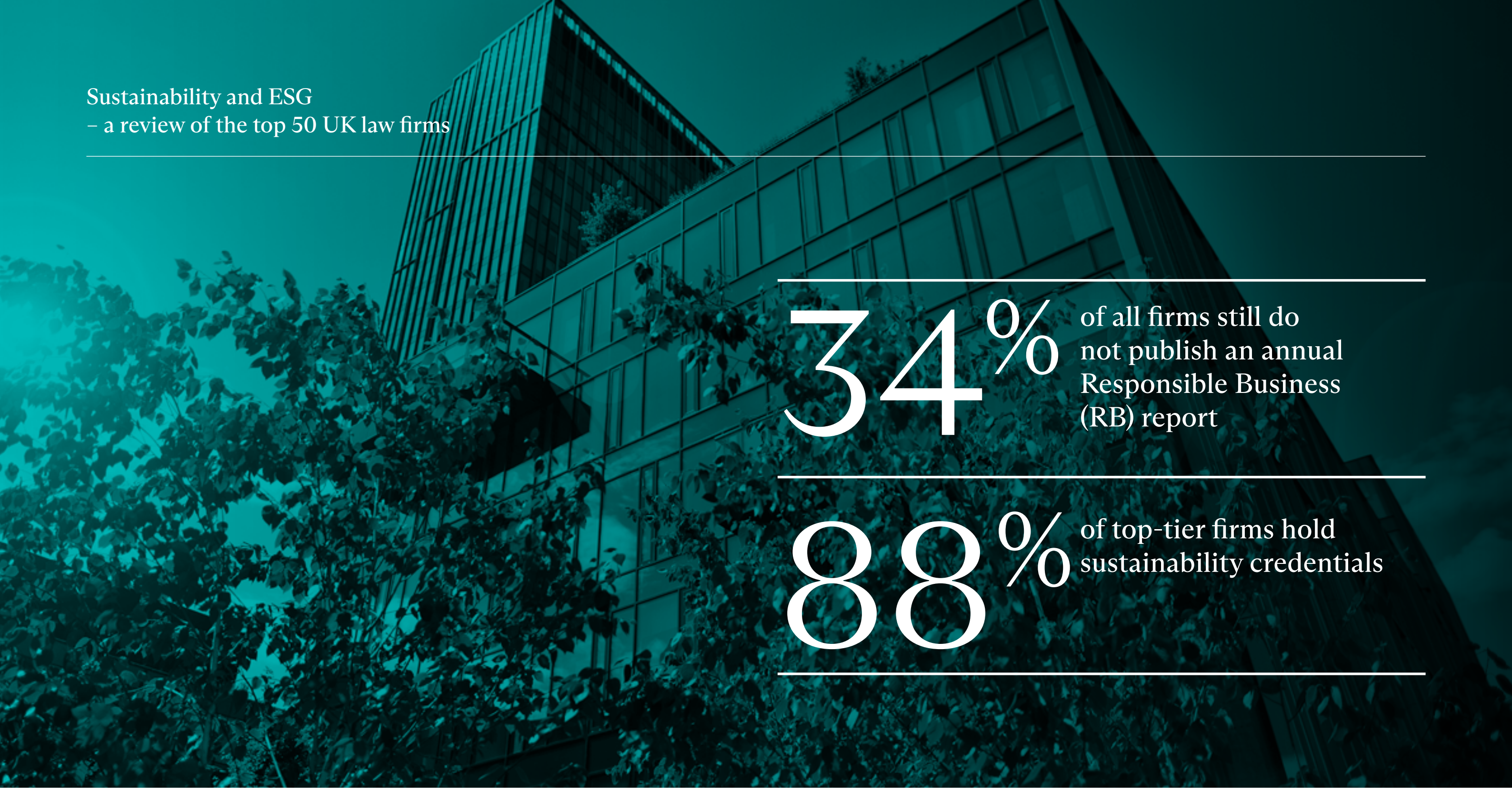
Sustainability and ESG – a review of the top 50 UK law firms

July 2025



34% of all firms still do not publish an annual Responsible Business (RB) report

88% of top-tier firms hold sustainability credentials

Executive summary

This report provides a detailed analysis of the current state of sustainability and ESG (Environmental, Social, and Governance) practices across the top 50 UK law firms, highlighting both progress and areas for improvement.

