m<sup>2</sup> to work with, we redesigned the layout of the workstations to foster greater synergy within departments, enhance interaction and collaboration, and improve the overall livability. In line with this, three different areas have been developed (work completed in 2024) on the ground floor, overlooking our stunning courtyard, to ensure all the communal spaces are put to the best possible use, including:
  - a cafeteria / lounge area, refreshment point, and above all, a meeting place, for networking between colleagues, where people can get to know each other better, discussing work issues in a relaxed manner and sharing life at LCA to the full;
  - a technologically advanced auditorium, for training initiatives and external events;
  - a wellness area exclusively for our people, designed to help them 'disconnect' from work and dedicate time to physical exercise and self-care, including yoga, pilates, and physiotherapy.



## 1.2 Our offices

The firm has several offices in Italy (Milan, Rome, Genoa) and one in Belgium (Brussels). We also have an operation located in Roncade (Treviso), located in a lodge at H-Farm, a well-known Italian incubator for start-ups and today an inno-

vation hub dedicated to primary and secondary education and the development of technology projects. We also operate in the United Arab Emirates (Dubai) in an international partnership with IAA Middle East Legal Consultants LLP.

### Milan office

via della Moscova 18



### Rome office

piazza del Popolo 18



### Genoa office

via XX Settembre 31/6



### Treviso office

via Sile 41, Roncade

## 1.3

# Our values

LCA has always cared deeply about social and environmental sustainability and inclusiveness in all its forms.

We are committed to pursuing socially and environmentally beneficial goals that extend beyond the provision of professional consulting services. To achieve this goal, we have made changes to our internal organisation and focus greatly on our value chain.

We have made changes to encourage responsibility within our offices with a view to mitigating the negative impacts of our activities (adopting plastic-free policies, cutting down on food waste, prioritising recycled and eco-sustainable materials, encouraging smart-working, reorganising spaces, to name but a few), and have initiated numerous projects focused on creating a positive impact externally, particularly in relation to local communities and organisations.

The first CSR report dates back to 2022 when, incidentally, LCA also became the first Italian law firm (and among the first three organisations in Italy) to obtain gender equality certification, in compliance with Italian regulatory body UNI's reference practice (PdR UNI 125:2022).

Our *pro bono* activities support associations, entities, foundations, and charities dedicated to social issues such as AIRC, Archè, Amici del Museo, Poldi Pezzoli di Milano, Associazione Cilla, City Angels, and many others (see *below*). LCA people identify with the values of professional ethics and the pursuit of excellence: that is why we care about building and protecting an

environment in which people are encouraged to engage and cultivate their abilities to the fullest, consistently striving to combine personal growth with the professional growth demanded by the market. We are particularly mindful of those groups of people that represent a minority in the professional world and externally, be they numerical minorities (people with disabilities and specific learning disabilities (see *below*) or structural minorities (women and young people, see *below*).

Also in this area, LCA is innovative, courageous, and enterprising: as we grow, we make a conscious effort to keep united, with the awareness and understanding that diversity – of background, age, gender, geographical origin – is an opportunity. We encourage each other to take the initiative every day, to think outside the box, finding inspiration in the power of new, original, and innovative ideas that can further social, economic, and technological progress.

Through LCA Ventures we support national and international entrepreneurial initiatives with a strong social impact and advanced technological focus, in particular those which address environmental issues (see *below*).

Attentive to the active role that each and every one of us needs to play in society, we work to transmit our culture to other law firms in the Italian market. One way of achieving this is through ASLA, an Italian association for structured associated law firms, which was founded and is chaired by our managing partner.

## 1.4

# Our governance

All of LCA's equity **Partners** form the firm's main decision-making body when they are called together at Partners' meetings.

The partners appoint the firm's Strategic Committee, Managing Partner, and Chairperson.

The **Managing Partner**, who is an ex officio member of the Strategic Committee and the Wise Persons' Committee, coordinates and directs the firm's activities and represents it externally.

The **Chairperson** chairs and coordinates the Partners' Meetings and is an *ex officio* member of the Wise Persons' Committee. The chair is always a focal point for gathering initiatives, advice, and suggestions from partners, with the authority to direct them to the appropriate bodies (acting in an ombudsman capacity).

The **Strategic Committee** is the management body for the firm's vision and strategy. In addition to the managing partner, the committee consists of five equity partners who have obtained at least two thirds of the votes. As per partners' resolution dated 18 April 2023, Article 1 of the firm's governing regulations states that there must be no more than six partners on the committee, with at least one member belonging to the underrepresented gender. It is responsible for the Firm's strategic direction – business plan, investments, budget definition, lateral hiring, promotion of partners, bonuses and compensation, business development, creation of new departments, strategy in the choice of locations and offices.

The Partners also appoint the following committees:

The **Interdepartmental Committee** acts as a link between the various departments and the Strategic Committee, to which it reports. It helps cross-selling between practice areas, oversees both the organisation of professionals' work and their professional development, and ensures uniformity of work standards. Beyond that, it establishes the best practices of different de-

partments and promotes internal collaboration. It consists of one representative from each department (or, if the department consists of more than 20 professionals, two representatives, one of whom is from the underrepresented gender). The **Wise Persons Committee**, which is entrusted with the task of evaluating partners and allocating profits, consists of seven members, five of whom are elected by the Partners.

As for the Strategic Committee, Art. 5 of the firm's governing regulations (as per partners' resolution dated 18 April 2023) states that there must be no more than six partners on the Wise Persons Committee, with at least one member belonging to the underrepresented gender. Each member must have been a member of the firm (equity partner) for at least two years. The Chairperson and Managing Partner are *ex officio* members of the Wise Persons Committee.

There is also a **General Manager**, who directs the Firm's activities. The General Manager is the central figure to whom all business services departments (i.e., HR, marketing, accounting, knowledge management, recruiting, and anti-money laundering) report, and reports to the Managing Partner. The General Manager is in charge of a range of activities, including general business, purchasing, reporting, management and coordination of administration, logistics and implementation of the decisions of the Strategic Committee, in which they participate without voting rights.

In 2022, the Managing Partner, in agreement with the Strategic Committee, established the **Diversity, Inclusion & Belonging Committee** ("**DIB Committee**"), which is an internal commission tasked with managing, implementing, verifying, and monitoring the Firm's procedures and measures concerning gender equality and inclusion, as well as planning and implementing initiatives (including those open to the public) aimed at raising awareness and providing training on these issues. The DIB Committee is

responsible for actively working to create and support the conditions necessary for a working environment that is as inclusive as possible and to be able to disseminate these values as widely as possible, as well as to provide a point of reference (together with the HR department) for resources seeking to resolve difficulties in interpersonal and professional relationships and for reporting discrimination. The DIB Committee was established in accordance with the provisions of the management system for gender equality pursuant to reference practice PdR UNI 125:2022 and reports directly to the Managing Partner and the Strategic Committee.

A further committee established was the **Sustainability Working Group**, which also comprises certain members of the DIB Committee. This committee, which reports to the Managing Partner and the Strategic Committee, is tasked with promoting and implementing policies linked to social responsibility and sustainability (in its three dimensions, i.e. financial, environmental, and social) both inside and outside LCA. The Working Group's vision, values, strategic priorities, and organisation are aimed at actively contributing to the implementation of change; a process that is necessary to ensure development that is "capable of meeting the needs of the present generation, without compromising the ability of future generations to meet their own needs" (Brundtland Report, 1987, defini-

tion of sustainable development).

More specifically, the Working Group strives to meet the following goals: (i) promote the transition of LCA towards zero impact; (ii) disseminate information on sustainability; (iii) provide assistance and advice to its stakeholders; and (iv) to put forward proposals for awareness-raising initiatives and concrete actions to achieve more than simply profit-related targets, aiming instead for an impact on the cultural, social, and environmental context in which the Firm operates.

In 2023, the following committees were also set up:

The **Anti-Money Laundering Committee** devises the anti-money laundering management policies and assists the department responsible for collecting and examining the anti-money laundering documentation of new clients when opening a new file for them, with particular reference to dubious or high-risk situations for which further checks may be necessary.

The **Conflicts Committee** is responsible for checking that there are no conflicts of interest or any other reasons why specific professional assignments should not be made or may be inappropriate; the committee conducts these activities in accordance with the Firm's procedures for managing conflicts of interest and with the provisions of the code of ethics of the legal profession.





## 1.5 The structure

### The departments

As set out below, the Firm is structured on the basis of practices and industries, with each area coordinated by specifically assigned professionals:

#### Practice



Administrative



Litigation, arbitration  
and ADR



Labour and union  
relations



Antitrust  
and competition



Family and Wealth  
Management



M&A -  
Private Equity



Banking  
& Finance



Golden Power (FDI)



Criminal Law and  
Corporate Compliance



Capital Markets



Immigration



Restructuring  
& Insolvency



Commercial  
and corporate



IP, Media,  
Tech & Data



Tax and Customs

#### Industry



Art



Gaming  
& Esports



Real Estate



Energy, Environment  
and ESG



Insurance



Sport



Fashion  
& Luxury



Artificial  
intelligence



Transport, Shipping  
& Aviation



Food



Life Sciences

Each department has autonomous authority for recruiting new resources and managing its own organisation, which it does in agreement with the HR department. Several Working Groups

have also been established, with specific points of contact for the sensitive areas overseen by the Managing Partner and Strategic Committee (see *below*, on p. 72)

## Our people

Our people are both the heart and the backbone of our business.

2023 marked a year of significant growth in the number people working at LCA: From 2022 to 2023, LCA recorded constant employment growth, recording a rise in the Milan office from 177 resources in 2022 to 224 in 2023, and in the

Genoa office from 18 resources in 2022 to 22 in the following year. Also the Rome office - which was only officially opened in 2023 - has seen its resources grow, from 8 staff members in 2022 to 24 today.

As of 31 December 2023, the Firm was made up of a total of 278 people.

# 278 people

## 226

### Professionals

including **182** in Milan, **21** in Rome, **21** in Genoa, **1** in Brussels, **1** working remotely; consisting of **186** lawyers, **2** chartered accountants and **38** trainees

→ **39** Equity Partners

## 52

### Business services staff members

including **48** in Milan, **3** in Rome, and **1** in Genoa

## 155

### Women

including **118** professional practitioners and **37** business services staff members

## 123

### Men

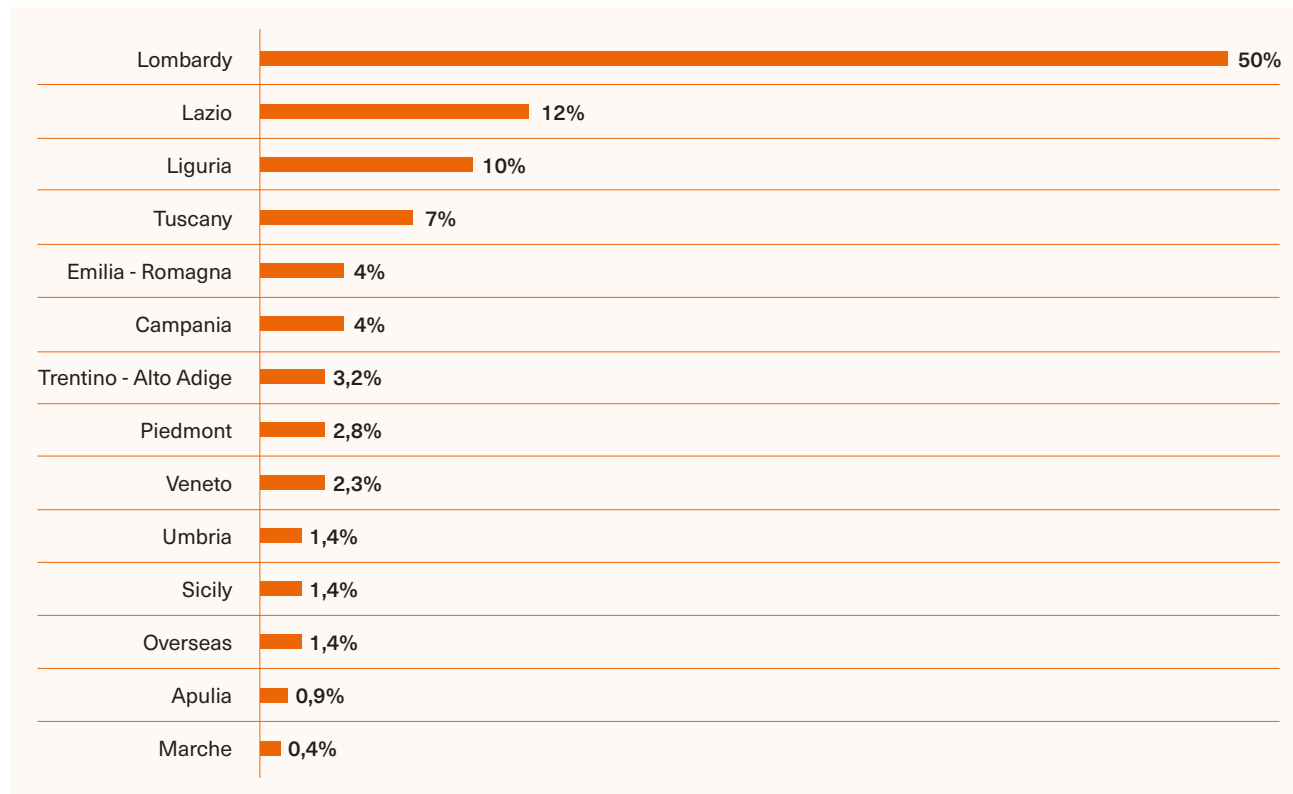
including **108** professional practitioners and **15** business services staff members

Our professionals all bring different backgrounds, training, and expertise, 69% of which were gained at public universities, in 13 different regions of Italy and abroad.

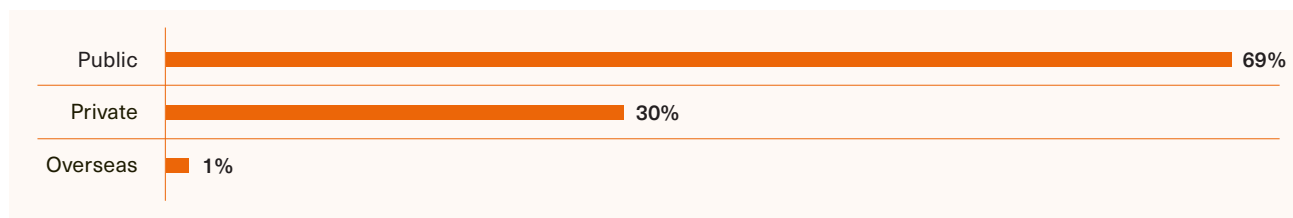
### Universities attended, by university

University of Milan	19,7%	University of Catania	1,4%
Catholic University of the Sacred Heart, Milan	15,3%	University of Perugia	1,4%
University of Genoa	10,2%	University of Bari	0,9%
Bocconi University	8,8%	University of Brescia	0,9%
LUISS - Guido Carli di Roma	5,6%	University of Modena and Reggio Emilia	0,9%
La Sapienza University, Rome	3,7%	University of Pisa	0,9%
University of Florence	3,3%	Second University of Naples	0,5%
University of Trento	3,3%	University of Bergamo	0,5%
University of Bologna	2,8%	University of Macerata	0,5%
University of Milan, Bicocca	2,8%	University of Rome II	0,5%
University of Naples, Federico II	2,8%	University of Salerno	0,5%
University of Turin	2,8%	University of Varese	0,5%
University of Padua	2,3%	University of London	0,5%
University of Rome 3	2,3%	University of Paris-Cité	0,5%
University of Siena	2,3%	University of Southampton	0,5%
University of Pavia	1,9%		

### Universities attended, by region



### Type of university



The following main languages are spoken: *Italian, English, Spanish, French, Mandarin Chinese, German, Portuguese, Arabic, Russian, and Bulgarian.*

As will be seen below (chapter 5, section 5.2 - *The centrality of young people in the growth of LCA*), young people are a fundamental resource for LCA. We foster an inclusive and respectful

work environment, which promotes diversity, equity, and equal opportunities. We invest in training and professional development for all, offering growth opportunities and encouraging a healthy work-life balance.

We believe in dialogue, discussion, and inter-generational collaboration, which stimulates a crossover of the cultural and work experiences that are characteristic of each generation.





