



ESG Qualification – Legal Departments

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Who we are: our relationship with sustainability



Founded in 2014 as 4cLegal, **4c Group** has grown into a provider of cutting-edge digital and consulting solutions for **businesses, public institutions, and professional firms**. The Group's activities span **four key areas**: technology (**4cLegal**), sustainability (**4cFuture**), communication (**4cBranding**), and applied artificial intelligence (**4cAi**).

Through **4cLegal**, we deliver innovative solutions such as **digital platforms** that help private and public organizations procure professional services with greater efficiency, transparency, and accountability. Our flagship platform, **4cLegal Enterprise**, enables organizations to compare service providers based on expertise, experience, and costs. This approach reflects our forward-thinking vision for the legal market: over the years, 4cLegal has evolved to offer tailored services for corporate legal departments and law firms, creating a marketplace where **professionalism and merit** take center stage.

For over five years, sustainability has been an integral part of the Group's mission. Our analysis of digital comparative procedures for procuring legal services—highlighted as a distinctive feature of sustainable corporate governance—has led major organizations such as **Duferco Energia** and **IBSA Farmaceutici** to include legal procurement solutions “powered by 4cLegal” in their **Sustainability Reports**.

Building on this expertise, we have expanded our scope to address **Environmental, Social, and Governance (ESG)** sustainability within the legal sector. Since 2021, we have offered businesses and professional firms the opportunity to validate their ESG policies and position themselves as truly sustainable organizations through our **ESG Qualification services**, an enhanced evolution of our earlier ESG Accreditation.

In September 2024, as part of a strategic rebranding, we officially launched **4cFuture**, dedicated to promoting sustainability in business and society through events, networking opportunities, and editorial initiatives.

Crowning these efforts, in November 2024, **4c**, the Group's holding company, achieved **B Corp certification**, underscoring our commitment to sustainability and reinforcing our role as a leader in this critical field.

ESG Qualification – Legal Departments

What it is and how it works

In today's **rapidly evolving regulatory landscape**, **sustainability** has become a critical strategic imperative. Legal departments are increasingly tasked with driving transformative change. Rather than being confined to traditional compliance roles, these departments now serve as strategic catalysts, embedding ESG (Environmental, Social, Governance) principles at the core of organizational strategy. The integration of ESG criteria has transcended mere procedural requirements, emerging as a fundamental **driver of corporate value** and **proactive risk management**. Legal teams are pioneering a **new governance paradigm**, actively shaping and implementing initiatives that advance their organizations' sustainability goals with nuance, insight, and strategic depth.

The **ESG Qualification** service enables legal departments to highlight their sustainable practices and behaviors through a **transparent** process validated by an **independent third party**. This initiative aims to build a community of legal departments that meet specific sustainability criteria and create sustainable value for their companies.

The entire validation process (see slide 6 for details) is **digital** and takes place on a dedicated section of **4cLegal Enterprise** platform. The legal team will upload **sustainability self-declarations**, which detail the department's **ESG policies**. These self-declarations are reviewed by 4cLegal team to ensure formal and substantive adequacy. They are then verified by a relevant stakeholder—someone with a direct relationship with the legal department and capable of confirming the accuracy of the specific self-declaration. Stakeholder identities and their organizational affiliations remain strictly confidential under our procedures and are never disclosed.

Once the stakeholder confirmation is obtained, the process is successfully completed, and the legal department is **qualified for that specific policy**.

The ESG Qualification service does not aim to create a 'ranking' of Legal Departments, but rather to provide **corporate stakeholders** and the **market** with credible and documentable elements on the positioning of the Legal Department in relation to sustainability issues and its **contribution to the pursuit of the company's sustainability mission**.

Our Sustainability Certificates

Each legal department selects the sustainability elements it wishes to validate –starting from a list of “ESG items” (see slides 8-10)- and provides all the relevant information for their evaluation and confirmation by the stakeholders.

The self-declarations of sustainability that will result as «validated» are represented in **Sustainability Certificates** , valid for one year: the Legal Department can use them freely in its communication to the market.





ACCESS

The Legal Department activates its ESG area on 4cLegal Enterprise and assesses the ESG items to start the validation process



DESCRIBE

The Legal Department describes/attaches the relevant information in relation to the selected ESG item and provides stakeholder contacts to trigger the validation process. The validation process is specific to each item



VALIDATE

Our team carries out a formal and adequacy check on the individual self-declarations entered



CONFIRM

Once the self-declarations pass the tests, they must receive confirmations from relevant stakeholders.