Key findings:

- *Strategic integration:* A large majority of mid-tier firms (94%) have established sustainability committees and are embedding sustainability goals into their broader strategies, indicating a growing commitment to responsible business practices.
- *Reporting gaps:* Despite this progress, 34% of all firms still do not publish an annual Responsible Business (RB) report, and only 14% have conducted a sustainability materiality assessment – an essential tool for strategic prioritisation aligning sustainability efforts with stakeholder expectations.
- *Climate commitments:* While 48 out of 50 firms have set climate related targets, only nine have committed to carbon reduction by 2030 or net zero by 2050. Furthermore, only 71% of top-tier and 35% of mid-tier firms have verified their greenhouse gas emissions (commonly referred to as carbon emissions), raising concerns about data credibility and the risk of greenwashing.
- *Sustainability certifications and recognition:* Certification rates vary, with 88% of top-tier, 71% of mid-tier, and 81% of lower-tier firms holding sustainability credentials. Recognition through awards follows a similar pattern, with mid-tier firms trailing behind.
- *Responsible business infrastructure:* 88% of top-tier and 82% of mid-tier firms have internal RB teams, which are crucial for driving sustainability initiatives and reporting. However, the lack of materiality assessments in most RB reports suggests a missed opportunity to enhance transparency and strategic focus.
- *Supply chain accountability:* Scope 3 emissions reporting – critical for full value chain accountability – is being adopted unevenly: 94% of top-tier, 59% of mid-tier, and 76% of lower-tier firms report these emissions. Additionally, 39 firms now require sustainability compliance from suppliers, reflecting growing expectations for sustainable procurement.

Our findings point to a growing sustainability maturity in the law firm sector, but continual improvements and forward thinking is required to succeed in this ever-changing space.

To strengthen sustainability performance and credibility, firms should consider:

01. Conducting sustainability materiality assessments to guide strategy.
02. Enhance transparency through verified emissions data and comprehensive RB reporting.
03. Set ambitious, achievable net zero targets with clear transition plans.
04. Invest in internal sustainability capabilities and stakeholder engagement.
05. Avoid reputational risks by aligning public claims with verifiable action.

Introduction

Sustainability is an ever-growing, global issue, and with evolving regulations impacting the way industries operate, transformation and change is inevitable. In response to growing expectations from clients, partners, and employees, forward-thinking businesses (including law firms) are proactively evaluating sustainability and ESG risks and opportunities. This shift reflects the increasing significance of sustainability considerations for both internal and external stakeholders. Throughout this report we use the term sustainability to encompass both concepts of ESG and sustainability.

Other key drivers of this shift include net zero commitments, evolving regulatory frameworks, and the trickle-down effect of sustainability obligations through supply chains. Additionally, as more law firms play a critical role in advising clients on sustainability, compliance, and risk, these firms are increasingly expected to not only guide clients on sustainability matters, but to demonstrate leadership in these areas themselves – to 'practice what they preach'. These factors, combined with reputational and commercial pressures, are reshaping strategic priorities across the entire legal sector.

Our research

To better understand how the UK's leading law firms are responding to this shift, we've undertaken research into the published sustainability credentials of the top 50 (by fee income) UK law firms, outlining their current reported position in their sustainability journey and highlighting areas of strength and opportunity. Our research explores over 40 different data points, including:

- The presence of a sustainability committee,
- The availability of a sustainability annual report,
- Certification of any relevant standards, and
- Industry recognition or awards.

Our research took place in March 2025 and is correct as of that time. Our findings only include information which was available externally via law firms' websites and certain other limited publicly available external materials.

Key performance indicators

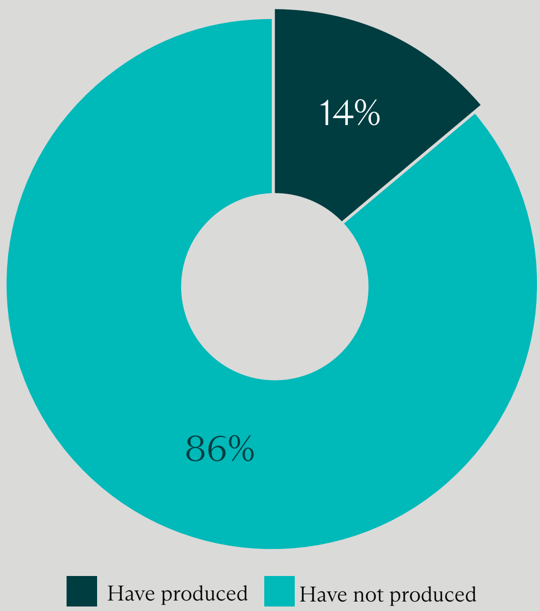
For the purposes of this analysis, the top 50 UK firms have been grouped by revenue into three tiers. The top-tier (ranks 1–17) represent the top third of the list, the mid-tier (ranks 18–34) fall within the middle, and the lower-tier (ranks 35–50) comprise the bottom third. This classification provides a clear reference point for comparing sustainability journeys across different size-based segments of the UK legal market.