# The context in which we operate

**2.1** Our business and relationships

**2.2** Recognition

**2.3** LCA stakeholders

**2.4** The challenges of the future

**2.5** Talent retention

**2.6** Technological innovation and AI

**2.7** ESG issues

## 2.1

# Our business and relationships

LCA is an independent Italian law firm with a strong international focus, catering primarily to the business and financial sectors both nationally and internationally.

We operate in all the main areas of law, including commercial, corporate, banking, financial and tax, real property, labour, and intellectual

property law, and more generally in all areas of business law.

We assist industrial, financial, and insurance groups, corporate investors, and investment banks, but also non-business clients and small and medium-sized enterprises, business owners, and family businesses, which make up a large part of Italy's economic framework.



Automotive



Arts & Culture



Chemicals



Construction



Defence



Education



Energy & Natural  
Resources



Financial  
Institutions



Infrastructure



Insurance



Luxury Goods



Manufacturing



Retail



Shipping



Shipping - Finance



Sports



TMT (IT, Media  
& Telecommunications)



Transport  
& Logistics

Our firm has a strong multidisciplinary structure. This feature and our international focus combine to provide a recognised added value, which LCA offers its clients.

We also operate through geographic desks that bring together a range of interdisciplinary skills developed in dealings with different areas worldwide and we work synergistically with a network of leading local law firms, facilitating the constant exchange of know-how.

Many of our professional practitioners are engaged in scientific activities, including both university research and the publication of techni-

cal and scientific papers.

In 2023, we were involved in the publication of 19 books, 64 alerts, and over 103 scientific articles in Italian and international magazines, journals, and newspapers.

We also published the second edition of our Law and Sustainability Guide (see *below*).

LCA also has a strong propensity for innovation as a result of which the firm organises a host of initiatives, to stay ahead of the times and keep competitiveness high (see below, in chapter 6 - *Area "G" Governance*).

## 2.2 Recognition

Our professionals have received recognition both in Italy and abroad in the form of various prestigious awards. LCA is included in the most important international directories, such as Chambers & Partners, The Legal 500, Leaders League, World Trademark Review, IP Stars, receiving 65 practice awards and 118 individual awards in 2023 alone.

In 2018, the Financial Times placed managing partner Giovanni Lega among the top ten most

innovative lawyers, while in 2021 the same paper highlighted us as one of the innovative firms to watch in Europe. In 2019 and 2024, LCA was listed by Forbes Italia among the 100 top strategic, legal, and tax consultancies, attributing this acclaim to LCA's entrepreneurial vision in addition to the firm's growth and development.

In 2022, we were also shortlisted for an award for our partnership with Mondora in the field of legal design (see *below*).

**Chambers**  
AND PARTNERS

**Legal500**

  
**LEADERS LEAGUE**

 **WTR**

**IP STARS**  
from ManagingIP

**FT**  
FINANCIAL  
TIMES

**Forbes**

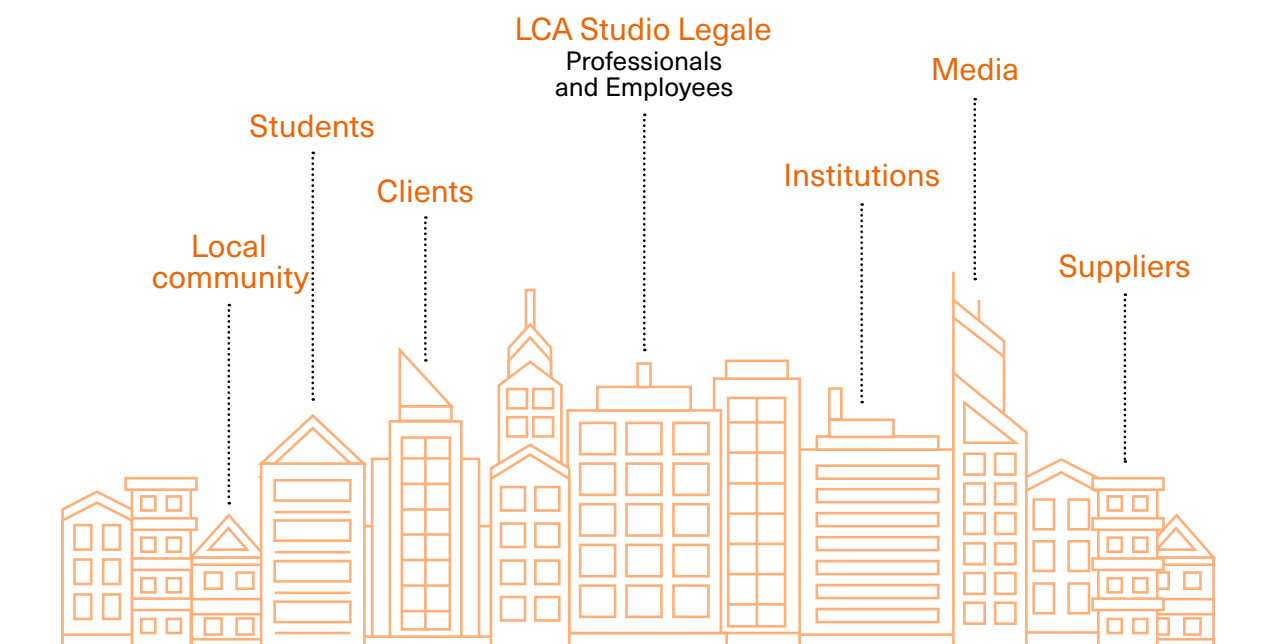
## 2.3

## LCA stakeholders

According to GRI Standards, stakeholders are all entities or natural persons who can “*reasonably be significantly affected by the activities, products, and services of the organisation or whose actions can reasonably affect the ability of the organisation to successfully implement*

*its strategies and achieve its objectives*”.

In line with this, we have established that our main stakeholders include LCA people (employees and professionals), students, clients, suppliers, institutions, the media, and the local communities in which we operate.



We hold relationships with our stakeholders in high regard.

LCA people are a fundamental resource for the success of our law firm. We foster an inclusive work environment that values differences and promotes a balance between professional and personal life, where each individual is offered the same opportunities for growth and well-being. We recognise the value and potential of university students, as young people are important stakeholders in our firm. We seek their involvement through various initiatives designed to further their education, professional development, and understanding of the dynamics of the legal field.

With regards to our clients, LCA is committed to providing high-quality legal services, with a par-

ticular focus on client satisfaction and ethical legal advice. We foster open communication to understand their needs and ensure our services meet their expectations.

We collaborate with our suppliers, prioritising those who care about and are committed to ensuring sustainability. We plan to adopt specific policies that allow us to assess and monitor our value chain based on sustainability in addition to ethical, environmental and social criteria.

With this report, as with the CSR reports we have published in the past, we wish to provide fully transparent information regarding our values, our governance, the measures we have adopted, and the actions we have undertaken, all in terms of sustainability and the three areas into which it is divided, namely environment, social concerns, and governance.



## 2.4

# The challenges of the future

With regards to the future and the challenges linked to it, LCA has identified three macro-issues worth examining. In the legal field specifically, we have to: (i) strengthen talent retention policies in order to address the crisis that the legal profession is currently facing (see *below*);

(ii) increase use of innovative technology, with a view to integrating AI-related skills in particular; (iii) promote greater understanding of ESG issues, exploring the risks and, above all, the opportunities that arise from them.

## 2.5

# Talent retention

The legal profession is undergoing a period of significant change. From the overview of the Italian legal profession provided recently in the VIII Censis report published by the Italian lawyers' national social security fund<sup>1</sup>, the clearest signs of change in the profession can be seen in the experience of full-service law firms. Among these, awareness of the importance of sharing skills emerges above all in relation to the increasingly complex and multifaceted demand for services in the legal field, which requires collaboration and the application of integrated, diversified skillsets. In addition to the rapidity of the change which the profession is experiencing is the fact that, while still maintaining a significant share, the large Italian law firms are nowadays facing increasingly intense competition from international firms. Amidst this, a negative trend is emerging.

The number of students enrolling for Law courses is declining, those joining the legal profes-

sion is decreasing, and the role of the lawyer is no longer perceived to be as prestigious as it was in the past<sup>2</sup>.

Talents certainly have a key role to play in addressing the complex situation faced by the legal profession today. Law firms need vision and innovation to survive and flourish, and this is especially clear in their relationships with young people. While in general it is essential to meet the demands of the professionals - who are the beating heart of the firms and as such must be encouraged and helped to grow - we need to change the way we approach our relationships with young people, making the legal profession attractive and rewarding once again. To uncover the many specific needs of the new generations, we need to provide a direct channel for feedback and communication. There are so many areas that could be explored, from work-life balance to remuneration and incentives to establish new practices, through to in-

<sup>1</sup> "REPORT ON THE LEGAL PROFESSION 2024. The pace of innovation and the recovery to consolidate", Italian lawyers' national social security fund, Censis, May 2024; [https://www.censis.it/sites/default/files/downloads/RAPPORTO%20AVVOCATURA\\_2024\\_0.pdf](https://www.censis.it/sites/default/files/downloads/RAPPORTO%20AVVOCATURA_2024_0.pdf)

<sup>2</sup> "Universities, Law course enrolments plummeted by a third over 10 years", Sole 24 Ore newspaper, 17 August 2023; [https://www.ilsole-24ore.com/art/universita-giurisprudenza-iscrizioni-crollate-un-terzo-10-anni-AFZQkHR?refresh\\_ce=1](https://www.ilsole-24ore.com/art/universita-giurisprudenza-iscrizioni-crollate-un-terzo-10-anni-AFZQkHR?refresh_ce=1). More specifically, according to a report published by Sole 24 Ore, enrolment on Law courses has fallen by over 30% over the last ten years. Alongside the critical situation in universities, the legal profession is also witnessing another significant trend: among the younger members of the field, it is mostly women who are leaving the legal profession, even though these numbers are partly offset by the clear female majority among new members, especially in the under-35 age groups.

volvement in relationships with clients and the possibility of gaining experience abroad. This aspect is also inextricably linked to the other two challenges we have identified for the future,

namely AI and, above all, ESG issues. Within the transition from a purely numerical economy to a more sustainable one lies the key to change for the intergenerationality of law firms.

## 2.6

# Technological innovation and AI

Artificial intelligence has become a part of everyday life in offices, schools, and universities, revolutionising established work and learning practices. With the arrival of generative AI, it often becomes difficult to distinguish between AI-generated and human content. This great innovative step also has an impact on human/machine communication barriers, which have been significantly lowered. All this brings with it potentially significant macroeconomic effects, and subsequently questions, doubts, and also opportunities.

With regards to the legal profession, the introduction of AI has raised numerous questions about how to make the best, most ethical use of it. Among those who practice the profession, opinions on the matter are divided.

In the 2023 Future Ready Lawyer Survey<sup>3</sup>, 73% said they plan to integrate GenAI into their legal work within the next year, and most of them seem ready to embrace this new technology with confidence<sup>4</sup>. In Italy, a recent survey by Italian lawyers' national social security fund<sup>5</sup> revealed that 58.7% see AI as an opportunity, but this majority is contrasted by a significant group (32.1%) who perceive AI as a threat, fear-

ing that it could undermine data security, lead to automated decisions taken in a non-specific way, as well as loss of jobs in the legal field<sup>6</sup>.

In view of this situation, in order to address the many challenges arising from AI, it is essential to establish rules and codes of ethics for its use. The European Commission for the Efficiency of Justice of the Council of Europe (CEPEJ) has adopted the first European Ethical Charter on the use of artificial intelligence in judicial systems, with the aim of defining ethical limits, integrating them with the principles of the Charter of Human Rights of the Council of Europe and the Council of Europe Convention on the Protection of Personal Data. As regards legal activities that are not considered high risk, such as document automation and contract management, legislation encourages the adoption of codes of conduct that include technical specifications and best practices. In this developing situation, AI is more than just a technological innovation; it is a catalyst for change that requires careful consideration and careful regulation to ensure that progress goes hand in hand with ethics and justice.

Human contribution remains the key point here,

<sup>3</sup> "2023 Future Ready Lawyer" survey, Wolters Kluwer, 8 November 2023; [Wolters Kluwer 2023 Future Ready Lawyer Survey | Wolters Kluwer](#)

<sup>4</sup> 68% feel ready for the impact of GenAI and 73% understand how to apply it in their work

<sup>5</sup> "Report on the legal profession 2024", Italian lawyers' national social security fund, May 2024; [Copertina Rapporto sull'avvocatura - 2024 \(2\)-STAMPA \(censis.it\)](#)

<sup>6</sup> "The Potentially Large Effects of Artificial Intelligence on Economic Growth", Goldman Sachs, March 27, 2023; <https://www.gspublishing.com/content/research/en/reports/2023/03/27/d64e052b-0f6e-45d7-967b-d7be35fabd16.html#> From the analysis of data on professional roles in the United States and Europe, it emerges that many current jobs are exposed to a certain degree of AI automation and that generative AI could replace up to a quarter of current U.S. jobs. Administrative and legal professions are particularly at risk, with 46% and 44% of jobs likely to be automated.

as while lawyers undoubtedly need to develop new digital and technology skills, their involve-

ment and their relationship with the client remains fundamental and irreplaceable.

## 2.7

### ESG issues

Sustainability is not only a moral imperative, it has become a key factor for the very survival of our economic system. Today, short-term individual gain is paired with the imperative to generate shared, long-term value, within a holistic approach that prioritises people and the environment at the heart of human activity. Sustainability and ESG (Environmental, Social, Governance) issues are therefore becoming an essential requirement for the legal profession as well. Law firms are being asked to provide specialist consulting, while internal legal departments in large companies are put under increasing pressure by stakeholders to meet reporting requirements and, in general, improve ESG performance.

Although according to recent studies<sup>7</sup>, over the last three years, most law firms have created dedicated ESG practices; however, both law firms and corporate legal departments still have a great deal to do to meet the growing demand for legal expertise and advice on the matter. The area becomes even more strategic if we consider that 50% of the lawyers interviewed stated that there would be an increase in demand for legal services on ESG matters. Finally, it should be emphasised that these issues not only involve multiple risks, which are increasingly gaining legal and financial significance, but also valuable opportunities that must be seized in order to ensure the competitiveness of law firms in the years to come.

<sup>7</sup> "2023 Future Ready Lawyer" survey, Wolters Kluwer, 8 November 2023; [Wolters Kluwer 2023 Future Ready Lawyer Survey | Wolters Kluwer](#). The survey includes the opinions of 700 lawyers from law firms, corporate legal departments, and business services companies in the United States, the Netherlands, Germany, France, Spain, Hungary, Italy, Poland, and Belgium.

## QUAL È IL PROGETTO LCA?

DOVE VOGLIAMO ARRIVARE E COSA CI ASPETTIAMO?

INVESTIRE PER  
MIGLIORARE LE  
CONDIZIONI DEL  
NOSTRO FUTURO

AVERE SEMPRE  
UNA VISIONE



TANTI PROGETTI  
IN UNO

CREARE  
EDUCATION,  
RETENTION,  
SOLIDARIETÀ E  
SOLIDITÀ

LCA

2018 È IL BUDGET DEL FCA



# Our sustainability strategy

**3.1** Methodology

**3.2** Reporting period and scope

**3.3** Our material topics

## 3.1

## Methodology

The aim of this report is to provide an overview of the approach adopted by LCA in relation to sustainability, in its broadest sense and then broken down into the three components of ESG, namely environment, social, and governance factors.

Although current regulatory requirements do not impose sustainability reporting obligations on LCA, intense focus on ESG issues has prompted the firm to hone its reporting techniques through thorough examination of the most up-to-date reference standards in the field. This investigation activity has enabled us to establish an accurate, analytical reporting method, which led to the decision to draft this document in line with the *GRI Sustainability Reporting Standards*, in the 2021 version (which came into force on 1 January 2023) and applying the "With reference to" reporting option.

Already in 2021, LCA had begun to collect data on its impact on environmental and, above all, social issues, merging the information collected in two documents, "Social Report 2022" (July 2021 – July 2022) and "Social Report 2023" (July 2022 – July 2023).

We decided to refresh the reporting method by applying a new strategy to describe the sustainability goals achieved during the period from

01.01.2023 to 31.12.2023 (2023 calendar year). *GRI Standards* played a fundamental role within this process; further principles were then added to these, in order to build a comprehensive reference framework. In particular, the analysis carried out also took into account the *Sustainability Development Goals* (also referred to as SDGs)<sup>8</sup> developed by the United Nations (UN).

