

The logo consists of the characters '4C' in a white, sans-serif font. A small blue hexagon is positioned to the right of the 'C', partially overlapping its right edge.

4C

The title is centered on the page. A large, semi-transparent red hexagon is positioned behind the text, overlapping the words 'Qualification' and 'Supply'. The background of the entire page is a photograph of three hikers on a trail at sunset, with a large white circular graphic element behind the text.

ESG Qualification - Supply Chain

The logo features the text '4cLegal' in a blue, sans-serif font. The 'c' is lowercase and smaller than the other characters. The background shows the hikers from the main image.

4cLegal

1. Sustainability and ESG criteria

Today, in the culture of enterprise, **reputation** holds a fundamental importance. It certainly stems from the success of a company's financial performance, but increasingly, it also depends on the sensitivity demonstrated toward other issues related to its activities. In particular, this involves positive corporate behaviors regarding **ESG (Environmental, Social, Governance)** themes.

Incorporating concrete actions in the ESG domain into the company's strategic plan is a crucial opportunity to create long-term, **structural value**. This issue concerns not only publicly traded companies and major operators but also public administrations and small and medium-sized enterprises (SMEs).

2. Sustainable governance and Supply Chain, including professionals

The concept of "**Governance**", the cornerstone of the ESG triad, includes the company's organisation and governance policies, including those relating to the **supply chain**. The supply chain includes all the company's suppliers, both goods and services, including **external consultants**.

Good governance in the management of relations with suppliers certainly starts from the **accreditation** and **selection** phases.

In this regard, it is interesting to recall the **UNI ISO 37001:2016** standard, which defines the "business partner" as the "*external party with whom the organisation has or plans to establish any business relationship*". Among the business partners there are also the "*consultants*" and therefore the professionals outside the organisation. The selection of business partners is subject to "*non-financial controls*", which provide to: (i) carry out a "*due diligence*" procedure aimed at verifying "*whether the business partner has the necessary qualifications, experience and resources*", (ii) assess whether any payment to be made to the business partner is reasonable and proportionate with respect to these services (in order to avoid the creation of a "*supply that can be used for corruption conduct*"), (iii) *award contracts (in UNI ISO terminology this also includes assignments to professionals), "where this is possible and reasonable, only after a fair and transparent tender process has been carried out between at least three bidders"*; (iv) provide the specific tools and support schemes to staff (e.g. create a "*computerised workflow*").

4cLegal and its platform called "**4cLegal Enterprise**" have been a reference point for years in the implementation of the **best practices** indicated above in the field of due diligence, and the selection of external professionals (lawyers, accountants, labour consultants, notaries, auditors, IP consultants, etc.).

Today, however, a new area of focus emerges, particularly in light of the recent entry into force of the Corporate Sustainability Due Diligence Directive, which introduces a sustainability due diligence obligation for large enterprises across their entire supply chain. This obligation fully encompasses professional firms as well. As a result, the need to map and verify the sustainability of external professionals with whom the organization intends to collaborate becomes even more pressing.

3. From "Legal procurement" to "Legal & Sustainable Procurement"

Sustainability is a "circular" concept: operators who want to pursue sustainability must have suppliers who do so in turn. This obviously also affects professionals, whose **active behaviours** in the ESG field need to be mapped. The issue becomes even more significant following the entry into force of the CS3D. This clearly extends to professionals, whose active behaviors in the ESG domain must be mapped.

The "**ESG Qualification**" service answers this specific need. It allows to evolve the best practice already established by 4cLegal in the purchase of professional services. We enter the era of **Legal & Sustainable Procurement**.

4. ESG Qualification – Supply Chain

The "ESG Qualification – Supply Chain" service is a natural evolution of the widely recognized and valued Legal Procurement Platform, "4cLegal Enterprise." While the platform gathers and objectively represents the characteristics, experiences, and skills of professionals—helping companies make rational and cost-effective decisions for specific scopes of work—"ESG Qualification" focuses on identifying and verifying ESG parameters of the professional firms the company works with. These parameters are assessed with professionals to ensure compliance with the company's requirements for qualifying as a service provider or gaining a competitive edge over other suppliers.