Our research has found that across the top 50 law firms, many firms are well underway on their sustainability journeys. The top-tier and mid-tier firms, with more people and resources, are further developed than lower-tier firms.

A notable positive trend sees 94% of mid-tier firms having a dedicated sustainability committee and integrating sustainability goals into their overall strategy.

However, there is still progress to be made with regards to governance and reporting, as 34% of the top 50 still don't publish an annual Responsible Business report, or equivalent. There appears to be a missed opportunity for many firms to clearly communicate their sustainability goals to their clients and stakeholders through a formal reporting process. This issue is further highlighted by the fact that only 14% have performed a sustainability materiality assessment. While many of the top-tier and mid-tier firms offer sustainability related services to their clients, failing to lead by example may raise questions about the authenticity of their commitment, the quality of their offering, and their ability to deliver. Read more on Page 5.

How many firms have produced a sustainability materiality matrix?



A sustainability materiality matrix is an important outcome of a materiality assessment. Why do you need one? Head to Page 5 to find out.

While 48 out of 50 firms publicly commit to climate related targets, only nine disclosed time-bound carbon reduction targets by 2030 or net zero targets by 2050. Setting and then meeting carbon reduction and net zero targets may require significant strategic shifts, investments, and potentially even a re-evaluation of operations. This low statistic could suggest that most firms haven't yet developed a strategy or aren't yet equipped to achieve these long-term commitments. With a surge in demand for sustainability guidance, many law firms are seizing the opportunity to promote their sustainability credentials to clients, but firms should be careful to avoid 'greenwashing'.

Additionally, we found that 71% of mid-tier firms were certified under sustainability related standards, such as ISO 14001, compared with 88% of top-tier firms and 81% of lower-tier firms. Mid-tier firms may face unique challenges in this area, potentially lacking the budget or dedicated resource of a large firm, and have more complex business operations than smaller ones, making a comprehensive change for sustainability requirements more difficult to implement and maintain.

Continuing this trend, 71% of mid-tier firms have notable awards/recognition for sustainability efforts compared to 94% of top-tier and 75% of lower-tier firms. While 71% is a significant number, it is again trailing behind those in the top and bottom tiers. Read more on Page 7.

Looking ahead

As reported by Allianz, the demand for sustainability related services from law firms is projected to increase by 60% over the next three years, as these areas become increasingly central to business's priorities and influences their external perception in the market by potential clients/customers, their own people, and other key stakeholders.

As the volume of sustainability related regulation and reporting requirements continues to develop, law firms providing sustainability services must invest in sustainability resources. Equally importantly, they must implement robust internal sustainability strategies to demonstrate credibility and lead by example.

As highlighted by Legal Futures, sustainability is becoming an area of greater importance for mid-tier firms, particularly during their recruitment process. A key factor behind this is to attract new talent and retain existing people, as sustainability is highly valued by many ambitious professionals progressing into more senior roles.

The Strategic Legal Sector Insights Report, published by MHA in collaboration with the Law Society, surveyed partners and senior representatives of mid-tier law firms on their outlook and strategic priorities, including sustainability. Key points included, that while many firms provided equality, diversity and inclusion (ED&I) training, a minority of firms reported considerable progress on environmental matters. Mid-tier firms must embrace all material aspects of sustainability and begin to make tangible changes to their operations, not just for compliance or reputation, but as leverage for growth, talent attraction, and differentiation in a market where top-tier firms and agile smaller firms could outperform.