The adoption of these standards represents a shift for LCA, which is aiming to prepare for (in the firm's case) voluntary reporting in a manner that aligns more closely with the new requirements introduced by the first set of *European Sustainability Reporting Standards* (also referred to as ESRS)<sup>9</sup> by the European Commission. In the years to come, the real challenge will lie in the ability to accurately identify the impacts, risks, and above all opportunities (including those of a financial nature) that are linked to sustainability.

This is a challenge that LCA intends to embrace and tackle using the technical and soft skills it is renowned for, creatively and innovatively.

For a long time, LCA has been committed to generating not only financial profit, but also advantages and wellbeing for the people and the environment it engages with on a daily basis, in

<sup>8</sup> In 2015, the 193 member countries of the United Nations (UN) implemented a shared sustainability vision known as Agenda 2030, setting out the Sustainable Development Goals (SDGs), namely 17 goals linked to sustainable development that are broken down into 169 operational sub-goals and more than 240 indicators. The Agenda forms the new universal reference framework for sustainable development. The 17 goals develop along the four axes on which the Agenda strategy focuses: social, economic, and environmental issues and law and governance. The document marks a turning point in history and a shift in thinking, to address economic, social, and environmental disparities in a universal, integrated manner.

<sup>9</sup> The ESRS set out the general requirements, methods, and disclosure requirements that companies must meet for sustainability reporting in compliance with Directive (EU) 2464 of 2022 (also referred to as the Corporate Sustainability Reporting Directive, or CSRD). These standards were developed by the European Financial Reporting Advisory Group (EFRAG) with the aim of standardising sustainability reporting at European and non-European level and consist of two general standards and ten topical standards relating to environmental, social, and governance matters. The first series of ESRS was adopted in July 2023; however, the adoption of the general standards for non-EU companies and of sector-specific standards has been put back to 2026.

the belief that this generates significant added value that can also lead to financial opportunities. Looking ahead, significant change will come from a new approach, involving more clearly defined methods and objectives to maximise the immense potential the firm has already demonstrated over the past twenty years.

#### Contact details

If you have any enquires about this document, please contact the LCA ESG Focus Team using the following email address:  
[sostenibilit @lcalex.it](mailto:sostenibilit @lcalex.it)

## 3.2

### Reporting period and scope

The reporting period covered by this document runs from 01.01.2023 to 31.12.2023 (2023 calendar year). More specifically, the report describes the sustainability goals achieved during

the 2023 calendar year by the Italian LCA offices in Milan, Rome, Genoa, and Roncade (TV).

## 3.3

### Our material topics

In accordance with GRI provisions, the sustainability report has been prepared following examination of the context in which LCA operates (see Chapter 2 - *The context in which we operate*). After obtaining an initial overview of the activities and business relationships as well as the stakeholders concerned by the firm's activities, we then identified its impacts on the economy, the environment, and people. This

enabled us to draw up a list of the issues that LCA considers "material", i.e. the most significant, when devising strategies and goals linked to ESG matters.

The table below shows the material topics identified, highlighting the connection with the topics suggested by the GRI and the Sustainable Development Goals (SDGs) dictated by the UN.

## Material Topics

## SDGs

## Indicators

### Sustainability strategy (cross-cutting issue)

GRI 3-1: Process to determine material topics

GRI 3-2: List of material topics

GRI 3-3: Management of material topics

### Environment



GRI 101: Biodiversity

GRI 301: Materials

GRI 302: Energy

GRI: 303: Water and Effluents

GRI: 305: Emissions

GRI 306: Waste

GRI 308: Supplier Environmental Assessment

### Social



GRI 401: Employment

GRI 404: Training and Education

GRI 405: Diversity and Equal Opportunity

GRI 413: Local Communities



## Material Topics

## SDGs

## Indicators

### Governance



GRI 2-1: Organisational details

GRI 2-2: Entities included in the organisation's sustainability reporting

GRI 2-3: Reporting period, frequency, and contact point

GRI 2-6: Activities, value chain and other business relationships

GRI 2-9: Governance structure and composition

GRI 2-10: Nomination and selection of the highest governance body

GRI 2-11: Chair of the highest governance body

GRI 2-12: Role of the highest governance body in overseeing the management of impacts

GRI 2-19: Remuneration policies

GRI 2-22: Statement on sustainable development strategy

GRI 2-27: Compliance with laws and regulations

GRI 2-28: Memberships of associations

GRI 205: Anti-corruption

GRI 418: Client data protection



# Area “E”

# Environment

- 4.1 Sustainable use of resources and a circular economy
- 4.2 Energy, water resources and consumption
- 4.3 Emissions and offsets
- 4.4 Value chain
- 4.5 Internal training

Environmental sustainability is an essential part of our business. Although we do not operate in a sector with a high environmental impact, we believe that everyone complying with sustainable policies is crucial to achieve the change our future needs.

That is why we decided to analyse the impact of

our activities in our offices and at work in general with the aim of changing our ways towards responsible conduct.

At the same time, the investigations will also help us to identify and adopt increasingly effective offsets.

## 4.1

# Sustainable use of resources and a circular economy

These are some of the actions we have adopted to encourage sustainable use of environmental resources and foster a circular economy:

## Printing, toner, and paper

We encourage moderate use of printing and prioritise storage of digital documents over paper copies. We use dedicated software, called Paper Cut, which keeps documents sent to print on hold until the person needing the printout actually goes to the printer to collect it. This software tracks printed documents in order to discourage unnecessary printing and charges the individual user for the cost of printouts made without specifying the firm's case file number.

We only purchase recycled printer toners and, at the end of the cycle, we send them back for re-use via a specific service provider.

We use recycled paper for printers and our notepads come from sustainable forestry sources. To reduce the impact of paper use during signing and closing, we use DocuSign. This world-leading software, designed specifically for the management of electronic signatures and digital agreements, allows companies to sign documents safely and quickly from any

online device, employing advanced security standards such as encryption and multifactor authentication, and is integrated with the main corporate platforms offered by Microsoft, Google, and Salesforce.

We are also cutting down on paper use by progressively increasing our use of electronic books, magazines, and journals instead of physical and digitising the firm's library.

We have signed the *Arbitration Green Pledge* to reduce the environmental impact of legal counsel activities in court and arbitration proceedings. The *Green Pledge* includes, among other things, a commitment to reduce paper use and digitise documents.

For more information on the firm's paper usage in 2023, see [Table 1 - black and white and colour prints](#) below. This data provided is a qualitative estimate, which has been prepared in order to assess the average impact of the firm's activities.



Table 1 - black and white and colour prints

Total printers	b/w prints per month	Colour prints per month	Total per year	Prints per person per year	Prints per person per day
16	89 406	41 816	1 574 664	6 561,1	29,8

Table 2

Parameter	Estimated number	Unit of measurement	Comments
A4 sheets	1 574 664	n	Total annual amount of prints.
Weight	~15,8	t	Total weight of printed paper in tonnes, considering an average weight of 10 g/sheet.
Volume	~9,82	m <sup>3</sup>	Volume calculated in cube meters, considering an average thickness of 0.1 mm per sheet and A4 surface measurements.
Energy consumption	~10 000	kWh/year	Estimated figure in kWh considering an average consumption of 6,35 kWh per 1000 sheets.
CO2 emissions	~2,2	tCO <sub>2</sub> eg/year	Calculated considering an average emission factor for paper production.
Number of trees	~43	n	Assuming that one tree produces approximately 36 000 A4 sheets.

## Plastic-free policy

We have adopted a plastic-free policy that involves banning use of plastic cups and cutlery in meeting rooms and the relaxation area, in addition to the provision of a metal water bottle to all our staff at LCA. To encourage the use of wa-

ter bottles and reduce the use of plastic bottles and the related waste production, three drinking water dispensers have also been installed, replacing all vending machines (for more on the use of water, see also *below*).

## Waste

Our waste is mostly general office waste. We separate waste not only centrally but also in every room, providing different containers for the separate collection of paper/plastic/non-recyclable waste, so that everyone disposes of their waste responsibly. As our building is classified for office use, we are not offered an organic waste option by the local waste collection service; nevertheless, we still separate our organic waste and ensure it is disposed of properly. We recycle coffee pods, through Nespresso's circular economy scheme, called "*Da chicco a chicco*" ("From bean to bean") here in Italy. On a regular basis, the firm takes its used pods to the nearest Nespresso collection centre, after which Nespresso sends them off for separation of the materials (aluminium and organic waste) and reuse. As regards waste electrical and electronic equipment (or WEEE, the only special waste that

the firm generates), we follow the procedure set out below to ensure all this waste is disposed of properly:

- 1 | if the supplier does not offer a collection service, we have staff who take this waste to the local council's waste collection centres once every quarter by pre-established deadlines;
- 2 | in the case of bulky WEEE or WEEE in category R1, we submit a request to the local waste collection service for collection of the items from the office (service offered free of charge in Milan);
- 3 | if the service provider does not offer a collection service, we have staff who take this waste to the local council's waste collection centres once every quarter by pre-established deadlines.

## 4.2

## Energy, water resources and consumption

LCA has long been implementing certain initiatives and taking measures to reduce energy consumption and consequently lessen the impact of our activity on environmental resources. These include:

- **Awareness raising:** LCA periodically reminds its people to systematically turn off the lighting, heating, and cooling systems whenever they leave their workstation and during office closing hours.
- **Lighting:** this is switched off by a centralised system in communal areas and energy-saving LED lamps have been installed in the building's newly refurbished areas
- **Other systems:** the heating and cooling system switches off automatically at night and is kept off during holidays.
- the LCA offices are located in strategic positions that are easily accessible and well positioned with respect to each city's main **public transport hubs**. This makes it easier to use public transport and, together with the adoption of smart working (see *below*, on p. 52) helps reduce traffic congestion and promotes an organisational culture that prioritises trust, accountability, and personal wellbeing.
- **Water use:** LCA involves solely standard office use, as water is not required for the firm's business activities. Drinking water at the Milan headquarters is taken directly from the building's water system and is stored inside the water stations located on the various floors of the building, which are equipped with a sterilisation system.

In 2023, a specific analysis process was begun to calculate the impact of our activity on the environment as part of broader corporate sustainability pathway.

The first stage of this journey involves a **qualitative assessment of the firm's environmen-**

**tal performance and an estimate of the total annual energy consumption of the buildings and the associated CO<sub>2</sub> emissions.** The aim of this first stage of activity is to identify areas for improvement and establish a long-term strategy in view of the future climate neutrality challenges that LCA aims to address.

The assessment examined (i) the features of the buildings occupied by LCA (size, year of construction, number of floors, type of windows, insulation levels, details of the HVAC system); (ii) consumption levels (electricity, water and gas) recorded in 2023; (iii) building occupancy; (iv) the main energy-consuming equipment, drawing up and inventory of these items, and (v) emissions, estimating those originating from employees commuting in addition to those generated by business operations from sources that are not directly owned or controlled by the organisation, such as the supply chain, and use or disposal of products.

Starting in 2025, LCA will be eligible to decide whether to adopt an ISO 14064-1:2018 Environmental Management System (EMS), which would focus on the quantification, reporting, and verification of direct greenhouse gas emissions (**Scope 1**), indirect emissions relating to energy consumption (**Scope 2**) and indirect emissions relating to the entire value chain (**Scope 3**).

### Milan office

For the Milan office, (i) electricity consumption was analysed based on the monthly bills issued by suppliers; (ii) gas consumption obtained from the building's energy performance certificate; and (iii) the average annual consumption attributable to energy-intensive equipment, all of which is broken down in the tables below.

## Electricity consumption

The average monthly electricity consumption at the Milan office, for 2023, was extrapolated from 55 (monthly and bimonthly) bills from four different suppliers.

The following figures emerged from the analysis:

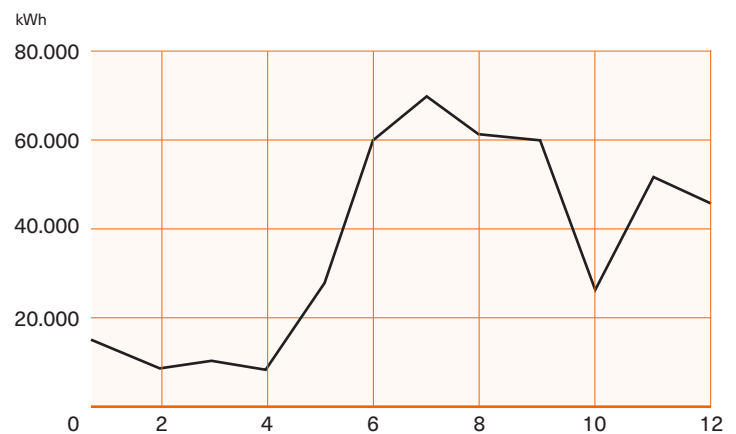
- i. Average monthly consumption: 36 855,80 kWh
- ii. Standard deviation: 23 440,12 kWh
- iii. Month in which consumption was lowest: April (7 762,94 kWh)
- iv. Month in which consumption was highest: July (69 456,00 kWh)
- v. Total annual consumption: 442 269,64 kWh

Table 3 – Monthly consumption, Milan

Month	KWh
1	14 970
2	8 611
3	9 709
4	7 763
5	27 569
6	59 566
7	69 456
8	61 753
9	59 320
10	26 486
11	51 198
12	45 869
<b>Total</b>	<b>442 269,64</b>

Table 4 – Consumption trend, Milan

### Electricity consumption, Milan office



Based on the bills submitted by suppliers and accounted for on a monthly basis, the total annual consumption that emerged was 442 269,64 kWh (Table 3).

As regards electricity consumption, Table 4 shows that consumption during the summer season (approximately May to September)

was almost three times higher than during the winter. The most significant variations (in the month of October, for example) may be due to discrepancies and/or adjustments reported in the bills and/or to the methods used by suppliers to calculate and issue bills (sometimes bimonthly, sometimes quarterly, etc.).

## Natural gas

The annual consumption of natural gas for heating, obtained based on the current energy per-

formance certificate for the building, amounts to: 5.5557,85 scm.

## Equipment

Annual electricity consumption (kWh/year) for equipment was calculated, on an inventory basis (column 1), by multiplying the number of devices (stated in the Quantity column) by the

nominal power in kW (obtained from the manufacturer's datasheet) by the daily usage time estimated internally and by the number of working days per year (220).

Table 5 – Equipment inventory, ITALY (Milan)

Inventory of energy-intensive equipment	Quantity [n]	Nominal power [kW]	Usage time* [h]	Annual energy [kWh/year]
Mini-PCs (meeting rooms)	21	1.06	4	19,589
Notebooks	280	0.322	8	13,552
Monitors	330	0.0159	8	9,235
Multifunction printers	13	1.85 2,4*	8 -	686*
TVs	16	0.08	4	1,126
Switches	15	0.345	24	45,333
Servers	3	0.46	24	12,089
NAS	6	0.3	24	15,768

\* based on TEC (Typical Electricity Consumption) over a period of one week and on a RICOH IM C6500 printer.

## Genoa office

For the Genoa office, (i) electricity consumption was analysed based on the monthly bills issued by suppliers; (ii) gas consumption obtained from the building's energy performance certifi-

cate; and (iii) the average annual consumption attributable to energy-intensive equipment, all of which is broken down in the tables below.

## Electricity consumption

From analysis of electricity consumption at the Genoa office for 2023, the following information emerged:

- i. Average monthly consumption: 1 642,08 kWh
- ii. Standard deviation: 519,11 kWh
- iii. Month in which consumption was lowest:

February (1 147,52 kWh)

- iv. Month in which consumption was highest: July and August (2 475,50 kWh)

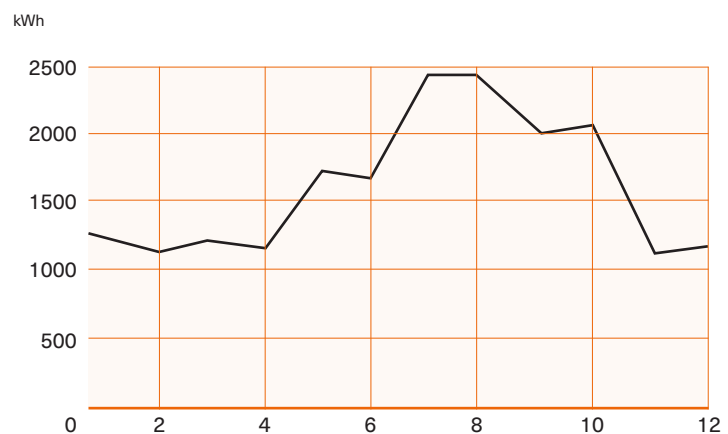
- v. Total annual consumption: 19 704,97 kWh

Table 6 – Monthly consumption, Genoa

Month	KWh
1	1 270
2	1 148
3	1 229
4	1 189
5	1 742
6	1 685
7	2 476
8	2 476
9	2 036
10	2 104
11	1 156
12	1 195
<b>Total</b>	<b>19 704,97</b>

Table 7 – Consumption trend, Genoa

### Electricity consumption, Genoa office





Based on the bills submitted by suppliers and accounted for on a monthly basis, the total annual consumption that emerged was 19 704,97 kWh (Table 6). As regards electricity consump-

tion, Table 7 shows that consumption during the summer season (approximately May to September) was almost three times higher than during the winter.