Once all the confirmations have been received, the self-certification is validated



COMMUNICATE

Each validated self-declaration is valued in annual 'diplomas'

List of sustainability items:

Environmental Area

The **Environmental area** of the list of sustainability elements contains **6 items that can be validated**:

#	Item	Stakeholders requested for validation
E1	Concrete implementation of a separate collection system	Head of legal team
E2	Concrete implementation of a policy for the disposal of electronic waste	Head of legal team
E3	Concrete implementation of a policy for the minimal use of paper/print	Head of legal team
E4	Concrete implementation of a policy for the use of certified recycled paper	Head of legal team Head of Procurement Office
E5	Concrete implementation of a plastic-free policy	Head of legal team
E6	Concrete implementation of a policy promoting sustainable mobility of people working in the legal department with consequent reduction of CO2 emissions - including policies promoting smart working	Head of legal team Head of facility management o HR o General affairs

List of sustainability elements

Social Area

The **Social** area of the list of sustainability elements contains **8 items that can be validated**:

#	Item	Stakeholders requested for validation
S1	Concrete implementation of a policy pursuing gender equality and inclusion. Need to indicate evidence of results achieved (e.g. relevant percentage of women in the total, presence of workers with disabilities)	Director / Head of HR Woman in the legal team
S2	Implementation of training and refresher programmes on sustainability issues	ESG Director e/o Head of HR Member of the legal team
S3	Concrete implementation of a policy providing for the valorisation of young talent and the transparent regulation of career paths	Director / Head of HR Member of the legal team
S4	Concrete implementation of a policy providing for regular climate surveys and the possibility of filing internal complaints	Director / Head of HR Member of the legal team
S5	Concrete implementation of a parenting support policy with provisions exceeding regulatory obligations	Director / Head of HR Legal team member
S6	Participation of legal management in pro bono initiatives / support for non-profit organisations / annual donations and the like	Legal team member ESG Director / Head of Communication 1 beneficiary of the initiatives
S7	Concrete implementation of policies favouring a work-life balance	Director / Head of HR Legal team member
S8	Concrete implementation of job rotation programmes - Job mobility within the organisation	Director / Head of HR 1 beneficiary of the initiatives

List of sustainability elements:

Governance Area

The **Governance** area of the list of sustainability elements contains **7 items that can be validated**:

#	items	Stakeholders requested for validation
G1	Use of digital applications for sharing information with external consultants on legal files	Head of legal team External consultant
G2	Adoption and concrete implementation of a policy providing -as an annex to the professional fees received- an analytical detail of the professional services performed in favour of the legal department	Head of legal team External consultant
G3	Adoption and concrete implementation of an appropriate policy to protect the security and confidentiality of data and information, including customers data and information, in compliance with applicable regulations and best practices	Head of legal team
G4	Concrete implementation of a policy for handling feedback and complaints from internal clients	Head of legal team Internal client (Finance, HR, Commercial, Operation)
G5	Adoption and concrete implementation of a procurement policy providing for traceable qualification and selection procedures for professional firms and other types of suppliers	Head of legal team External consultant Procurement office
G6	Implementation of activities directed at the organisation's internal customers aimed at proactively promoting awareness of sustainability issues and/or the adoption of sustainable practices and behaviours	Responsible team legal Internal client (Finance, HR, Commercial, Operation)
G7	Adoption and concrete implementation of a policy to map and monitor the ESG compliance of professional firms and other providers	Head of legal team Procurement office External consultant

How is it decided: whether a self-declaration of sustainability is validated

The self-declaration of sustainability related to an item will be validated (and will therefore assume the status of a Validated Self-Declaration of Sustainability) if it respects 3 levels of control (see below). The most characterizing level of the procedure is the confirmation by the **stakeholder(s)**, which aims at qualifying the mere self-declaration by making it more "robust". The two further levels of control - formal and adequacy - are carried out by 4cLegal and are aimed at maintaining the minimum standards of **accuracy of the self-declarations** against their necessary conciseness (necessary also for the possible confidentiality of the details of the policies/practices referred to). 4cLegal does not act as a certifying body, but provides a formally and substantively sound procedure for highlighting the Legal Departments' **sustainable policies and practices**.

A prerequisite for the process is confirmation by the stakeholder(s): this occurs when all stakeholders who are asked to confirm the self-declaration respond positively. An email with all the information and instructions necessary for confirmation is automatically delivered by the system to the email address of the stakeholder indicated by the Legal Department.

- **Formal control:** The description of the practices/policies supporting the self-declaration of sustainability for a given item is formally pertinent to the element;
- **Adequacy control:** The description of the practices/policies supporting the self-declaration of sustainability for a given item is sufficiently detailed and circumstantial, allowing for informed and qualifying confirmation by the stakeholder(s) involved. In addition to the instructions on the next page, 4cLegal develops timely compilation guidelines shared with users;
- **Random checks:** In addition to the above, 4cLegal reserves the right to carry out random checks by directly contacting stakeholders who have confirmed ESG elements.

In case of non-validation of the self-declaration due to issues concerning formal control and/or adequacy of practices/policies, 4cLegal provides feedback and is available to organize a proactive dialogue with the Legal Department.