Responsible business transparency and sustainability reporting

33 out of the top 50 law firms currently produce an annual Responsible Business (RB) report, or equivalent. This type of reporting is becoming an increasingly essential tool for demonstrating a firm's commitment to sustainability and responsible business practices, helping to build trust with stakeholders. In addition to producing a report is the importance of having a dedicated internal RB team. We've found that 88% of the top-tier firms have an internal RB team, while this figure drops to 82% for mid-tier firms. Firms not yet implementing this should see it as a key opportunity to improve their wider RB credentials and enhance their competitiveness in an increasingly sustainability aware market.

One related area of interest is the hiring of sustainability-focused professionals. Many professional services firms are hiring Responsible Business Directors and senior sustainability professionals to strategically integrate and drive firm-wide strategy and initiatives. As well as supporting strategic decision-making and regulatory compliance, this, alongside an RB report, also enhances a firm's reputation among investors, potential clients, and new talent.

As noted on Page 3, 34% of firms in the top 50 don't currently publish an annual RB report, or equivalent. Among the firms that do, particularly in the mid-tier, there are examples of firms producing well-structured and comprehensive reports. For example, Fieldfisher's ***Sustainability in action 2024*** report outlines the firm's sustainability activities and key future goals . Similarly, firms such as Charles Russell Speechlys, Shoosmiths, and RPC have also published RB reports aimed at external audiences.

However, a notable gap across many of these reports is the absence of a sustainability materiality assessment. While publishing an RB report is a positive step, the lack of a materiality assessment suggests that firms may be missing a critical opportunity to strengthen the credibility of their reports and ensure that sustainability efforts are focused and strategically aligned.

We found that only seven out of 50 firms have published results from their sustainability materiality assessments. Mid-tier firm Irwin Mitchell is one, which it included in its 2024 RB report.

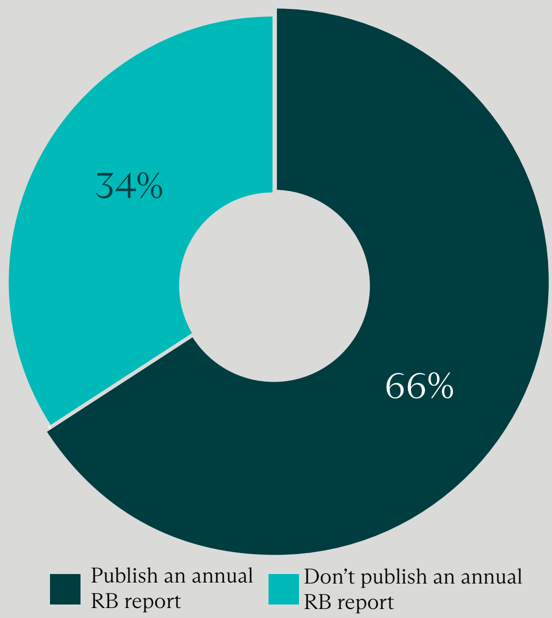
Why you need a sustainability materiality assessment

A sustainability materiality assessment is a hallmark of a leading sustainability strategy. Without this assessment, many firms are missing a crucial opportunity to focus their efforts on areas that matter most to their business for both internal and external stakeholders. A materiality assessment typically involves an initial assessment of sustainability topics through either a single materiality lens or a double materiality lens, reflecting the relevant perspectives of either:

- Outside in – how environmental or social issues impact your business, or
- Inside out – how your business can make an impact on the environment and society.

There's no one-size fits all approach, and so a materiality assessment should be tailored to your business and your requirements.

How many firms publish an annual RB report or equivalent?



82% of mid-tier firms have an internal RB team

Top 5 tips for starting your Responsible Business journey

Here are some of our top tips for firms in the early stages of their journey:

01. Senior leadership buy-in

Ensure senior leadership are fully committed to the sustainability initiatives and are willing to devote the required resources to achieve them.

02. Engage stakeholders

Involve internal and external stakeholders in your sustainability journey. Their input can guide strategic priorities and maximise meaningful impact.

03. Define clear goals aligned to the overall strategy

Identify the key sustainability issues within the sector and that are important to your stakeholders; this can be done through a sustainability materiality assessment. The insights gained from this assessment can then form the basis for a clear RB strategy and subsequent external communications, such as a comprehensive RB report.

Ensure you have strategic goals to address the matters identified from the materiality assessment, and these goals must align with your business's mission, values, and long-term strategy.

04. Establish and develop a robust data collection framework

Reliable sustainability progress against strategic goals should be measured and monitored through accurate data or metrics. Set-up systems and internal controls to collect, track, and verify data across departments—especially for carbon emissions, energy use, diversity metrics, and governance practices.