## Natural gas

Since consumption data is not available, the current energy performance certificate was used for the analysis. However, this document does not provide actual consumption data for the systems within the building, but simply the building's global energy performance index. No detailed data on the kinds of systems is provi-

ded either. For this reason, energy consumption for heating and hot water was estimated on the basis of average consumption for a building built in the same era as our building and with the same features. The estimated figure is: 3,879.81 scm.

## Equipment

Annual electricity consumption (kWh/year) for equipment was calculated, on an inventory basis (column 1), by multiplying the number of devices (stated in the Quantity column) by the

nominal power in kW (obtained from the manufacturer's datasheet) by the daily usage time estimated internally and by the number of working days per year (220).

Table 8 – Equipment inventory, ITALY (Genoa)

Inventory of energy-intensive equipment	Quantity [n]	Nominal power [kW]	Usage time* [h]	Annual energy [kWh/year]
Mini-PCs (meeting rooms)	2	1.06	4	1,866
Notebooks	24	0.065	8	2,746
Monitors	34	0.0159	8	951
Multifunction printers	2	1.85 2,4*	8 -	106*
TVs	3	0.08	4	211
Switches	2	0.345	24	3,643

\* based on TEC (Typical Electricity Consumption) over a period of one week and on a RICOH IM C6500 printer.

## Rome office

For the Rome office, as (i) electricity and gas are included in the rent and so there are no bills available, the information was extrapolated using the building's energy performance certifi-

cate; while (ii) the average annual consumption attributable to energy-intensive equipment is described in more detail below.

## Electricity consumption

Annual electricity consumption for the Rome office was determined based on LCA imported electricity data. As energy purchase invoices were unavailable, the quantification of con-

sumption was derived from the current Energy Performance Certificate and amounted to 6 015,00 kWh.

## Natural gas

Since there are no bills from the energy carrier, consumption was quantified using the current

energy performance certificate and it amounts to: 10,106.00 scm.

## Equipment

Annual electricity consumption (kWh/year) for equipment was calculated, on an inventory basis (column 1), by multiplying the number of devices (stated in the Quantity column) by the

nominal power in kW (obtained from the manufacturer's datasheet) by the daily usage time estimated internally and by the number of working days per year (220).

Table 9 – Equipment inventory, ITALY (Rome)

Inventory of energy-intensive equipment	Quantity [n]	Nominal power [kW]	Usage time* [h]	Annual energy [kWh/year]
Mini-PCs (meeting rooms)	1	1.06	4	933
Notebooks	24	0.065	8	2,746
Monitors	26	0.0159	8	728
Multifunction printers	1	1.85 2,4*	8 -	53
TVs	3	0.08	4	211
Switches	2	0.345	24	3,643

\* based on TEC (Typical Electricity Consumption) over a period of one week and on a RICOH IM C6500 printer.

## 4.3

## Emissions and offsets

a | "CO<sub>2</sub> footprint analysis" "identification of emission factors" "CO<sub>2</sub> emissions estimate"

LCA conducted an initial qualitative quantification of greenhouse gas (GHG) emissions relating to the activities carried out directly by the firm during the 2023 calendar year.

The method used to quantify greenhouse gas emissions and absorptions is based on the calculation of GHG emissions generated from the data collected by LCA (and processed by an external company) and the impact assessment was drawn up by characterising greenhouse gases according to their global warming potential (GWP) in order to obtain carbon dioxide equivalent (CO<sub>2</sub>e) emissions.

The calculations are therefore detailed and divided into macro-categories<sup>10</sup> (then broken down according to the Scope number) as follows:

## SCOPE 1

- Category 1: Direct GHG emissions that occur from sources that are controlled or owned by an organisation.

## SCOPE 2

- Category 2: Indirect GHG emissions from imported electricity.

## SCOPE 3

- Category 3: Indirect GHG emissions from transportation outside the organisation relating to fuel combustion. This includes transportation of both goods and people.
- Category 4: Indirect GHG emissions from products used by the organisation during the product life cycle.
- Category 6: Indirect emissions from other sources not included in the previous categories.

The analysis involved the three Italian LCA sites with a permanent establishment, i.e. Milan, Rome, and Genoa.

## Direct GHG emissions that occur from sources that are controlled or owned by an organisation (SCOPE 1)

This category includes direct GHG emissions from installations within the organisation.

## Natural gas fuel

The analysis considered emissions from stationary combustion of natural gas at LCA's Milan, Genoa, and Rome offices.

Consumption was quantified using the current energy performance certificate or, in the absence of sufficient data, was estimated on the basis of an average consumption of a building built

around the same time and having the same features (for more details on natural gas consumption per site see *above* in section 4.2).

To calculate emissions, in order to obtain a t/CO<sub>2</sub>e value, we used the coefficients stated in the table of national standard parameters used for the inventory of CO<sub>2</sub> emissions in the UN-FCCC national inventory, valid for the year 2023

<sup>10</sup> Category 5 (which concerns indirect GHG emissions originating from the use of the product/service produced by the organisation) was not analysed due to the type of service provided by the organisation.

as regards the FDE t/CO<sub>2</sub>/Std value, and the DEFRA values as regards of CH<sub>4</sub> and N<sub>2</sub>O emissions per unit of mass<sup>11</sup>.

The **tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) emis-**

**sions** per site are as follows:

- for the **Milan office: 111.56 tCO<sub>2</sub>e**
- for the **Genoa office: 7.79 tCO<sub>2</sub>e**
- for the **Rome office: 20.29 tCO<sub>2</sub>e**

## Other emissions from combustion factors

None of the three LCA sites have the following:

- emissions originating from the consumption of fuel for company vehicles (petrol, diesel, or hybrid).
- emissions originating from the consumption of diesel fuel for generators.
- electrical substations with SF6 switchgear, therefore this specific source was not taken into consideration.

## Fugitive emissions

During 2023, testing carried out on the air conditioning equipment at the Milan and Genoa sites (as shown by the F-gas servicing reports)

did not reveal any leaks. For the Rome site, there is no evidence of fugitive emissions.

## Indirect GHG emissions from imported electricity (SCOPE 2)

This category includes GHG emissions due to the production of imported electricity. The calculation excludes upstream emissions (from the source to the power plant) associated with fuel, network losses due to the transport and di-

tribution of electricity, and the construction of infrastructure.

In relation to the above, there are no SF6 losses.

## Consumption of imported electricity by the organisation

The following imported electricity consumption data was taken from bills issued by the energy provider for 2023:

- for the Milan office: 442,269.64 kWh
- for the Genoa office: 19,704.97 kWh
- for the Rome office: 6,015.00 kWh (energy performance certificate used as no energy bills are available).

There are no self-produced energy sources.

To calculate emissions, in order to obtain tCO<sub>2</sub>e emissions, a location-based approach was employed, utilising updated data provided by ISPRA.

The **tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) emissions** for imported electricity per site are as follows:

- for the **Milan office: 105.35 tCO<sub>2</sub>e**
- for the **Genoa office: 4.69 tCO<sub>2</sub>e**
- for the **Rome office: 1.43 tCO<sub>2</sub>e**

<sup>11</sup> 1 scm (standard cubic metre) of natural gas contains 1.9 kg of CO<sub>2</sub>.



## Indirect GHG emissions from transportation outside the organisation mainly relating to fuel combustion (SCOPE 3)

This category includes the transportation of both goods and people, and emissions are broken down into indirect emissions originating from the transportation of employees for home/work journeys and for firm/client journeys, and well-to-tank (WTT) fuel emissions upstream.

### Indirect emissions from staff transport

The input data was extrapolated from a survey conducted by LCA in 2024 answered by 59.7% of resources. The same data was re-parameterised, proportionally, according to 2023 employment data in order to obtain an estimate of the indirect emissions produced by LCA from the transport of associates and staff in 2023.

The analysis concerned the three Italian offices and included references to the type of vehicle used for transport, distance travelled frequency of work in person at the firm, and travel to clients or public offices. The following data emerged:

- For the **Milan** office, overall emissions for workers' transport amount to **25.03 tCO<sub>2</sub>e**
- For the **Genoa** office, overall emissions for workers' transport amount to **2.61 tCO<sub>2</sub>e**
- For the **Rome** office, overall emissions for workers' transport amount to **2.42 tCO<sub>2</sub>e**.

With reference to the use of motor vehicles,

given that there is no exact data regarding the types of vehicles used, the emission impact calculation was performed using the average emission factor for the car category.

With regards to local transport, average fuel-derived emissions (FDE) for local buses were used, while for the public transport category consisting of trains/metros/trams, a more conservative FDE was taken into consideration.

The calculation of indirect emissions also included greenhouse gas (GHG) emissions throughout the life cycle (including fuel or energy production) and not just direct/indirect emissions caused by the use of the vehicle, which are shown in the calculation as the Well-to-tank (WTT) emissions.

## Indirect GHG emissions from products used by the organisation during the product life cycle (SCOPE 3)

For this category, emissions were quantified on the basis of the financial balance sheet data relating to the goods and services purchased by LCA during 2023. The calculation is conducted on the basis of a classification of individual products and services in uniform product categories to which an environmental impact coefficient is conventionally applied.

The data was analysed in aggregate form on the basis of all purchases made and services received by LCA in 2023 for the three relevant locations and on the basis of the calculation coefficients applied, and the emission impact linked to this category amounts to 1,325.59 tCO<sub>2</sub>e.

This category also includes upstream fuel emissions, linked to the environmental impact of the use of energy vectors for the transportation of goods and products and/or the provision of services. This component, which is referred to as Well-to-tank (WTT), is calculated in relation to the energy vectors (electricity and natural gas) excluding those concerning means of transport (due to the lack of details on the type of means of transport used and their consumption data) amounted to:

- for the **Milan office**: **3.63 tCO<sub>2</sub>e**
- for the **Genoa office**: **0.21 tCO<sub>2</sub>e**
- for the **Rome office**: **0.36 tCO<sub>2</sub>e**

## Indirect emissions from other sources: agile working (SCOPE 3)

This category includes direct emissions originating from sources other than those already examined and in this case (i.e. with specific reference to the branch of business carried out by LCA and the characteristics of the work activity) the data refers to emissions originating from the performance of smart working / agile working / remote working by LCA's employees and associates.

Emissions originating from agile working were calculated by applying the DeFRA coefficients

to the results of the voluntary internal analysis conducted autonomously by LCA on its staff and associates, with reference to the average amount of time spent by each resource working remotely.

The emissions calculated employing this method resulted in the following data:

- for the **Milan office: 2.34 tCO<sub>2</sub>e**
- for the **Genoa office: 0.09 tCO<sub>2</sub>e**
- for the **Rome office: 0.12 tCO<sub>2</sub>e**

## Total LCA emissions - 2023 (SCOPE 1, SCOPE 2, SCOPE 3)

On the basis of the data analysed, in relation to the GHG protocol standards, the overall emissions of the firm LCA and business conducted in 2023, broken down by office and by corporate scope (Scope 1 and Scope 2), in addition to by value chain (value chain – Scope 3) as per the aforesaid protocol, amounted as follows:

- for the **Milan office: a total of 1,573.50 tonnes of CO<sub>2</sub>**, broken down as follows:
  - scope 1: **111,56 tCO<sub>2</sub>e**;
  - scope 2: **105,35 tCO<sub>2</sub>e**;
  - scope 3: **1.356,59 tCO<sub>2</sub>e**
- for the **Genoa office: a total of 15,39 tonnes of CO<sub>2</sub>**, broken down as follows:

**nes of CO<sub>2</sub>**, broken down as follows:

- scope 1: **7,79 tCO<sub>2</sub>e**;
- scope 2: **4,69 tCO<sub>2</sub>e**;
- scope 3: **2,91 tCO<sub>2</sub>e**

- for the **Rome office: a total of 24.62 tonnes of CO<sub>2</sub>**, broken down as follows:
  - scope 1: **20,29 tCO<sub>2</sub>e**;
  - scope 2: **1,43 tCO<sub>2</sub>e**;
  - scope 3: **2,90 tCO<sub>2</sub>e**

**The overall impact of LCA's business in 2023 therefore amounted to 1,613.51 tonnes of CO<sub>2</sub> (tCO<sub>2</sub>e).**

## b | Offsets already implemented

### Orchard and biodiversity

In the summer of 2021, LCA planted 260 trees (three kinds: apricot, almond, and cherry trees) on a plot of land measuring over 4,000 m<sup>2</sup> located in Trecella, a rural area outside the town of Pozzuolo Martesana, to the east of Milan. The LCA orchard combines qualities such as solidarity and social responsibility for which the firm has always been renowned.

The aim, first and foremost, is to give back to the planet, returning the resources we take from it while also offsetting the CO<sub>2</sub> emissions generated by our work every day; secondly, we wanted to enhance a rural area located just a stone's throw from Milan.

We are aware that there is a symbiotic link between loss of biodiversity and climate chan-

ge and we are doing everything we can to support nature-based solutions. We want to make a contribution towards a future in which climate action, environmental sustainability, and the protection of biodiversity are integrated into a unified, cohesive vision. The creation of the LCA orchard is part of a wider project, put in place by local farms and businesses, to enhance the rural area and the supply chain, thereby strengthening the relationship between agriculture, agri-food products, and tourism.

To calculate the environmental impact of the LCA orchard, a study of the CO<sub>2</sub>e absorption capacity of the 260 trees planted was commissioned.

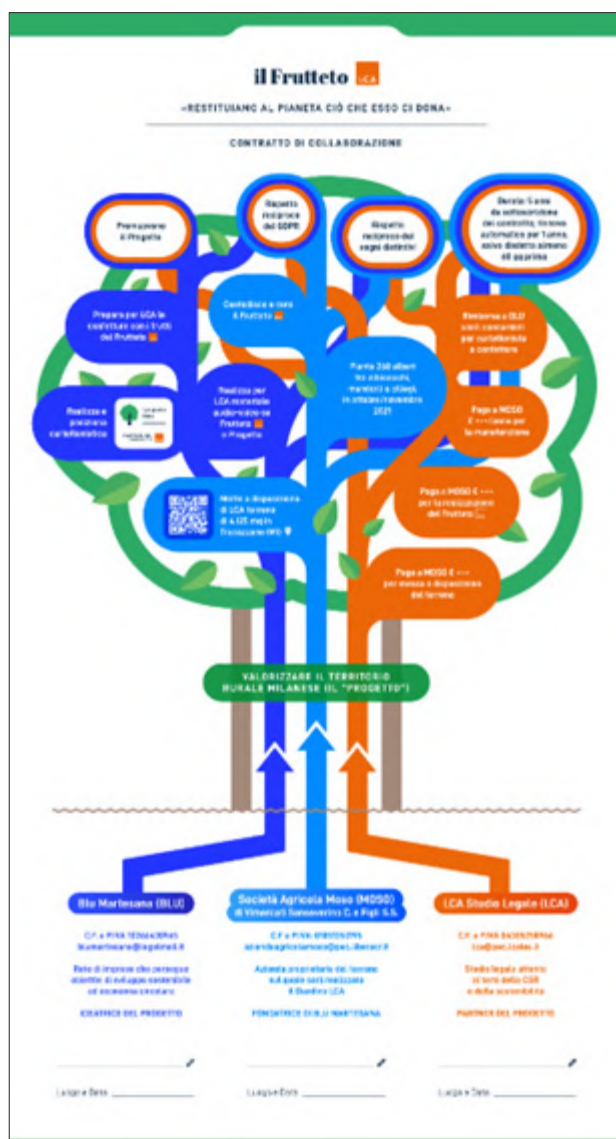
The study revealed a uniform CO<sub>2</sub>e absorption capacity, which amounted to 0.5 kg per tree in in

the first year and 3 kg per tree per year in the second and third years.

