

What does being a B Corp mean for us?

- We put our values at the heart of what we do, and we have done for more than 50 years
- Lawyers from Bates Wells were involved in bringing the movement to the UK and set the UK Legal test
- Being a B Corp was a natural fit – since certifying it has helped us focus on continuous growth and improvement

What does it mean for us on a day-to-day basis?

- **Firm strategy and key decisions**
- **Certification, impact reports and keeping on track**
- **Collaboration and the community**

Operationalising our environmental aspirations

- Formally recognised the climate emergency and biodiversity crisis in September 2019
- Committed to being Carbon Net Zero from 2019
- Established a climate programme to keep us on track
- Sustainable pension offering
- No waste to landfill
- Environmental purchasing policies
- Single-use plastics reduction

B Corps: Governance and legal issues



Becoming a B Corp

- Amending governing documents
- Triple Bottom Line:

Profit, People, Planet

UK Legal Requirement

- (1) *“The objects of the Company are to promote the success of the Company:*
 - *(i) for the benefit of its members as a whole; and*
 - *(ii) through its business and operations, to have a material positive impact on (a) society and (b) the environment,*
taken as a whole”

(2) Directors *shall* have regard to “Stakeholder Interests” in achieving the objects above:

- *Long term impact on stakeholders*
- *Employees*
- *Suppliers, customers, others*
- *Community and the environment*

(3) *Impact report*

Better Business Act

- Embedding the requirement to balance people, profit and planet as a mandatory minimum standard for all UK companies
- Legislative change - Amending section 172 of the Companies Act
- Over 600 businesses signed up, e.g. John Lewis, Waitrose, Iceland, Innocent, Patagonia, Quorn...

betterbusinessact.org

Common legal considerations

- **Is it harder for professional services firms to certify as B Corps?**
- Does certification as a B Corp change the nature/scope of directors duties?
- Does certification change the company's relationship with its shareholders?
- Are directors subject to additional potential liability to third parties?
- Do additional disclosure obligations apply to B Corps?
- **How does B Corp certification impact relationships with clients?**



Questions?



We use the word ‘partner’ to refer to a member of the LLP or an employee or consultant with equivalent standing and qualifications.