05. Communication

Publish sustainability reports regularly and be honest about both achievements and areas needing improvement. Transparency builds trust and shows commitment to continuous improvement.

It's also advisable to select a reporting framework that fits your goals and stakeholder expectations. Common sustainability reporting frameworks include:

- GRI (Global Reporting Initiative) Standards,
- SASB (Sustainability Accounting Standards Board) Standards,
- Recommendations by TCFD (Task Force on Climate-related Financial Disclosures),
- IFRS (International Financial Reporting Standards) S1 and S2, and
- ESRS (European Sustainability Reporting Standards).

> *There's no one-size-fits-all approach, and so a materiality assessment should be tailored to your business and your requirements.*

Carbon reduction targets and sustainability certification

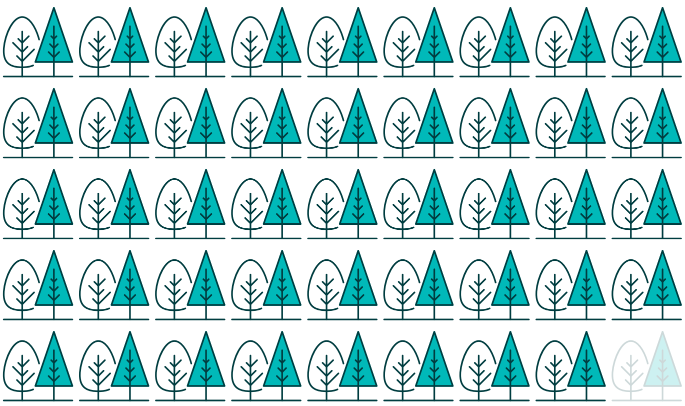
Despite only nine out of 50 firms sharing their net zero ambitions, 48 out of 50 have carbon reduction targets and 49 out of 50 track and report their carbon footprint.

Among the top-tier firms, 71% have verified their carbon emissions, compared to just 35% of mid-tier firms. Tracking and reporting a firm's carbon footprint involves measuring emissions and disclosing this information publicly. Verification refers to the additional step of having this data independently reviewed, enhancing its credibility and ensuring stakeholders can rely on its accuracy. This is typically achieved through third-party assurance or accredited bodies. Verified data can add further credibility when reporting under initiatives such as CDP.

While these firms have published carbon reduction plans, the lack of verification may raise concern about the reliability and integrity of the data. Obtaining third party assurance on data such as GHG emissions provides stakeholders with trust and reassurance regarding accuracy.

Additionally, there is a reputational risk associated with making public sustainability claims without credible data to support them. Without verified data and a clear transition plan there is a risk of greenwashing, which could undermine client and stakeholder trust and potentially damage a firm's brand. We support firms in addressing these challenges through tailored carbon accounting and transition planning services, helping to build credibility and ensure accountability.

While there is currently no single, mandatory sustainability standard that applies universally to all UK law firms, larger firms are subject to increased expectation and as a result, may feel more of a pressure to align with evolving requirements and demonstrate leadership in sustainability practices. Certifications like ISO 14001, while voluntary, are becoming more widely recognised across the legal sector as valuable tools for demonstrating environmental commitment and progress. That said, certifications may not be the right fit for every firm. Their value depends on a firm's goals, resources, and stakeholder expectations.



49 out of 50 track and report their carbon footprint.

09 out of 50 firms share their net zero ambitions

Supply chain considerations

Understanding and reporting on carbon emissions typically involves categorising them into three types or 'scopes'. This is a framework used by most organisations, including law firms:

- *Scope 1* covers emissions from sources that the firm owns or controls directly. For most law firms, Scope 1 emissions are relatively limited and include mainly company owned vehicles and on-site heating systems in firm-owned buildings.
- *Scope 2* are emissions that a firm causes indirectly and come from where the energy it purchases and uses is produced. This includes emissions from electricity consumption in offices and purchased heating or cooling.
- *Scope 3* is often the largest and most complex category for law firms, covering emissions from activities not owned or directly controlled by the firm but related to its value chain activities such as business travel. It encompasses emissions that are not produced by the firm itself and are not the result of activities from assets owned or controlled by them, but instead by those that it is indirectly responsible for, throughout its value chain.