Based on this data, the total CO<sub>2</sub>e absorption of the trees in the LCA orchard over the course of the years was as follows:

- first year: 260 trees x 0.5 kg/tree = 130 kg of CO<sub>2</sub>e
- second year: 260 trees x 3 kg/tree = 780 kg of CO<sub>2</sub>e
- third year: 260 trees x 3 kg/tree = 780 kg of CO<sub>2</sub>e

Therefore, the total **CO<sub>2</sub>e absorption capacity** of the **260 trees over the three years** is estimated at **1,690 kg (1.69 tonnes)**.



## Business cards

We have introduced new business cards made of 'Sicoeco' (biodegradable and recyclable PVC) and completely digital business cards (fe-

aturing NFC and QR code technology), which correspond to 254 trees planted and a CO2 offset of 12,700 kg.



Figure: Tree-Nation certificate detailing the number of trees planted (254) and the amount of CO2 offset (12,700 kg).

## Green mobility

We have acquired two hybrid cars, which we have made available to the firm's associates, staff, and partners.

We have also signed an agreement with a car sharing service, which we encourage all LCA people to use for their transport needs.

We aim to keep travel down to a minimum, in order to reduce fossil fuel carbon emissions. A detailed analysis of mobility is underway in order to identify the impact of transport and measures to reduce it.

## 4.4

## Value chain

Our purchasing department selects suppliers that uphold the same sustainability values as LCA (green supply chain) with a view to implementing anti-waste measures, reducing stock and waste, and making costs more efficient. Among the suppliers, of particular interest is the agreement with Foorban, which offers inno-

vative solutions for lunches at work that guarantee a balanced diet with a pre-booking service.

In order to improve the selection and assessment of its suppliers, LCA administers questionnaires on their sustainability policies and requires that they adopt a code of conduct.



## 4.5

## Internal training

We have organised several training meetings during which the entire firm was shown how to dispose of the different kinds of waste properly. We have also launched a series of internal meetings on the legal horizons of sustainability, attended by university professors and leading members of the Italian legal profession.

The topics examined during these sessions with experts included: CSR and social reports, liability of entities pursuant to Italian Legislative Decree no. 231/2001, and the role of the State as guarantor of legality.

The Sustainability Working Group has promoted the organisation of **periodic internal training**

**meetings** held by industry experts for LCA professionals and staff (some of which are also opens to the public). The issues explored include (i) sustainability reports; (ii) corporate social responsibility; (iii) environmental crimes and liability of entities pursuant to Italian Legislative Decree n.231/2001; (iv) a comparison of public benefit corporations and B-corps; and (v) the right to disconnect, during Milan Digital Week.

During 2023, a large part of the internal and professional training on sustainability focused on issues such as equal opportunities, inclusion, and the principles of non-discrimination (see also Chapter 5 "*Area "S" Social*", paragraph e. "*Diversity and equal opportunities*").







# Area “S”

## Social

- 5.1 People
- 5.2 Resource management
- 5.3 Diversity and equal opportunities
- 5.4 Culture, training, and opportunities for sharing
- 5.5 Memberships in associations
- 5.6 Social impact and the involvement of local communities



The "Social" area within ESG strategies represents a key element of corporate sustainability. It focuses on the wellbeing of people, communities, and various stakeholders and requires the development of inclusive policies and welfare tools that go beyond simple profit, fostering a lasting positive impact on the social context in which companies operate.

Through investments that include areas such

as gender equality and inclusion, professional growth, health, support for families as well as charitable and cultural initiatives, LCA contributes not only to improving the quality of life but also strengthening the bond of trust with its stakeholders. This approach allows us to address emerging social challenges by creating effective services and consolidating transparent and responsible governance that caters to people's real needs.

## 5.1 People

LCA believes in a culture based on respect, promotion of people's potential, and diversity of all possible kinds, be it of origin, social, religious, political ideas, gender, age, psychophysical abilities, personal identity, and sexual orientation.

At LCA our commitment to fostering people's worth is embodied by our human resources development and management strategy, which promotes an inclusive culture to encourage pe-

ople to join us and enhances their professional growth through guaranteed equal opportunities and concrete actions. For this reason, the firm has adopted - in an entirely voluntary manner - an internal policy that sets out purposes, strategies, and best practices to encourage a collaborative, supportive work environment that is open to contributions from all (professionals and office staff), regardless of diversities of any form.



	Total people by gender	%
F	155	56
M	123	44
<b>Total</b>	<b>278</b>	<b>100</b>

	Total people by BS/professionals	%
Business Service	52	19
Professional	226	81
<b>Total</b>	<b>278</b>	<b>100</b>

	Total people by BS/professionals and gender	%
Business Service	52	100
F	37	71
M	15	29
Professional	226	100
F	118	52
M	108	48
<b>Total</b>	<b>278</b>	

Resources that report directly to the senior management						
	equity partners	partners	counsel	direct reports	total	%
F	8	5	9	5	27	33
M	33	12	4	5	54	67
<b>Total</b>	<b>41</b>	<b>17</b>	<b>13</b>	<b>10</b>	<b>81</b>	

Resources with delegation of authority subject to a budget		
	Number of resources	%
F	15	45
M	18	55
<b>Total</b>	<b>33</b>	<b>100</b>

Total managers and percentage by gender			
Total department managers	17	Total staff/unit managers	9
% Women	24	% Women	56
% Men	76	% Men	44

## 5.2

# Resource management

## HR policies

In order to create an inclusive, respectful work environment, we have adopted specific internal policies and procedures that govern recruitment and onboarding, training and professional growth, pay equity and role changes, and also parenting and work-life balance.

We also believe that a constructive approach that values the diversity of every individual must be implemented in our daily actions, not just our words. For this reason, LCA's resource management is based on the principle of

equality and equal opportunities; our strategy is to foster the development of our people and their management through concrete actions to ensure (i) the development of professional relationships, at all levels of the organisation, based on transparency, respect, and mutual trust; (ii) the prevention of any form of discrimination and the promotion of the potential of all resources; and (iii) the firm's professional growth and generational development according to equal opportunities principles.

## Recruiting, onboarding, and job rotation

During the recruitment stage we aim to ensure neutrality and objectivity in the selection of new resources, on the basis of the following pillars:

- i. job offers worded to include all genders;
- ii. rules for the conduction of interviews that prohibit questions about the candidate's personal life and/or gender identity;
- iii. onboarding including an introduction and explanation of LCA's policies;
- iv. retention and internal mobility.

In particular, in order to guarantee a recruitment system based on objective, non-discriminatory criteria, the HR department has implemented a specific recruiting policy that provides for the use of **broad language** when drafting employment ads for both office staff and professionals. Alongside this, a procedure has been introduced for screening CVs and interviews, including a **handbook** containing questions which are useful for interviews and areas which are not relevant in order to establish whether the candidate has the necessary skills and suitability for the role to be filled (e.g. questions of a personal nature, relating to the candidate's private life or personal choices, membership of political

parties and associations, questions about their gender identity, sexual orientation, etc).

Recruitment is handled with total transparency, with every step of the process centralised, through the HR department and the head of recruiting, and ensuring a system that is entirely devoid of any form of discrimination or prejudice. The candidates and their CVs are only examined in relation to their work experience and their educational background. An excellent academic CV (degree or diploma qualifications and grades), experience abroad, and knowledge of foreign languages are prioritised, in addition to actual possession of the specific skills required for the position. We also consider whether the candidate shares LCA's core values and ethos.

At the end of the selection process, the HR department meets with all those involved in the process and proposes an offer of employment which is in line with the market and the current situation within the firm to ensure balance.

If the proposal is accepted, the HR department then completes all the necessary formalities (formalisation of the offer, preparation of the employment agreement, any equipment that



must be provided) and assists the incoming member throughout their gradual integration into the firm, providing dedicated onboarding activities and specific training.

LCA is particularly sensitive and attentive to the needs of internal resources that are already under contract, in order to promote **job rotation** and actions in line with the principles of **internal mobility**. Interdepartmental mobility, in

particular, is encouraged on the basis of equal rights and inclusivity, with the primary objective being to promote retention among our professionals, accommodating their requests and endeavouring to work together to build career paths based on their skills, abilities, prospects, and their general goals. For this reason, all vacancies are publicised through both external and internal communication channels at the same time, via our Square platform (see *below*).

## Origin and reduction of geographical divides

Testament to the principle of inclusion and non-discrimination in the management of new LCA resources also lies in the neutrality of the selection in terms of geographic or social origin.

The firm has an active partnership with the major Italian universities. We participate in their career days and promote the introduction of curricular and extracurricular internships (or early practice schemes) in order to bring students, from all over Italy and beyond, into the world of law firms and encourage continuation of relationships after completion of their learning and training.

Our people come from a wide range of universities, including Bari, Bologna, Brescia, Catania, Como (Uninsubria), Siena, Pisa, Milan (Cattoli-

ca, Bocconi, Milan University, and Bicocca), Genoa, Perugia, Padua, Varese, Rome (Luiss, Tor Vergata and Rome III), Florence, Pavia, Naples, Macerata, Turin, and Trento.

The firm's initiatives to promote the recruitment of foreign professionals include the ASLA projects (see *below*, on p. 66) which encourage female students of African origin to join firms in the network, and the establishment of international desks (such as the German, French and Chinese desks) with the presence of resources from the respective nationalities.

Within the firm, female staff members or associates who have lawyers as parents are in the minority (less than 10%).

## Coaching, feedback, and career development

Over the years, we have established partnerships with certain external consultants to encourage growth among our people through individual coaching pathways. In addition to this, as of 2023, the firm - coordinated by the HR department - began organising additional training courses, with a view to fostering growth among resources demonstrating exceptional merit (associates and partners). The project is part of a broader programme of individual development pathways. The idea is that every professional can achieve personal and professional fulfilment through their position at LCA. This process involves them identifying their goals and prospects each year, taking into account

the work they do and the areas in which they intend to improve, and then interfacing with the relevant managers and the HR department on a regular basis to discuss their progress.

In addition to the coaching pathways, the HR department, working in agreement with the Strategic Committee, has devised a professional growth and development plan based on transparent career advancement and fair pay policies, as well as performance assessment mechanisms based on neutral, objective criteria.

The aim of the new **career development plan** (implemented since 2023) is to guarantee im-

partiality in assessments in terms of gender equality, ageing, and social bias, in addition to standardised professional growth pathways within the firm regardless of the area in which a person works. The goal is to increase career opportunities, ensuring ever greater gender balance in positions of responsibility within of our firm's highly articulated framework.

In particular, the new career plan formulated by the HR department sets out, clearly and transparently, the roles of LCA professionals, describing the hard and soft skills required for these roles and the objective, measurable targets assigned annually to each resource.

## Work-life balance

Nowadays, the attractiveness of a company, and likewise a professional firm, is strongly linked to its ability to offer a good balance between private life and working life, especially for younger generations, who see it as an essential requirement. In a world where time is increasingly precious, this aspect concerns not only contractual negotiations but also internal success

## Hybrid work

The pandemic and the consequent need to work remotely has led to the hybrid work that had already begun within the firm increasingly significant. Assisted by external consultants - who helped us assess the real and different needs of both our professionals and business service staff - as well as a series of internal surveys, we have effectively implemented a hybrid work policy that allows resources to alternate between days of in-person work with days of remote work, compatibly with the needs of the firm, clients, and staff.

More specifically, the hybrid work plan allows the firm's associates to work remotely (except in special cases) two days a week, in line with freelance work principles.

Since 2022, an agile work plan has also been

This way, the figures that show that advancement in roles and promotions (within the law firm and the business services) is growing are consistent with both the resources' and the firm's vision, and are gender neutral. For example, in the last year, 80% of staff promotions involved women.

In terms of financial conditions, the identification of specific job roles with indicative ranges of fixed and variable pay components is enabling us to gradually close the gender pay gap. For example, for trainees and associates, the 2023 gender pay gap was below the 3% threshold.

and efficiency. Adopting policies that reconcile these two realms allows organisations to create a positive work environment that is beneficial for everyone: it improves the wellbeing of resources, encourages better management of professional and personal responsibilities, promotes gender equality, helps reduce absenteeism, and increases productivity.

implemented for the staff in compliance with articles 18 et seq. of Italian Law n. 81/2017. The plan includes entry into individual agile work agreements that provide for the following:

- for the office staff, remote work one day a week, with the exception of the first six months of employment and except in the event of special needs that may require specific authorisation;
- for reception and general services resources, remote work one day per month or only in exceptional cases as their duties are not compatible with remote working.

The idea behind hybrid and agile working policies is to offer employees and associates greater flexibility, improving their work-life balance,

increasing productivity by reducing travel times, and promoting the reconciliation of perso-

## Parenting

LCA supports professionals and employees who have children and protects their rights as parents.

With this in mind, the firm provides paid **maternity leave**, during which time associates can dedicate themselves to caring for new babies or any new child who may have joined their family. All professionals, whether trainees, associates, or partners are entitled to maternity leave, regardless of their duties, department, age, or any other aspect, and this includes:

- i. five months of leave to be used after the birth or the arrival of the new child in the family (in the case of adoption or pre-adoptive foster care);
- ii. eligibility for full-time smart working for the period prior to the birth or (in cases of necessity) the child joining in the family;
- iii. an extra payment (made by LCA) to top up the maternity pay provided by the Italian lawyers' national social security fund, so that the associate receives full pay throughout the maternity leave;
- iv. guaranteed compliance with all safeguards regarding absences before and during maternity leave;
- v. maintenance of the same salary level and the same role held prior to maternity leave; and
- vi. entitlement to the variable pay component envisaged in the resource's contract.

LCA is also particularly attentive to the distribution of caring duties between men and women within families and believes that achieving balance in this area, also from a financial perspective, is essential to reduce the gender gap and to foster career development among professional women. In line with this, a **paternity policy** is also currently pending approval, which will introduce a period of leave for the firm's male professionals based on legal provisions

nal needs with work commitments.

governing paternity leave for employees.

With regards to employees, LCA complies strictly with legislation in force concerning the protection and support of maternity and paternity and - in addition to the periods of leave required by law - the firm also allows employees to request and obtain, in coordination with the department they belong to and in agreement with the HR department and the general manager, a temporary extension of the use of remote working days with respect to the provisions of any individual agreements signed by the employees.

Additionally, certain maternity and paternity **benefits** are guaranteed, such as gift vouchers for a new baby or child joining a family, the "bring your child to work" scheme, and various arrangements, including assistance for purchases of school supplies and stationery, an agreement with a medical centre for medical tests and consultant and radiology services (also available to first-degree relatives) and other benefits under the "family feelings" scheme.



## Interculturality and generational sharing

The firm acknowledges the importance of intercultural integration and what diverse experiences can offer in terms of people, society, and professional expertise. For this reason, LCA fosters an intercultural vision and openness to multilevel dialogue based on organisational and social cooperation. The goal is to bring together people with different cultures to support innovation, accelerate growth, and promote an intersectional approach to problems, transparently conveying the diversity and multiple perspectives inherent to this model.

The firm has a much higher number of partners aged under fifty (56%) than average in

Italy, especially given the "ageing" of the profession<sup>12</sup> in general. In consideration of the different generations that coexist within the organisation and the demographic prospects linked to professional turnover, LCA implements policies designed to promote intergenerational dialogue.

Attention is focused not only on the age and length of experience of our professionals and staff, but also on the search for effective ways to further their development that encourage the crossover of diverse social, cultural, and work experiences, as well as the different soft and hard skills and competencies (such as digital skills) typical of each generation.



<sup>12</sup> The average age of lawyers registered with the Italian lawyers' national social security fund rose from 42.3 to 48.3 from 2002 to 2023. REPORT ON THE LEGAL PROFESSION 2024. The pace of innovation and the recovery to consolidate", Italian lawyers' national social security fund, Censis, May 2024; [https://www.censis.it/sites/default/files/downloads/RAPPORTO%20AVVOCATURA\\_2024\\_0.pdf](https://www.censis.it/sites/default/files/downloads/RAPPORTO%20AVVOCATURA_2024_0.pdf)





## The central role of young people in LCA's growth

We believe in the potential of young people. Over the years, we have guided them through their personal and professional growth and careers, steering them towards appropriate pathways in the world of business and education. We love to talk about how some of the firm practices, such as corporate immigration, gaming and esports, prize competitions, and the Law and Sustainability guide, stemmed from the individual initiative of various young people of merit. We always endeavour to involve our younger members in all the firm's projects,

assigning them increasing responsibilities to make them as independent as possible from the outset. It is also why we try to make them work, where possible, with a large number of different partners, so that they can be exposed to different types of cases and approaches right from the start.