4.1. The mechanics of service. How it works

4cLegal and the Customer share the ESG parameters (item) that the Customer's professional firms are invited to describe and that will be subject to verification by 4cLegal.

The firms designated by the customer are invited to access a 4cLegal platform, specifically configured for this purpose, and select the ESG criteria they believe they meet. They are also required to describe the policies they have in place and may upload supporting documentation to substantiate their claims.

4cLegal then carries out verification and control activities on the self-declarations of each Firm. In particular:

- **Formal control**

(verification of the consistency between the requested ESG policy and that of the Firm/professional),

- **Adequacy check**

(check that the policies are described in sufficient detail and report adequate evidence with respect to the ESG parameter to be proven)

- **Validation procedure**

(activation of a confirmation mechanism by stakeholders relevant to the ESG parameter indicated)

- **Sample checks**

(verification of 4cLegal with stakeholders who have confirmed the self-declaration)

4cLegal evaluates the firm's claims regarding the selected ESG criteria and either confirms or rejects them. Upon confirmation, the process is documented in a detailed report provided to the customer following the completion of verification and validation activities.

4. 2. The creation of value

The 4cLegal “**ESG Qualification – Supply Chain**” service offers the Legal Department an opportunity to create significant value for its organization and the entire ecosystem. Through this service, the Legal Department integrates ESG considerations as a **core element** of its **relationships with professional firms**: ESG qualifications for a professional firm can become either a mandatory requirement for selection or a preferential factor in the assignment of engagements. This positions the Legal Department as a benchmark for **best practices in procurement and third-party relations**.

From a reputational perspective, this service allows the Legal Department to proactively enhance the company’s reputation, showcasing its ESG-oriented approach in targeted internal and external communications. This, in turn, strengthens the leadership role of the Legal Department within the organization, contributing to the **redefinition of the corporate counsel’s role**. Finally, the Legal Department’s example **drives the entire legal market toward greater sustainability**. This impacts both professional firms, encouraging them to invest in their internal sustainability, and other companies, which can draw inspiration from this best-practice case. In this regard, 4cLegal undertakes numerous **communication initiatives** to promote the visibility and dissemination of best practices, both within and beyond the legal market.

5. Pricing

4cLegal ESG Qualification – «Pay per Use»

Type of activity	Price (Excluding VAT)
Set-up and configuration	€ 500 one-off
Formal control	€ 250/year (for each Firm)
Adequacy check	
Mapping and attestation	
Sample checks	

4cLegal ESG Qualification – «Subscription»

Typology	No. of Professional Studies	No. of items included	Price (excluding VAT)	Extra price (excluding VAT) for a single firm not included in the package
Set-up and configuration	/	/	/	€ 500 one-off
Small Package	Up to 5	Unlimited	€ 1,000/year	€ 250/year
Medium Pack	Up to 20	Unlimited	€ 3,000/year	€ 250/year
Large Package	Up to 50	Unlimited	€ 6,500/year	€ 250/year
Custom Package	TBD	TBD	TBD	TBD

The pricing also includes the issuance of a statement relating to the sustainability of the customer's professional offices, promoted on the main 4cLegal channels.

6. What costs are covered by the service fee?

- **Research and development:** Developing the list of 28 ESG elements and ensuring its future updates involves substantial research and development efforts. This work not only contributes to the broader ecosystem of companies and professionals but also requires a significant investment of time from 4cLegal team members dedicated to the task.
- **Launch and maintenance of the platform:** The platform hosting the "ESG Qualification" service underwent an intensive development and setup phase, supported by the efforts of 4cLegal team members. Ongoing maintenance is required to ensure its continued functionality and effectiveness.
- **Activities and coordination initiatives of participating companies and firms:** Companies utilizing the "ESG Qualification" service and firms participating in validated sustainability self-declarations will benefit from networking opportunities and initiatives. These activities demand organizational resources and time.
- **4cLegal benefit activities:** 4cLegal allocates 20% of the service subscription fee to charitable activities. Details of these initiatives will be transparently reported in a dedicated section on the platform. The first project will support the association '[Lega del Filo d 'Oro](#)'.

