

ESG policy

SORAINEN



1. Sorainen ESG vision

- 1.1. At Sorainen, we embrace our commitment to be the market leader in our region while creating a long-lasting, positive impact on the environment and society.
- 1.2. Sorainen has adhered to sustainability principles since the day of its creation in 1995. As of today, we have two dedicated regional teams – an internal sustainability team leading our sustainable development which consists mostly of high-level executives, lawyers, sustainability and business development specialists, and ESG legal team committed to helping our clients succeed in their ESG transition journey.
- 1.3. Sorainen is willing to hold itself accountable for its impact on the environment and people. Putting ESG principles at the very heart of our operation, we take steps towards a model that will deliver sustainable business advantage and measurable value.
- 1.4. This ESG policy outlines our firm-wide approach to integrating ESG principles in our business operations and processes aiming to ensure that we act responsibly and attain to sustainable development goals.
- 1.5. Sorainen sustainability endeavours are built on the four pillars: our impact on the environment and on society, our people, governance and work with clients.

Environment	Society	Our people	Governance and Clients
<ul style="list-style-type: none"> ○ Our carbon footprint and pathway to net zero ○ Environmental management and circular economy 	<ul style="list-style-type: none"> ○ Pro bono and access to justice ○ Quality education ○ Community impact (incl charity and volunteering) 	<ul style="list-style-type: none"> ○ Diversity, equity and inclusion (incl anti-discrimination) ○ Employee health and wellbeing ○ Learning and development 	<ul style="list-style-type: none"> ○ ESG governance and risk management ○ Quality management and professional integrity ○ Confidentiality, privacy and information security ○ Transparency ○ ESG advisory to clients

2. Environmental aspects

- 2.1. **Our carbon footprint and pathway to net zero.**
We acknowledge that we have but one planet and business can only thrive in a stable manner as long as the wellbeing of the natural world is kept in mind in every aspect of everyday life. Sorainen activity is systematically assessed regarding its effects on the environment, including annual greenhouse gas inventory (scope 1, 2 and 3). We have been taking steps to reduce our carbon footprint, and aim to set net zero targets by the beginning of 2024 and to make them publicly available on our website.
- 2.2. **Environmental management and circular economy.** Sorainen periodically assesses environmental risks that could cause negative effects and takes steps to mitigate such risks. We have been preparing the Environment Management System under ISO 14001 which should be internally audited in the end of 2023, and we aim to get external certification for it in 2024. Meanwhile, we review our internal policies, introduce circular economy principles in our office management and raise environmental awareness among our people through various communication channels and events. We also actively manage our supply chains through regional purchasing policy and practices: we aim not to use services or purchase goods that contribute to infringing on human rights or employees' rights, unethical behaviour, corruption or damage to the environment.

3. Social aspects

A. Our people

- 3.1. We acknowledge that employees are the most valuable asset Sorainen has and play an essential role in the company's success. Sorainen systematically invests in their empowerment, growth, engagement and satisfaction. Sorainen employees' engagement is systematically assessed internally and externally.
 - 3.2. **Human rights.** We believe that human dignity, freedom, equality and solidarity are the foundation of democratic societies as well as justice and peace in the world. Sorainen secures the fundamental human rights and freedoms of everyone within the organisation.
 - 3.3. **Employees health and wellbeing.** Providing fair working conditions and supporting the wellbeing of our employees is our responsibility. We are willing to create an environment for everyone to achieve their professional goals. We provide fair and healthy working conditions, among the best remuneration packages on the market and flexibility for all career levels. We are committed to ensuring transparency and equality in all matters related to career progression and that 100% of team members receive regular feedback on career progression, competences and performance.
 - 3.4. **Diversity, Equity and Inclusion.** Nurturing a culture that embraces diversity, equity and inclusion is a catalyst for success and innovation in the workplace.
- We value individuals with unique personalities, goals, backgrounds and views. Our people must be comfortable coming to work and feel that the workplace is a safe, discrimination-free and healthful environment with equal opportunities. We are open to all employees regardless of their economic situation, age, gender, ethnicity, religion, sexual identity or disability. We strive to make our board and partnership more diverse, particularly to increase the share of women in leadership positions (as in our region women are still underrepresented sex at leadership level). We also launch various awareness campaigns, including the ones related to LGBTQ+ inclusion and dealing with microaggressions and biases in the workplace. We conduct periodical surveys in order to improve our performance. There is a dedicated regional team that works on the development of relevant Diversity Equity and Inclusion strategies and implementation of follow-up initiatives.
- 3.5. **Learning and development.** Sorainen offers opportunities for professional and personal enrichment at all levels by maintaining continuous learning and development culture and providing high-quality programs and training for our staff. We invest in e-learning tools and involve our partners, managers and other colleagues to ensure that our trainings are user-friendly and efficient. We have a dedicated learning and development team making it happen.