There is also the LCA Young People working group, which is made up of professionals who organise a yearly meeting at which the young people in our firm can discuss topics of common interest and expand their network.

### 5.3

## Diversity and equal opportunities

Here at LCA, we appreciate that each resource brings with them experience, sensitivities, and skills, not only concerning the professional field but also personal attributes and aptitudes, which are all diverse and unique. **Valuing these unique qualities** is the groundwork for the

construction of an inclusive workplace and one of LCA's strengths. This is in line with article 5 of the firm's Articles of Association, which sets out the commitment to "*promote diversity in all its forms without distinction, be it of origin, social, religious, of political ideas, gender, or age,*



*of psychophysical abilities, identity, or sexual orientation, recognising the value of each person's contribution to their department, to operations, and to decision-making". To date, LCA has earned a reputation within the legal landscape as a cutting-edge firm in terms of resource management and the promotion of equal growth opportunities for all, including the firm's*

## Gender equality

In July 2022, LCA was the **first law firm** in Italy to obtain **gender equality certification** in accordance with Italian Reference Practice UNI/PdR 125:2022 and became a pioneer not only in the application of equality principles in the world of law firms, but also among consultancies on diversity and inclusion.

**Gender equality certification** is a measure that was introduced by Italian Law 162/2021 as part of the Italian government's National Recovery and Resilience Plan. The aim is to provide concrete tools for assessing, measuring, and quantifying the internal mechanisms put in place by organisations to ensure real equality and equity between the two genders, in terms of culture and learning opportunities, representation and pay, and, finally, work-life balance.

In 2023, LCA successfully completed the first monitoring period, one year after obtaining certification. Certification and continuous improvement aligned with the firm's strategic plan were made possible through the active engagement

of professionals and its employees. This is because LCA believes in a culture based on respect, promotion of people's potential, and diversity of all possible kinds. We also believe that a constructive approach that values the diversity of each individual must be implemented in everyday actions and not just words.

of the entire organisation— including management, the HR department, and marketing. This collective effort facilitated the implementation of exemplary initiatives and processes designed to effectively ensure transparency, efficiency, and equity. The various goals and measures introduced by the LCA, at the initiative of the specifically established Diversity, Inclusion and Belonging (DIB) Commission, include numerous cultural initiatives intended to raise awareness on gender equality issues through training courses, seminars, and workshops (aimed at improving internal and external communication by working on the language used) in addition to more structured action on internal policies and procedures, to introduce mechanisms for protecting parental rights and promoting work-life balance (see *above*, in section 5.2) and reporting discriminatory incidents, as well as implementing governance mechanisms aimed at achieving equal gender representation within the firm's senior management team.



## In terms of culture and language:

- i. We administer periodical surveys to gather opinions and suggestions from our professionals and staff and arrange teambuilding activities and opportunities for discussion;
- ii. We are committed to ensuring that working groups are balanced, and we are particularly careful about the gender makeup of panels at conferences, round tables, talks and events (both those organised by LCA and those in which we participate as speakers), striving to avoid "manels" (all-male panels);
- iii. We are particularly sensitive to language in both internal and external communications. For this reason, we prefer to use neutral, inclusive terminology wherever possible, for example refraining from overusing masculine forms as universal forms. Bearing in mind that Italian is a grammatically gendered language, we would like to highlight that every female professional at LCA can decide whether to use the term "avvocato" or "avvocata" in reference to themselves;
- iv. We are committed to raising awareness among people – within LCA and beyond – on diversity and inclusion issues, in order to foster a culture of respect and reduce unconscious bias. Our internal communication and awareness-raising activities concerning gender equality issues include the following:
  - a. **a specific quarterly newsletter**, with each issue focusing on a current topic relating to diversity and generally linked to a specific occasion (November 25 - International Day for the Elimination of Violence against Women; 8 March – International Women's Day, etc.), with a view to providing details and information to broadening general knowledge;
  - b. **internal training on certification**, HR policies, language, and cultural change, including:
    - i. the "Gender Language and Cultural Change" workshop held by Italian sociolinguist, translator, and communicator **Vera Gheno**;
    - ii. a session to discuss and examine issues linked to gender equality, compliance, and cultural change, with contributions from consultancy **locap SB**;
  - iii. an **#IamRemarkable** workshop, provided in partnership with Google Italy, dedicated to helping people celebrate their achievements. This is an initiative that allows women and underrepresented groups to highlight their accomplishments in the workplace, improving motivation and self-promotion;
  - iv. a series of three training sessions on unconscious bias and discrimination in the workplace, with trainer **Irene Faucheris (BOSSY)**;
- c. **an annual programme for lifelong learning** funded by a special budget allocated by the firm to the Diversity, Inclusion and Belonging Commission (see *below*);
- v. Our Diversity, Inclusion and Belonging team also promotes equal opportunities outside the firm through participation in a variety of conferences, roundtable discussions, and talks. Highlights of the last year include:
  - a. over 20 external events attended as speakers on certification and gender equality;
  - b. one report on Italy's TG3 news programme;
  - c. numerous newspaper articles;
  - d. Involvement in the "*Straordinarie*" exhibition/project staged by *Terre des Hommes* as part of the campaign to defend the rights of girls and young women. Displaying portraits by Ilaria Magliocchetti Lombi accompanied by the voices of over one hundred women, including lawyer Barbara de Muro (LCA partner and chairperson of ASLA Women), the exhibition plays testaments to the different ways of asserting oneself and achieving ambitions by overcoming prejudice and discrimination. The portraits were on display at an exhibition held in the Extra Space at Rome's MAXXI museum;
  - e. membership of associations and committees including ASLA Women, Inclusione Donna, and the Equal Opportunities Committee of the Milan Bar Association.





### In terms of governance:

- i. We have established an internal unit, the Diversity, Inclusion, and Belonging Commission, which has been assigned and allocated funding to carry out activities internally to help heighten consideration and inclusivity in the culture of LCA (see *below*);
- ii. In 2023, we approved an amendment to our Articles of Association and Regulations to introduce gender quotas in decision-making bodies, with the aim of increasing female membership until representation reaches at least 30%;
- iii. We are always on the lookout for disrespectful and/or discriminatory conduct. For that reason, we have implemented a completely anonymous internal whistleblowing procedure through which people can report experiences of discrimination or non-inclusiveness at the firm.

### A look at the numbers:

- i. The firm is made up of 55.8% women and 44.2% men.
  - a. Among the women at LCA:
    - i. 32% are partners or counsel, work in the business services units, or hold positions of responsibility (24% of the partners or counsel are female); 62% of unit management staff are female);
    - ii. 47% (regardless of formal qualification) have spending budgets allocated to them as managers of an area, a team, a department, etc.
  - ii. We guarantee flexibility and internal mobility, encouraging the transition from one department to another or from one unit to another to align the aspirations and potential of a resource.

iii. We have adopted a new job role system for associates which sets out goals, skills, and salary ranges (see *above*, in section 5.2).

iv. We monitor pay levels based on roles in order to minimise and progressively eliminate any gender salary gaps.

## Sexual orientation

We value diversity in the field of gender identity and sexual orientation through (i) policies that foster inclusion and ensure access to the firm for individuals of all sexual orientations, (ii) awareness-raising and dissemination activities designed to cultivate a culture of respect and

address unconscious biases relating to gender identity and sexual orientation; and (iii) initiatives demonstrating support for the protection of the rights of the LGBTQIA+ community (including membership in associations, participation in Milan Pride).

## Specific Learning Differences (SpLDs)

When it comes to the inclusion and empowerment of people with specific learning differences (SpLDs), LCA is at the forefront of the field. The firm was also involved in drafting the agreement between the Milan Bar Association and the Milan Court of Appeal to provide for people with SpLDs to use special tools and allow them certain dispensations during bar examinations.

In addition to filling a significant regulatory gap, the protocol signed in 2019 was the first ever adopted in Italy. As of the 2021 session, the measures approved in Milan were also implemented by the Italian Minister of Justice in the ruling it issues each year announcing the bar exam, meaning they were extended to all the Court of Appeal districts.

## 5.4

# Culture, training, and opportunities for sharing

We believe that our profession must be practiced with constant awareness of society's dynamics and changes. Given this and the social role that the legal profession plays, we believe it is essential to foster awareness, learning, and sensitivity in relation to social and civil issues. This approach is crucial not only for our development as legal professionals but, more im-

portantly, for our growth as individuals.

Art, sport, and literature are all tools we can use to develop critical awareness on relevant contemporary issues such as sustainability, inclusion, social and geographic divides, and much more.

## Cultural initiatives

In addition to initiatives linked strictly to the profession, LCA collaborates, participates, co-organises, sponsors and, in general, promotes numerous cultural, social, sporting, and artistic schemes. These activities promote exchange

between our firm and the outside, to prevent self-referentiality. This helps enrich the firm through external contributions and obtain multiple perspectives on topics beyond our know-how.

## PAC (Contemporary Arts Pavilion)

Programming and curation at the PAC has always focussed on using art to promote development of a collective critical awareness by bringing together and raising awareness of social issues of national and international importance among people who already love art. The exhibitions staged by PAC almost always give voice to contemporary artists from social groups that have been marginalised and suffered discrimination or whose art has made them spokespersons for protest or rebellion, or even simply contributors to collective memory. LCA sponsors all the exhibition activities at PAC and enhances this sponsorship by organising guided tours aimed exclusively at LCA people for all exhibitions in progress, to raise awareness among our associates of the issues covered. In 2023, we sponsored and attended the following exhibitions:



### **Yuri Ancarani. Lascia stare i sogni** (04.04 – 11.06.2023)

Featuring works offering an original, carefully crafted mix of documentary cinema and video art, this was the artist's first solo exhibition in Italy. The show aimed to highlight the inner essence of the artist's work, bringing out its different nuances and languages through a vast selection of pieces.

### **Performing PAC: Dance me to the end of love** (11.07 – 10.09.2023)

The exhibition, commemorating the thirtieth anniversary of the mafia bomb attack that took place in Milan, on Via Palestro, explored the relationship between contemporary art and collective memory. The aim was to show how contemporary art explores remembering not simply as away of handing down history but as a connection – infused with emotion and meaning – between people and events that transcend individuality.

### **Ri-scatti. Chiamami col mio nome** (07.10 – 05.11.2023)

This project was conceptualised and coordinated by PAC and Ri-scatti, a voluntary not-for-profit organisation that has been staging events and initiatives for social upliftment through photography since 2014. In 2023, the project focussed on sixteen transgender and non-binary people. More than three hundred photographs, highlighting the identities of transgender people and their painful journey of gender affirmation, spotlighted the difficulty in seeking out their own identity before they can be recognised and accepted by their own family and friends, by officialdom, and by society.

At the "*Ri-scatti. Chiamami col mio nome*" exhibition staged at PAC, we arranged a conference titled "Gender affirmation in social, legal, and medical fields" to explore gender identity through the experiences of professionals who work closely with transgender and non-binary people.



## Argentina.

### Quel che la notte racconta al giorno

(21.11.2023 – 11.02.2024)

The exhibition continues the theme of exploring the continents through contemporary art scenes and offers a selection of works by 22 artists of Argentine origin that show diverse ways of

portraying a culture that has often been associated with forms of violence, both now and in the past. A kaleidoscopic array of works that also seeks to reflect and highlight the multiple, multifaceted forms of expression depicting a country that has been one of the main destinations of European emigration for years.

## "Fuori Processo"

In 2023, LCA started its *Fuori Processo* initiative, which is a series of book presentation events, originating from an idea by the firm's criminal law department, to meet people who speak about and work in the field of justice in other areas. The scheme reflects on the meaning of

justice from different viewpoints, on the difficulties in and ways of interpreting it, and in general on the meaning of their work. The first guests included Luca Sofri, journalist and director of *Il Post*, and Stefano Nazzi, author of the podcast *Indagini* and also journalist at *Il Post*.



## Projects with prisons

On some of these occasions, we used the services of a catering cooperative called *ABC La sapienza in tavola coop* which is a socially beneficial not-for-profit organisation set up within Bollate prison that has been an integral part of the "**Bollate project**" from the outset. The project, which **offers prisoners employment agreements and the opportunity to rediscover or uncover for the first time the culture of the working world** through professional training and learning to take responsibility, also puts them in contact with the market, the world of employment, and society.

## Music and sport

We also partner musical organisations such as LaFil – Filarmonica di Milano (the Milan Philharmonic Orchestra) and the World Youth Orchestra and support their events.

**LaFil** is a philharmonic orchestra that originated from another idea of making music, by cultivating an original approach with the public, which involves bringing them on board, to participate in all its activities in a range of ways, including experiences outside of concerts. With every performance, LaFil aims to entertain and to enjoy, channelling energy and emotions that encourage new appreciation of music and performance.

The **World Youth Orchestra** was founded on 15 September 2001 as an instrument for cultural diplomacy, affirming universal values such as peace, fellowship, equal rights, and human dignity and testifying to these ideals in the actions of each project. One of the orchestra's defining traits is that its members are all young musicians from colleges, universities, and conservatoires who believe strongly in the project. Moving on to the world of sport, LCA promotes the educational values of sport and inclusivity in the field, especially in relation to young people. The organisations and initiatives we support include:

- **Alcione Milano**, one of the most dynamic



- and important clubs in youth football,
- **Mi.Ma tournament, Milano Marittima Senior Tennis Championship**, which are institutions in the Riviera tennis, as demonstrated by the almost 300 athletes (from the Over 30 through to the Over 85 categories) that took part in the initiative, which encourages intergenerational unity and exchange, while also offering other benefits purely related to sport,
- **Calasetta Basket**, amateur sports team,
- **Gran Prix Open**, a charity golf tournament held every year in September to support the **Bambi.ni Insieme Foundation**. The Foundation is responsible for providing concrete support for specific projects aimed at children in Italy. We have always focussed particularly on the reconstruction or creation of facilities for children (including schools, paediatric departments, and playgrounds) in areas hit by natural disasters,
- **Milan Marathon**, an annual marathon held in Milan in April that has been running since 2000. We have been taking part in this



event for several years now, both to encourage healthy practices among our professionals and employees and to contribute to the charity,

- **Banzai Cup**, a tennis tournament consisting of matches and meetings open to children and adults who want to enjoy the opportunity for competition, putting into

practice the teachings they have acquired at their respective tennis schools.

We also sponsored and organised, in collaboration with the Milan Bar Association, ASLA, Associazione degli Studi Legali Associati, and GetFIT, the **Lex & Padel Tournament**, which is the first padel tournament for lawyers, accountants, and law firm employees.





## Training

Training is part of the life of our professionals, as well as our employees. Responsibility for organisation and provision for training lies with the HR department, chaired by a senior professional.

LCA has adopted a specific training policy that includes numerous hours of training, covering both technical/professional learning and general content, including soft skills and language skills, and has a specific budget allocated to fund it.

In recent years alone, we have provided the following opportunities:

- IT training courses for employees;
- English courses;
- soft skills courses (for example, on time management, leadership and resource management, business development techniques, etc.);

- courses on negotiation and communication, as well as public speaking.

LCA also supports trainees by encouraging optional law school attendance and financing part of the intensive courses for preparation for the bar exam.

As regards continuous training of lawyers, the firm organises inhouse courses and seminars in the legal field and encourages its professionals to attend training courses and conferences of a technical and legal nature organised by third-party entities.

In 2023, a specific training budget was allocated and divided into two expenditure items: an individual budget assigned to each associate, regardless of seniority, and an additional departmental budget. In 2023, LCA's overall investment in training for its people (both professional and employees) amounted to €20,690.00.

## Knowledge sharing

The desire to pool diverse views, promote the spread of knowledge, and foster internal collaboration led to the creation, in February 2021, of our proprietary knowledge management platform **Square**, which won the firm Politecnico di Milano's 2021 Digital Professional Award.

Prior to implementing Square, we conducted a survey to establish the knowledge, communication, cultural, and IT needs most felt by e-business service professionals, and also held an in-house contest to choose the name. Finding out these needs helped us devise a work plan that also envisaged medium- and long-term

knowledge management strategy and processes. Implementation followed an "agile like" approach and included subsequent prototyping involving a small but representative working group made up of professionals, employees and members of 4wardPro, the company that assisted LCA during the UX/UI and development stages.

Change management activities followed, which included one-to-one and group training courses, posters on the walls in the work areas, and insights from the knowledge management team.