7. Timing

The activities of the ESG Qualification service will be started by 4cLegal within 72 hours from signing the agreement.

8. Reporting Report

At the end of the procedure described in par. 4.1, 4cLegal will deliver a special report to the Customer with the outcome of the activities carried out. Each ESG Qualification in favour of a professional firm will be effective for a period of 12 months from the date of issue indicated in the report.

#	Element	Stakeholders who can confirm this
E1	Adoption and concrete implementation of a separate collection system	1 Partner with power of representation of the Firm 1 Associate 1 Staff Member
E2	Adoption and concrete implementation of a policy for the disposal of electronic waste	1 Partner with power of representation of the Firm 1 Staff Member
E3	Adoption and concrete implementation of a policy for the minimal use of paper / printing	1 Partner with power of representation of the Firm 1 Staff Member
E4	Adoption and concrete implementation of a policy for the use of certified recycled paper	1 Partner with power of representation of the Firm 1 Staff Member
E5	Adoption and concrete implementation of a plastic-free policy	1 Partner with power of representation of the Firm 1 Staff Member
E6	Adoption and concrete implementation of energy saving programs and preference for renewable energy sources at various levels (policy for limiting consumption, LEED certification for the office (s) of the Firm, purchases of "green" goods and services, etc.)	1 Partner with power of representation of the Firm 1 Staff Member
E7	Adoption and concrete implementation of a policy that promotes sustainable mobility of the people who work in the Firm, with consequent reduction of CO2 emissions	1 Partner with power of representation of the Firm 1 Associate 1 Staff Member

#	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

#	Element	Stakeholders who can confirm this
G1	Existence and publication of a Charter of Values - or similar document - suitable for presenting the mission of the Firm and its distinctive positioning in the market	1 Partner with power of representation of the Firm Necessary attachment of the Charter of Values
G2	Use of digital applications for sharing information relating to cases with customers	1 Partner with power of representation of the Firm 1 Client of the Firm
G3	Adoption and concrete implementation of a policy that provides - as an attachment to the professional notulas - an analytical detail of the professional services carried out for the client	1 Partner with power of representation of the Firm 1 Client of the Firm
G4	Adoption and concrete implementation of a policy suitable to protect the security and confidentiality of data and information, including customers, in compliance with applicable regulations and best practices	2 Partners, one of which has the power to represent the Firm
G5	Adoption and concrete implementation of a policy suitable for the prevention of conflicts of interest	2 Partners, one of which has the power to represent the Firm
G6	Adoption and concrete implementation of a policy for the management of feedback and complaints from customers	1 Partner with power of representation of the Firm 1 Client of the Firm
G7	Adoption and concrete implementation of a purchasing policy that provides for procedures for the qualification and selection of traceable suppliers	1 Partner with power of representation of the Firm 1 Staff Member 1 Firm Provider
G8	Adoption and concrete implementation of a management control policy	2 Partners, one of which has the power to represent the Firm
G9	Adoption and concrete implementation of an anti-money laundering policy	2 Partners, one of which has the power to represent the Firm
G10	Adoption and concrete implementation of a policy that governs the carrying out of the selection processes of employees and collaborators structured and based on transparency and meritocracy	2 Partners, one of which has the power to represent the Firm 1 Associate
G11	Implementation of activities aimed at the Firm's clients aimed at proactively promoting awareness of sustainability issues and / or the adoption of sustainable practices and behaviors	1 Partner with power of representation of the Firm 1 Client of the Firm
G12	Existence and publication of a sustainability report of the Firm	1 Partner with power of representation of the Firm Necessary attachment of the sustainability report
G13	Existence of an organizational chart that defines each role, position, and interdependence relationship between people	1 Partner with power of representation of the Firm 1 Associate Necessary attachment of the organizational chart