B. Society

- 3.6. **Societal impact.** We acknowledge that our organisation stands within the social sphere and it is where we can have the biggest impact.
 - 3.7. **Increasing prosperity in our region.** We aim to increase prosperity in our region by helping clients succeed in business towards sustainable change. We support businesses every step of the way in a rapidly changing legal and taxation environment along way with fighting for a better business climate overall. For example, we support startups in the Baltics by contributing to free-of-charge packages of model documents.
 - 3.8. **Respect and empathy for the community.** We aim to contribute to social justice and quality education, promote and help build strong democratic institutions. We have established and continue to develop different ways to provide pro bono (free-of-charge) legal and tax assistance, contribute to legal education and build cooperation networks to support our community using our knowledge of law and taxation. Since 2020, we have invested more than EUR 400,000 in pro bono assistance to NGOs, innovative projects and people in need and we intend to continue providing this support.
- To enhance our impact on the community we also provide our employees with paid days off for volunteering, as well as support multiple charities on a long-term basis.
- 3.9. **Improving the legislative environment.** We stand for a legal environment that is entrepreneur-friendly. We strive to cooperate with different stakeholders on the improvement of the legislative environment in our region. Our employees serve on the different boards of various organisations, institutions and committees.
 - 3.10. **Quality education.** We cooperate with universities, many Sorainen employees supervise students' research, master's and doctoral theses; give lectures at universities and colleges; and support foreign students with international research. As a firm, we also provide law students with various opportunities to improve their knowledge, get their first work experience and participate in international events. We also invest in Sorainen Student Academy – a free-of-charge educational programme for law students in our region that includes local workshops dedicated to specific legal and tax fields and based on real cases, regional moot court projects, and mentoring and networking sessions for participants.

4. Governance aspects

- 4.1. **Common standard.** All Sorainen entities work and operate as an integrated team for a single goal – helping clients succeed in business. We share common values, and our business strategy is aligned. Sorainen offices operate together as a single ecosystem under a single ISO 9001-certified quality management system. We take all strategic and risk management topics to the regional level regularly.
- 4.2. **Governing structure.** Our governance structure is multi-layer. The role of overview and direction of day-to-day management is taken by the newly formed Management Team, consisting of four country managing partners, a chief operating officer and a managing partner. The Board's role remains in the realm of strategic development, finance, risk management, developing client services and other firm-wide policies. Moreover, to provide the quality governance of our business we have dedicated business services teams which monitor, develop and manage particular areas of the business such as sustainability, IT, business development, marketing and communications, people and culture, knowledge management and innovation, quality and compliance, finance. The sustainability team is responsible for sustainability and ESG strategy implementation, including monitoring and improving our sustainability efforts at the regional and local levels. It is a cross-functional team led by a firm-wide sustainability officer. The work of the sustainability team is guided by the steering committee which includes the firm's partners, senior management and board members.
- 4.3. **Governing documents in place.** Specific ESG-related commitments and procedures are governed by the following Sorainen governing documents:
- Quality Management System Handbook, which includes an ethical code of conduct, guidelines on the prevention of money laundering, terrorism financing, corruption, evasion of sanctions, conflict of interest, purchasing policy and information security management system.
 - [Privacy Policy](#).
 - Sorainen Sustainability Strategy.
- 4.4. **Confidentiality, privacy and information security** are the cornerstones of our business. As a general principle, information regarding clients, their business operations and the services we provide to them must remain confidential unless their consent has been received or where disclosure is required by law. We have developed a number of organisational, technical and management tools in order to ensure that such information remains confidential, including implementing and certifying an information security management system under ISO/IEC 27001.
- 4.5. **Transparency and reporting.** Sorainen aims to ensure transparency and trust for both internal and external stakeholders. Internally, we have various internal communication channels and forums enhancing open communication and discussion over various aspects of our business. We want all our employees to be active participants in the decisions we make, as well as to ensure that diverse opinions are considered in the decision making process. Externally, we report on our performance and objectives annually and continually improve our reporting practices. With an aim to increase transparency, comparability and accuracy of the reported information, we have aligned our second sustainability report with GRI Standards 2021, as well as certain indicators from SASB Standards for Professional and Commercial Services companies.
- 4.6. **Tax.** An important part of Sorainen's commitment to transparency and responsible governance is compliance with all its tax obligations. Sorainen will always strictly comply with applicable tax legislation, perform its tax obligations in a timely manner and demand the same from its partners and suppliers. In 2023, Sorainen offices in Latvia and Estonia also published their annual reports for the financial year of 2022 providing more detailed non-financial and country-specific information in addition to financial disclosures. More information is available [here for Latvia](#) and [here for Estonia](#).
- 4.7. **Client advice on ESG.** Beyond the aforementioned, Sorainen recognises that its most significant environmental and social impact is through the work it does for its clients. We help our clients succeed in business by guiding them through the ESG challenges they face and supporting their transition to a sustainable future. We believe that by providing professional legal and tax services in the ESG area we will accelerate the ESG transition of our countries.