## Retreat and team-building activities

Every year, we organise a multi-day retreat to improve internal cohesion in order to better tackle the challenges of tomorrow. The activity was suspended due to the pandemic in 2020 and 2021, but resumed in 2022. In 2023, we met up on the **Borromean Islands**, for two days of team-building and comprehensive cohesion.

Other initiatives to encourage socialisation include an annual Christmas dinner with a charity raffle and various company drinks get-togethers to celebrate the most important times of the year, such as Christmas and the annual retreat, at closure prior to the Easter holidays, and upon returning from the summer break.





## 5.5

# Memberships in associations

We are members of ASLA, the leading Italian association for full-service associated law firms. The organisation, which was founded and is chaired by LCA's managing partner, gathers together the most important associated

law firms in Italy, and in 2023 it celebrated its twentieth anniversary with a look back over the various projects in which it has been involved over the years.

## Best practice guidelines

LCA has subscribed to the best practice guidelines issued by ASLA, which are currently implemented by the majority of large Italian firms. These guidelines are particularly important given the lack of specific provisions for professional associations, and the consequent need for self-regulation. Listed below are some of the organisational practices established:

- i. maternity benefit for professionals that work with law firms in the form of additional contributions by the firm to fill the gap

- between the maternity pay reimbursed by Italian lawyers' national social security fund and the amount actually due for the five months of the year during which the professional is eligible for maternity benefit;
- ii. support for associates, in terms of both remuneration and also severance pay, when they stop working within the firm;
- iii. training for associates and business services staff;
- iv. paid study leave when preparing for the bar exam.

## ASLAWomen

LCA and its professionals belong to the ASLAWomen association, which is committed to protecting the world of female lawyers and encouraging their development. Among the

initiatives that should be highlighted, the Equal Opportunities Code is particularly significant, which was presented in Rome and was the first national publication of its kind.

## Working group on sector practices issued by Italian standards body UNI

ASLA has promoted a working group involving, in addition to the association, professionals (lawyers and accountants) and representatives of the lawyers' social security fund, with the aim of drawing up technical standards to govern the organisation and management of law firms in various areas, including benefits. The focus, in particular, is on sustainability, inclusion, wellbeing of professionals, valuing diversity, ethics, and on relationships with clients, institutions, and all stakeholders.

LCA has actively contributed to the drafting of

the following UNI documents:

- UNIPdR 125:2022 Reference Practice, which set out guidelines for gender equality management including adoption of specific KPIs relating to gender equality policies in organisations;
- UNI 11871 Technical Standard for firms of lawyers and chartered accountants, which concerns organisational principles and the management of risks associated with practicing the profession, in order to create and protect value within the firm.

## Going beyond

It would be reductive to attempt to cover all of ASLA's work in a few pages. From discussions with the Italian lawyers' national social security fund on proposals concerning the double dip to the association's journal *Quaderni*, from charity

and training activities to the ongoing dialogue with the institutions, its commitment over these years has been tireless and always aimed at improving a profession that, despite appearances, is constantly evolving.



## 5.6

# Social impact and the involvement of local communities

### City Angels, Lombardy (not-for-profit organisation)

We support the City Angels charity through various direct and indirect donations to help the less fortunate. For example, we created a circular solidarity economy project by buying food from AIRC and then donating it to the City Angels.



### Arché Foundation

We support the Arché Foundation, whose aim is to assist vulnerable children and families by providing services to help them become socially autonomous and to find and maintain homes and employment. We have chosen to donate the money raised by the four relay teams that took part in the 2023 Milan Marathon to this association. We also support the foundation by providing our legal expertise on a pro bono basis.



### AIRC Cancer Research Foundation

LCA is a long-standing partner of AIRC. Our fundraising initiatives include participation in the Milan Marathon in 2019, 2022, and 2023, sales of various items to raise funds, such as the *Azalea della Ricerca* (azaleas as a symbol of the fight against kinds of cancer that affect women), AIRC chocolates during the Christmas period, and "Oranges for Health", as well as participation in numerous fundraising events.



### YouSport Social Club

We have supported YouSport club by organising two relays for the Milan Marathon through a fundraising campaign on the *Rete del Dono* platform.



### PUPI Foundation

We contributed to the association's cultural sponsorship project through fundraising at the gala dinner.



### Friends of the Poldi Pezzoli Museum, Milan

We attended the gala dinner to raise funds for the project for the new lighting to illuminate the museum's historical staircase and we contributed to the entertainment for the evening by arranging a concert performed by four musicians from the LaFil – Milan's philharmonic orchestra.





### Robert F. Kennedy Human Rights Association Italy

We attended a gala dinner to raise funds for the association, which has been working for years to defend human rights and educate young people all over the world.



### Agorà 97 / I Bindun

We took part in a number of auctions and events organised by this social cooperative, which helps and supports people in difficulty and at risk of marginalisation, not only by providing financial support but also by helping them find a place in society and offering human contact.



### Marcegaglia Foundation (not-for-profit organisation)

We are members of the Marcegaglia Foundation, whose aim is to support female entrepreneurship all over the world. We also support the foundation by providing our legal expertise on a pro bono basis.



### Un Futuro per l'Asperger (not-for-profit organisation) Foundation

We supported the Foundation Un Futuro per l'Asperger - which works to help young people with Asperger's Syndrome (or High-Functioning Autism) grow individually and professionally - with two gala dinners and by commissioning two young people supported by the foundation to produce a video on the 2023 Milan Marathon.



### Francesco Realmonte Association (not-for-profit organisation)

We took part in events and organised a craft market to raise funds for the Francesco Realmonte Association, which provides young asylum seekers and political refugees with psychological and social support, and helps vulnerable children and adults with school and career guidance.



### Andrea Bocelli Foundation

We are partners of the Bocelli Foundation, which was set up by Andrea Bocelli to help people in conditions of poverty and social exclusion find employment. We also support the foundation by providing our legal expertise on a pro bono basis.



### Guri I Zi - Idee Migranti (not-for-profit organisation)

We supported the "Guri I Zi" women's textile project in northern Albania, which was promoted by Idee Migranti not-for-profit organisation to help vulnerable women find employment and income opportunities through the local textile tradition and craft. Over the years, the "Guri I Zi" project has worked towards the construction of a fabric production workshop in the village of Guri I Zi, in Albania, and the creation of an outlet for sales of their products in Italy. The sale of these textile products ensures the project is fully sustainable and has enabled it to grow into the successful social enterprise it is today.





# Area “G”

# Governance

**6.1** LCA bodies

**6.2** An innovative approach to profit sharing

**6.3** Tools for ethical governance

**6.4** Innovation and digital transformation

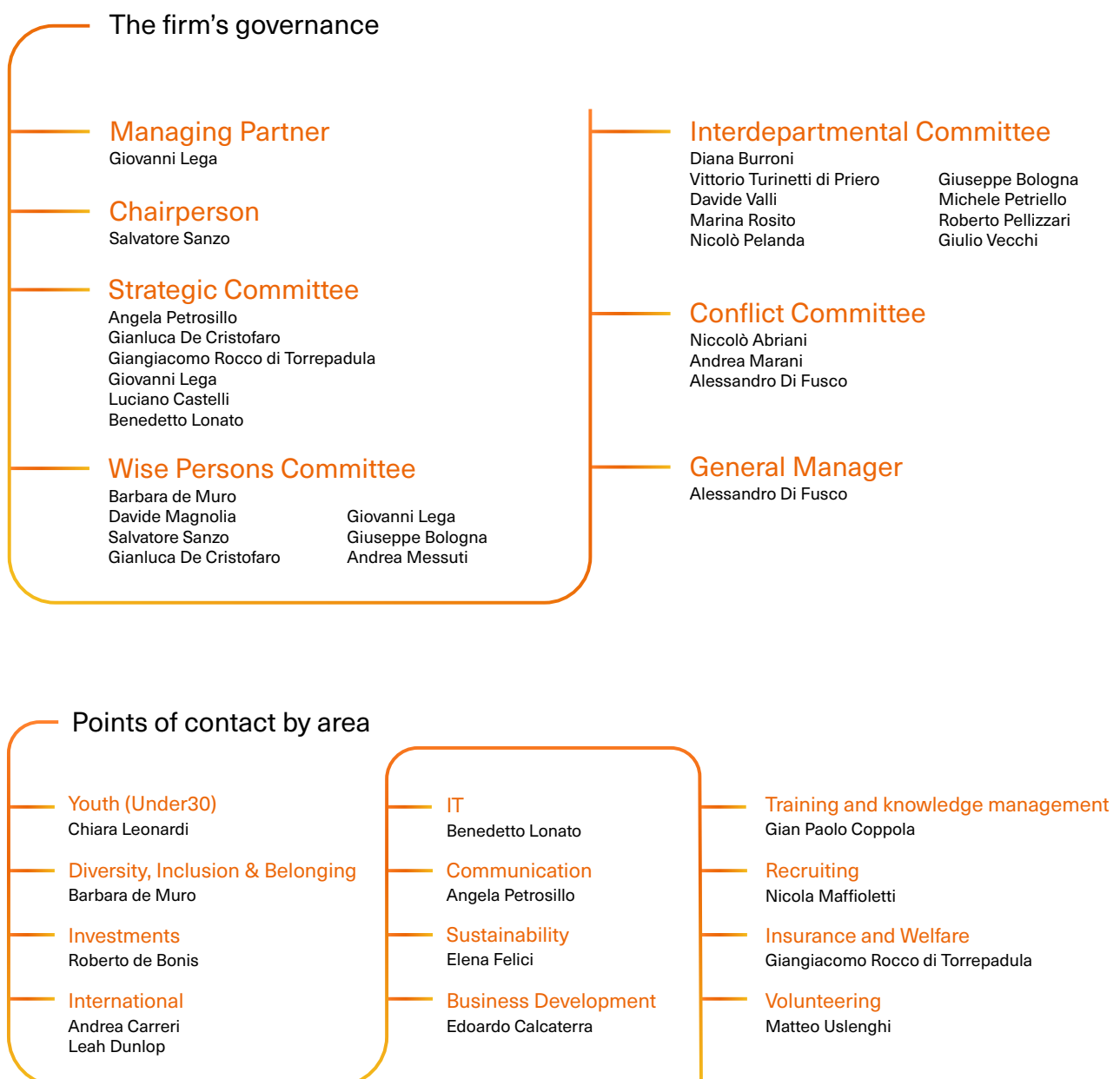
**6.5** Special projects



## 6.1 LCA bodies

The structure and main governance bodies are described above, in chapter 1 - *About us*. All the information about the governance structure is published on LCA's internal platform Square,

which is accessible to all the firm's people. As at 31 December 2023, the firm's governance is structured as follows:





## 6.2

### An innovative approach to profit sharing

The firm's approach to profit sharing is based on assessments by the Wise Persons Committee taking into account the contribution of each member of the firm, as part of a broad vision extending beyond simply financial criteria or a lockstep system. The assessment takes into account other important elements, such as: participation in work groups, internal development, client development, training, pro bono work, soft skills, new ideas, and considerations as to the role they play within their department. This system allows members to act alternately as the judges and the judged. This approach facilitates cross-selling while also fostering internal cohesion and the creation of a positive work

environment.

Furthermore, as of 2022, LCA has been allocating a set-rate share of the profits to all the staff in the business service area (therefore to HR, Administration, Finance and Control, Communication and Branding, Events and BD, Secretarial, Reception, General Services, IT, Knowledge Management, Paralegal and General Manager). This step, by unanimous decision by the Strategic Committee, was made to heighten the sense of belonging among all those who are part of LCA, to foster team spirit and encourage everyone to embrace the mindset that every link in the chain is essential.

## 6.3

## Tools for ethical governance

We are aware that adopting an effective, integrated compliance model is key to conducting business in an ethical, transparent manner. For that reason, prior to adopting the organisational model established by Italian Legislative Decree 231), we conducted the required risk analysis and preparatory activities, with the result that the model was formally approved on 19 December 2023.

The adoption of the model - together with the Code of Ethics - has enabled us to establish and consolidate correct, transparent management practices, prevent risks, and spread an organisational culture based on prevention and responsibility, while also strengthening the control system, improving organisational structure, and ensuring compliance with standards.

For several years, LCA has been adopting and constantly updating different tools and policies that ensure proper, law-compliant business management, including the following:

**Management control:** we have management control systems in place and dedicated staff responsible for verifying the budget and - by department - the individual costs and deviations from forecasts and from the previous year's budget, also in relation to the management and recovery of receivables.

We are also equipped with an innovative business intelligence platform that interfaces with accounting and ERP software, which allows an increasingly data-driven approach and enables us to optimise our medium- and long-term choices.

**Timesheets and itemisation of legal fees:** all of our professionals, as well as some staff members, are required to fill out daily timesheets, following the instructions for this activity exactly in order to provide a detailed description of

the activities performed and services rendered. The timesheets are integrated into the ERP system, and when a new case file is opened, the itemisation data agreed with the clients is entered (e.g. type of hourly rate, lump sum, flat rate) and the names of the professionals who will be assigned to that case. Except in the event of legal action and exceptional transactions, this itemisation activity is usually carried out on a monthly or quarterly basis.

**Anti-money laundering:** we operate in compliance with legislative provisions to prevent money laundering and have established specific policies and tools that allow us to manage and monitor the risk of money laundering and the financing of terrorism. We have set up a specific unit that assists professionals in their client identification activities.

The Anti-Money Laundering Committee monitors effective implementation of the anti-money laundering policy and procedures and has authority in deciding whether or not to accept or maintain professional services in certain situations deemed at risk. The Anti-Money Laundering Committee plans training programmes to ensure proper application of anti-money laundering legislation and any internal reports regarding risks or potential breaches must be addressed to it.

**Reporting systems:** since 2022, LCA has had a system for reporting cases of discrimination and harassment. In December 2023, the partners resolved to adopt the Code of Ethics and the 231 Organisation and Control Model, which also includes a whistleblowing system.

**Privacy and cybersecurity:** In order to protect our and our clients' data, we have the most advanced cybersecurity systems available today in place.

We were among the first in Italy to bring our

email management system to the cloud and we are equipped with cutting-edge software to protect the IT structure, including programs featuring artificial intelligence (see *below*, on p. 77). We conduct periodical vulnerability assessments to identify the most effective actions for safeguarding our clients, leveraging a wide range of internal and external security intelligence sources, including the following:

- Internal security systems: firewalls, anti-viruses, intrusion detection and prevention systems (IDS/IPS), security information and event management systems (SIEM), and vulnerability scanners. These sources can generate logs, alerts, and reports that help incident management teams identify and analyse security incidents within the organisation's network and systems.
- Public and private sources of cybersecurity intelligence, such as threat intelligence platforms, security vendors, security researchers, industry associations, government agencies, and online communities. These sources can provide information on emerging threats, vulnerabilities, attack methods, indicators of compromise (IOC), best practices, and recommendations that can help incident management teams understand and mitigate the risks and external threats that the organisation faces.

We are conscious of the sensitivity of the topic and regularly hold internal training and awareness courses. Monthly surveys are conducted by the IT department to verify the knowledge, attitudes, and behaviours of users in terms of cyber security and to decide on improvement and remedial actions where necessary.

**IT tools:** the IT department, which was staffed by a team of three in 2023 is responsible for system management and available to both professionals and staff.

We use the Office 365 suite and Elibra is our ERP and business intelligence platform.

In addition to artificial intelligence tools (see *below*) LCA professionals have access to latest-generation computers and cell phones

and also databases and cutting-edge software that make work more efficient, such as Grammarly and DeepL Pro. DeepL Pro is used above all for the translation of large documents. Used mainly, but not only, by the M&A department, DeepL Pro offers significant time savings and greater accuracy in translation work. DeepL Pro supports more than 20 languages and the translation maintains the original style and tone of the source document. With DeepL Pro, we can also create customised glossaries and safeguard the confidentiality of our sensitive documents. DeepL Pro helps us communicate effectively with our international customers and partners.

Our meeting rooms feature technologically advanced equipment, and each room is equipped with Clickshare for remote viewing and Remarkable notebooks for online notes. Meetings are booked automatically and a series of tasks are also managed automatically, including travel, car, and room reservations.

We have examined the use of software for smart drafting and to review large amounts of data, as well as for due diligence reporting, in order to assess their applicability in the legal field.

To offer our clients and partners an effective, secure solution for managing medium-sized Virtual Data Rooms (VDRs), we have introduced a new service built on the Docurex platform. This tool allows users to create and manage VDRs quickly and easily, ensuring current security and compliance standards are met. With Docurex, we can ensure granular access control to and viewability of sensitive documents, monitor user activities, and generate detailed reports. Docurex allows us to manage due diligence processes with greater efficiency and transparency. We offer the service in cases where no dedicated services are available, in order to avoid sharing with unsafe systems such as Dropbox, Wetransfer, etc.