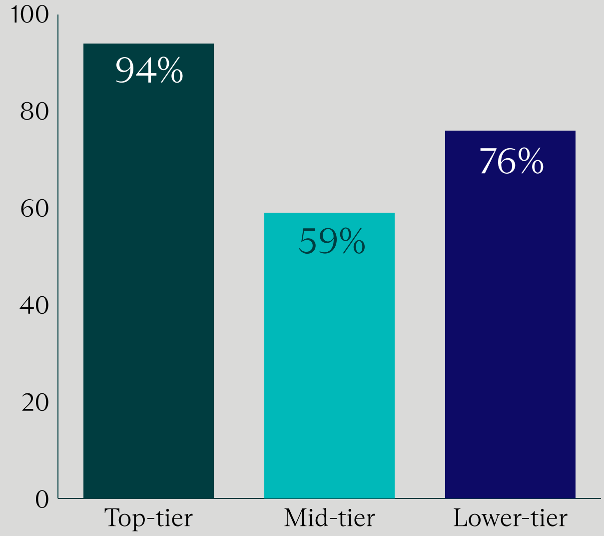
We found that 94% of top-tier firms, 59% of mid-tier firms, and 76% of lower-tier firms are publicly reporting their Scope 3 emissions. This indicates varying levels of transparency and maturity in carbon accounting across the different tiers in the top 50. Reporting on Scope 3 emissions is increasingly important, as evolving sustainability disclosure standards (such as the International Sustainability Standards Board (ISSB)) emphasise full value chain accountability. Law firms may also be asked to provide this data by clients or suppliers as part of their own sustainability requirements, making early data collection and reporting essential. We support firms with carbon accounting across all emission types and scopes, alongside developing robust carbon transition plans to meet stated reduction targets.

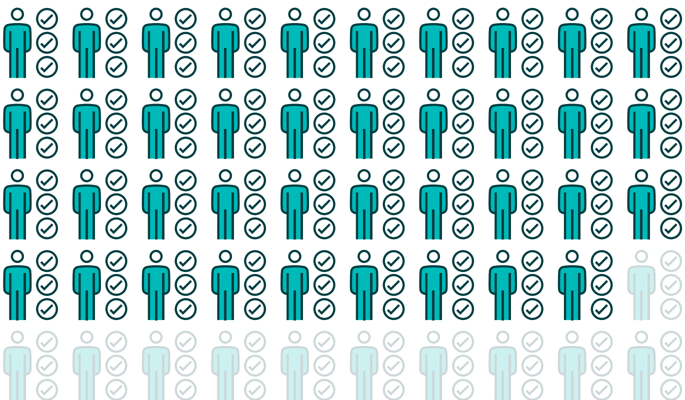
With 39 out of 50 firms requiring suppliers and partners to adhere to sustainability standards, many are clearly laying the groundwork for (and demonstrating a commitment to) robust Scope 3 emissions accounting and a strategic reduction in the future.

This could also be influenced by The Law Society's proactive stance, as the professional body has issued significance guidance on the impact of climate change on solicitors' duties. In addition, to encourage firms to measure and reduce their carbon footprint, they are encouraging the integration of climate risk considerations into client advice across all practice areas to foster a "climate-conscious approach".

Please note, we're aware of a new group of emission category focused on serviced emissions by professional service providers. At this stage they aren't officially recognised within the GHG Protocol Corporate Standard, so we haven't taken them into account when conducting our research.

How many firms in each tier are publicly reporting their Scope 3 emissions?





39 out of 50 firms require suppliers and partners to adhere to sustainability standards

How we can help and contact us

We support law firms at every stage of their sustainability journey, helping them to adapt and transform to meet ever-changing regulatory and stakeholder needs and to report on the sustainability impact of their activities.

Why is sustainability important for your firm?

Sustainability is increasingly vital for business success. Strong credentials in this area enhance reputation, build stakeholder trust, and help identify and manage long-term risks. Strong sustainability performance also attracts and retains clients and talent who prioritise ethical and sustainable values. As regulation and market expectations evolve, integrating a sustainability strategy in your firm ensures competitiveness and resilience.

How we can help you on your sustainability journey

Our specialist Sustainability and ESG Team supports law firms on their sustainability journeys.

We can help formalise and develop a clear sustainability strategy that meets the needs of both internal and external stakeholders. Additionally, we support clients on their compliance requirements to ensure they are conforming to the latest sustainability regulations and standards.

To discuss any of our findings and how we can help you on your own sustainability goals, please get in touch.

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