Some simple instructions to fill out a comprehensive self-declaration of sustainability_____

In light of the control levels described, here is a set of simple guidelines to consider in order to submit a complete self-declaration of sustainability.

- **Take all the time you need.** Providing descriptions of practices and policies relevant to issues as complex as those in the 21 items on the list can be neither simple nor straightforward, especially if one has to do a synthesis exercise by selecting and organizing the most important information. Therefore, we advise to take all the time needed.
- **If written policies are available, attaching them may be a good choice (but is never mandatory).** If a Legal Department already relies upon written policies regulating some of the elements in the list, it is likely that they contain a good share of the information required for a good self-declaration. It is therefore possible to attach them –we will keep them strictly confidential– using, if appropriate, the description field to add further context.
- **Write a comprehensive self-declaration: you may contribute to the improvement of the eco-system of Legal Departments.** More evidence and examples provided in the self-declaration mean more chances to get the validation. The best practices, policies and solutions may enrich the entire Community of the Legal Departments that partake in this project: if you wish to do so, you may authorize us to share them, either anonymously or associated to the name of your Company.
- **Where appropriate, explain how the Legal Department makes an actual sustainability effort.** Many items in the list refer to areas that are regulated by law. In those cases, it can be important to explain how the Legal Department “runs the extra mile” in order to be sustainable, and not just formally compliant.
- **Take into account the Compilation Guidelines developed by 4cLegal to optimise your compilation work.**

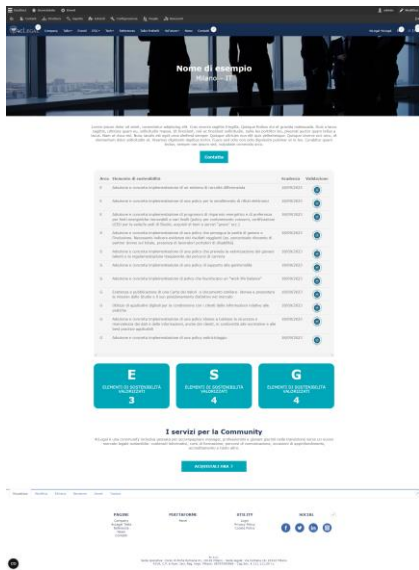
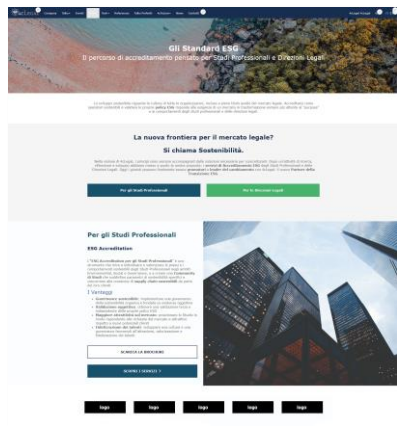
What expenses are covered by the cost of the service

- **Research and development:** Setting out the list of 21 ESG items and curating future updates entails a research and development efforts that by itself represents a contribution to the eco-system of Legal Departments, and takes the time of the Team 4cLegal members involved.
- **Launch and maintainance of the platform:** The platform hosting the ESG Qualification system has had a development and set-up phase carried out by 4cLegal team members, and requires continuous maintenance.
- **Control activities by 4cLegal:** The process of validation requires, at multiple points, the involvement of Team 4cLegal members. Our team also offers continuous assistance throughout all of the process of validation.
- **Activities and initiatives to coordinate the ESG Community of Legal Departments:** as explained on page 13.
- **Benefit activity of 4cLegal:** for each ESG Qualification contract signed, a quote of 90 euros will be devolved by 4cLegal to charity initiatives. These initiatives will be fully reported in a dedicated space on the platform. The first project will engage the «Lega del Filo d'Oro» foundation.

ESG Qualification – Legal Departments: communication plan “ESG Vision”

- **Activation of the service**
- **Sustainability Certificates for individual validated items, plus a Summary Certificate of all validated items**
- **Welcome post** in the Legal Departments ESG Community on 4cLegal's social channels (Linkedin, Facebook)
- Presentation in **newsletters** and mention in the new "**4cFuture Magazine**" published on a quarterly basis
- **Appointment of an Ambassador** from the Legal Department who will be able to participate in the **Advisory Board** associated with the project: a quarterly meeting at which we will discuss content and insights arising from the management of the project itself, and consider how to improve it on an ongoing basis
- **Written interview in 4cFuture Magazine** (issue following accreditation)
- **Positioning article on ESG issues** (published on 4cLegal website, social media and newsletter)
- **Company logo** in the **promotional materials of the annual event** organized by 4cLegal on the topic of sustainability

1. «Sustainability Hub»: website www.4clegal.com/hub-esg-4clegal



2. «4cFuture Magazine»: the periodical magazine dedicated to the sustainable legal market



3. Welcome post: post dedicated to firms that obtain the sustainability certificate



THANK YOU FOR YOUR ATTENTION

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