We have also created E-bibles, which is a user-friendly platform that allows you to upload PDF files relating to a completed case in



order to generate a document (using a preset template) that is ready to send to the customer. In addition to bibles, the software can be used to produce other kinds of documents, such as pamphlets, brochures, etc. We use Atoka, the web platform marketed

by Cerved, to keep a record of all our clients' VAT numbers. Using the filters within the site, we can breakdown clients by sector, turnover (actual and estimated), number of offices, number of employees, etc., making cross-selling actions with existing clients more efficient.

## 6.4

# Innovation and digital transformation

Innovation has always been one of the pillars of LCA. A few years ago, we set up an innovation hub at the Genoa office, where professionals

and software engineers can work together synergically to create innovative projects in the legal technology field.

## AiSeek

The first of these was the project to build a platform, AiSeek, which uses artificial intelligence to enhance searching within internal documentation held by professional practices and company departments. The first vertical application, AiSeek Legal, which is aimed at full-service law firms and in-house departments of large companies, was presented to the public in 2023. Also in innovation terms, we were among the

first firms to offer blockchain certifications issued on bitcoin protocols for use in the intellectual property field and we have worked with clients to develop various projects relating to the world of cryptocurrencies and NFTs.

Our intention is to merge our expertise in the legal field with expertise in the STEM disciplines. We recognise the need to reshape the future through an interdisciplinary approach.

## Artificial intelligence

Edoardo Raffiotta, professor of constitutional law at the Bicocca University, Milan, and member of the Government Coordination Committee for the updating of national strategies on the use of artificial intelligence joined the firm at the end of 2022. Since his arrival, we have set up an Artificial Intelligence team, whose task is to develop a future-proof legal strategy that ensures constant alignment, especially in the technology field, with the regulatory changes by seeking adequate solutions to disruptive technology such as artificial intelligence and cybersecurity.

Alongside legal support for innovation, the

project aims to set up a Tech Diplomacy scheme in Italy whose mission is to convey positivity about technology, which – due to poor digital culture – tends to be misunderstood and demonised. The reality, however, is that technological innovation is an unparalleled driver of economic and social development.

The team develops artificial intelligence policies for internal use and regulations for companies. Coordinating with the IT department, it analyses the possibilities of using tools that employ artificial intelligence – such as ChatGPT – in the legal world, to understand whether they can actually aid professionals in their work.

The use of this software raises data protection and copyright issues relating to strategic company information. Even simply a translator accessing data and information during their work could raise complex legal issues. All this, together with the need to comply with the European regulations on artificial intelligence that have recently come into force, means that companies have to recognise and manage issues linked to the use of artificial intelligence and minimise risks in governance.

Some examples of the activities and skills we have developed include:

- AI impact assessments. Impact assessments are conducted on high-risk systems to support companies that develop or distribute AI systems;
- AI officers. These professionals are available to provide companies with ongoing assistance with the governance of AI systems in compliance with the AI Act;
- AI due diligence reporting. Assessment activities are conducted in the event of exceptional transactions and of highly strategic investments or contracts involving companies that develop or distribute AI systems;
- AI compliance. AI systems are tested to ensure they are in line with legislation and ethical standards, to reduce the risk of non-compliance;
- IP governance. Protection and enhancement of intellectual and industrial property. Preparation and negotiation of contracts with rights holders and AI system suppliers;
- AI data governance. Protection and enhancement of corporate data assets taking into account the regulatory framework on digital services (including DSA, DMA, Data Governance Act, Data Act);
- AI litigation. Support in legal disputes concerning use of AI systems;
- Policy advocacy. Assistance with devising AI policies and with legislative developments, to adapt the system to rapidly advancing technology;
- Cross-industry insight. Expertise in AI mat-

ters spans multiple industries, from healthcare to finance, media to banking, and insurance;

- AI diplomacy. Contributions to leadership in legal thought on artificial intelligence through publications and speaking at public events.

## 6.5 Special projects

### Your Legal Counsel (YLC)

Your Legal Counsel (YLC) is the LCA initiative that ensures on-demand support to companies (including those without an internal legal department) needing integrated, flexible, multi-disciplinary, and specialist assistance and consulting, guaranteeing a tailor-made, timely, and efficient service.

Inspired by LCA's ability to understand and nurture the individual vocations of its people, as well as to interpret its clients' needs, the Your Legal Counsel (YLC) project was launched in 2022. YLC is actually a business unit, meaning that it is an integral part of LCA but operates under its own brand.



Over fifteen YLC professionals work alongside business owners, bringing LCA's know-how and problem-solving skills into their companies. In the two years that it has been operational, YLC has achieved the ambitious goal of innovating general services for businesses using technology solutions - such as AiSeek, our artificial intelligence tool - to speed up and optimise searches for precedents and legal models. The goal is to guarantee high quality, consistent, and effective support.

### Legal Design

In Italy, we are pioneers in the field of legal design<sup>13</sup>, i.e. in the design of legal documents tailored to end users (consumers, citizens, companies). Using graphic overviews, infographics, maps, and interactive tools, legal design helps end users reason logically, carefully, and fully when reading legal documents and make informed decisions based on their contents. The legal design approach can be used to make products, services and legal processes more ethical, understandable and fair, and, in this way, involve and empower people, communities, and society in general.

We like to think that legal design reflects the essence of LCA, namely our client-focused, interdisciplinary approach, our desire to incorporate different types of expertise into the work team, and our "prototypal" approach, based on con-

stant feedback and iterations. It is certainly an avant-garde vision of law. But we also believe that, as Leonardo da Vinci said, "Simplicity is the ultimate sophistication".

We see legal design as an ethical, transparent tool for conducting business. Ensuring the accessibility and transparency of companies' and institutions' legal documents is in line with goals to promote inclusive societies and sustainable consumption models (SDGs 12 and 16). A new way of communicating legal content, based on criteria like logic, simplicity, clarity, and transparency, could actually contribute to achieving these goals.

<sup>13</sup> Legal design is a new approach to the world of law that combines two aspects: the legal aspect, i.e. anything concerning law and justice and the design aspect, i.e. the process of creating images to facilitate communication and to capture and engage the target audience. According to Margaret Hagan, professor at Stanford University and expert in legal design and communication, legal design is a necessary approach to make law "more accessible, useful, and engaging". For more information, see the website <https://www.lawbydesign.co/>

## Design Rights!

Design Rights is the enterprise created together with one of our clients, Mondora SB Srl, to offer legal design services. Design Rights is the first synergic multidisciplinary enterprise dedicated to legal design, and it includes a legal department, a graphic design/design thinking department, and an impact analysis department. In 2023, for the second time, we decided to participate in the Design Week with our Design Rights team. The work exhibited was titled "Nube", by Marco Cimolai. In this piece, featuring an interactive platform projected onto a large screen, the young artist provided a visual description of the complexity of our country's



legislative system. Analysing approximately 13,000 legislative items, Nube reveals how through circular references in legislation, it is possible to start at one point and follow a trail of references that eventually takes you back to where you started, or how there are laws that refer back to themselves, laws with omissions, and laws published with the sole purpose of correcting laws.





## Law is Art!

LCA's strong commitment to art and culture is based, firstly, on our declared corporate goals, such as to support innovation in every field and to enhance creativity, and secondly, on our recognition of art as a cultural investment and source of personal and social enrichment.

*Law is Art!* is the cultural project developed by LCA, in parallel with the department of art law, to bring together initiatives aimed at promoting and supporting artists and art, especially contemporary art, outside of conventional circuits. In 2023, the project celebrated its tenth anniversary. The project is an initiative that the firm and the professionals carry forward constantly and cohesively, and with continuous focus on changes in the art world.

The main areas of action are planning and staging exhibition events, organising training events, sponsoring public and private institutions, and partnering other players in the industry in special projects.

For ten years, Law is Art! has combined support for emerging and mid-career Italian artists with a mission of making art more accessible, both internally and to the community. The project's mission is, therefore, broad and has impact on all stakeholders, with the following aims:

### For LCA

- to create a stimulating work environment, in which discussion is opened up through art, for those who populate the work spa-

ces every day, as colleagues, and also those who are just passing through, such as clients and suppliers.

- to create initiatives and ad hoc guided tours solely for people within LCA, for exhibitions including "Japan. Body, Perform, Live", "Lascia stare i sogni" by Yuri Ancarani, "Performing PAC. Dance me to the end of love", "Ri-Scatti. Chiamami col mio nome", "Argentina. *Quel che la notte racconta al giorno*" at the PAC; and at the firm, for the exhibition "*Storie di libertà ritrovata*", with the Letizia Battaglia Archive, with an average of 40 participants per tour (see *above*, in section 5.4).
- encourage cultural experiences by providing vouchers and tickets to visit cultural organisations and art fairs (for example, miart).

### For the community

- to make contemporary art more accessible through initiatives organised for a diverse audience, which bring people closer to art in unconventional places.

### For artists and the art world

- to directly support and enhance the work of Italian artists, as well as the new generations.
- to support cultural institutions through sponsorships and pro bono support.
- to provide free training through conferences for members of the cultural industry.

## Partnerships

Every year we develop a series of partnerships with other entities in the cultural industry for special projects. One of the most significant projects completed with two partners (an insurance company and a fine art logistics firm) was the first-ever guide to loaning artworks. Titled "In & Out", the guide offers a predominantly

practical approach, accompanied by references to certain legal and tax issues. It is sponsored by ICOM and has also been published on the Italian Ministry of Cultural Heritage<sup>14</sup> website. With a focus on supporting new generations of artists, or the future of contemporary art, for the end-of-year holidays, LCA commissions stu-

dents from an art school (either the Accademia di Brera, the NABA - Nuova Accademia di Belle Arti, the Accademia Aldo Galli, or RUFA – Rome University of Fine Arts) to design a greetings card for the firm to send out.

Among last-year's partnerships, we are excited to be continuing our relationship with the Beyond Production project, conceived by Artissima and Fondazione Arte CRT in synergy with OGR Torino, in Turin. The aim of the project is to start up a conversation to encourage reflection on the most innovative trends in art, to understand how these are linked to changes in society. The first two exhibitions focused on the concepts of NFT (Surfing NFT) and the Metaverse (Metamorphosis), with artists taking up the challenge to explore these new techno-

logies first-hand. The 2023 exhibition (Symposium), meanwhile, consisted of a series of studies, including contributions from outstanding speakers, who examined the relationships between artificial intelligence, art, and society. Representing LCA's at the event, lawyer Edoardo Raffiotta acted as moderator.

The members of the art team bring their expertise to various working groups, including the Packaging and Materials Committee of the Gallery Climate Coalition (GCC), an international community committed to reducing environmental impact in the art industry.

We also work with trade journals to publish articles and columns on legal news in the cultural industry (Artslife, Exibart, Il giornale dell'arte, Domani, etc.).



<sup>14</sup> LCA law firm, AXA ART, Apice Milano Srl, and ICOM Italia. (2018). *IN & OUT A practical guide to lending works of art*. <http://musei.beniculturali.it/wp-content/uploads/2018/12/IN-and-OUT-Guida-pratica-al-prestito-di-opere-darte-AXA-ART-Roma-2018.pdf>



## Exhibition events

Project exhibitions feature heavily among the activities with the greatest impact.

Since 2013, over 15 artists have been involved in these exhibitions, including: Francesco Arena, Stefano Arienti, Letizia Battaglia, Botto & Bruno, Mattia Bosco, Chiara Camoni, Silvia Camporesi, Letizia Cariello, Rà di Martino, Franco Guerzoni, Michele Guido, Sabrina Mezzaqui, Brigitte March Niedermeir, Marta Spagnoli, Alessandra Spran-

zi, Tatiana Trouvè, and Silvio Wolf in projects designed specifically to be hosted in their offices and in Milan's historic Palazzo Borromeo.

For the tenth anniversary of the project, the firm pays homage to Letizia Battaglia, renowned photographer and one of the most important reporters of news in Sicily and the fight against organised crime between the 1970s and 1990s.







## Sponsorships

Over the years, we have established multiple sponsorship programmes aimed at supporting up-and-coming artists and certain cultural institutions. Last year, we sponsored:

- Associazione Amici del Museo Poldi Pezzoli (Friends of the Poldi Pezzoli Museum), to support cultural activities, in particular the guided tours created by the cultural association to raise support for the museum;
- *LCA for Emergent* award, which originated in 2014 from the firm's partnership with international art fair *miart*; the award is decided by an external panel and goes to the best emerging gallery at the fair. In 2023, it

went to the HOA gallery (São Paulo, Brazil), which presented a solo exhibition of Kelton Campus Fausto.

- exhibitions at PAC – Padiglione d'Arte Contemporanea, the public space for contemporary art in Milan (see *above*, in section 5.4).
- La Milaneseiana, Italy's largest touring festival, conceived and directed by Elisabetta Sgarbi to encourage dialogue between the arts. In 2023, the firm sponsored "Ritornellai", an event held at Milan's Teatro Oscar and offered a crossover of offerings from the world of literature, economics, nature, and music.



## The Bar podcast

The Bar podcast is entirely conceived and self-produced by LCA, more specifically by our IP, Media, and Tech & Data people. It addresses issues spanning the fields of IP, IT, TMT, privacy and entertainment through discussions with internal contributors and external guests.

The podcast achieved its 50-episode milestone in 2023 through the work of 20 professionals from the IP team, as well as contributions from the firm's marketing and communication team, with the frequent participation (one episode in three, on average) of distinguished guests from outside the organisation, including legal counsel, founders, CEOs, and communication experts.



## H-Farm

One of the firm's offices is located inside H-Farm innovation hub. The "lodge" at H-Farm has seen the constant presence, over the years,

of professionals providing consulting services, not only to companies in the H-Farm group but also to innovative startups and business.

## LCA Ventures

LCA partners have created LCA Ventures which support (through a "work for equity" approach among others) national and foreign enterprise projects with either a high technology focus or great potential for impact on the community.

We have set up a venture capital fund to invest in startups and Italian and international enterprises with high development potential. We believe that not only might all businesses need expert legal advice, but also we, as a legal entity, can benefit from the fresh, dynamic approach that comes from building rapports with young, development-oriented enterprises.

These are some of the startups and Italian and international enterprises with high development potential we have invested in.

### Artshell

Artshell is a comprehensive management sy-

stem for art collections, designed for gallery owners, collectors, and artists. It is one of the enterprises that will be joining the art area due to be included in the new spaces at our Milan office.

### AiSeek

(see above)

### AVM Gestioni / Italian Fine Food

SGR which has raised funds under a programme christened "Italian Fine Food", which was set up to invest in enterprises in the food industry, in particular in premium Italian products.

### Ethica Friends

The role of Ethica Friends is to attract financial resources to Ethica Global Investments S.p.A.

### Ferrari Fashion School

Ferrari Fashion School (part of Plena Educa-

tion) is a fashion and design academy that has been providing training in the field for 20 years, innovating and shaping new generations of internationally esteemed and acclaimed professionals.

#### **Franchi Umberto Marmi / The Spac**

As co-promoters of MTA-listed investment vehicle The Spac, we were able to complete our investment in Franchi Umberto Marmi following the successful business combination with Franchi Umberto Marmi.

#### **Qomodo**

Qomodo is a "buy now pay later" platform for the purchase of car/motorcycle repairs and services from body shops and mechanics.

#### **Rufa**

RUFA, Rome University of Fine Arts (part of Plena

Education) is an international multidisciplinary centre for education. Accredited by the Italian Ministry of Education, University, and Research (MUIR), RUFA offers innovative training courses in the fields of art, design, communication, and media art.

#### **Scuola Politecnica di Design**

Founded in 1954, Scuola Politecnica di Design (part of Plena Education) is the leading postgraduate design training school in Italy.

#### **Treetoscope**

Treetoscope is a startup that leverages big data analysis and artificial intelligence systems to provide irrigation guidance based on plants' actual, directly measured water consumption.

### **Logistica sostenibile – SOSLog**

We are members of SOSLog, the leading trade association for sustainable logistics. This partnership mainly focuses on greenwashing in lo-

gistics and transport, providing training, raising awareness, and spreading good practices on the issue.

## 7

## Annex A - GRI Reference Table

## Statement of Use

LCA Studio Legale has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

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GRI 1: Core Principles 2021

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