



INTEGRATED REPORT  
2019

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Specific reference is made throughout this report to Global Reporting Initiative (GRI) reporting standards.



# BEYOND

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# Another Integrated Report?!

(GRI 102-14)

Last year, SZA was one of the first law firms in the world to publish an integrated report.

Our initiative stemmed from a wish to observe and recount the firm's activities from a broader perspective than the merely economic, from a viewpoint which also incorporated non-financial data and information, in order to better describe SZA in all its richness and complexity, as well as the contribution that we make to the common good.

This new report is published with the awareness of having undertaken a commitment of transparency towards our stakeholders, a principle which is respected not only by the quantity of information made public, but also by its quality and the periodicity with which it is made available.

Corporate sustainability and social responsibility are part of a path whose steps must necessarily take into account the changes - at times sudden - which may take place along the way; only periodic reporting can give a true picture of this journey.

We also firmly believe that periodic reporting is an effective management tool, facilitating checking of results and the planning of actions and activities which may be necessary for the future.

In deciding to go ahead and publish our report in this time of difficulty for the community at large, we want to signal our confidence in the capability of our economic and social system to face the on-going challenges, and underline our firm intention to make our contribution.

Given the date of publication, this report will necessarily consider the early months of 2020 and the unfolding of events resulting from the Covid-19 pandemic.

The main body of the report, dedicated to the activities carried out and the results achieved in 2019, is followed by a section describing the actions put in place in 2020 to address the challenges of the pandemic and the general lockdown.



The experience of living and working through a pandemic is undoubtedly reflected in all our lives.

In choosing the title for our 2019 Report we aimed to define this intense and complex time, albeit focusing on its generative aspect: - Beyond. Beyond a tiring and complicated present, beyond the experience of necessary social distance, will come a refund, much appreciated socialization; we will rediscover the possibilities and the joy of being together, going beyond a horizon which is at present too close.

All of society, including the justice system, has taken a leap forward towards digital transformation, and towards innovation in general, in order to deal with the coronavirus emergency. The engine of change has undergone heretofore unimaginable acceleration.

We know that nothing will be as it was before: to us the task, as individuals, citizens and lawyers, to ensure that it is better.

**Marisa Meroni e Luca Guffanti**  
*Managing Partners SZA Studio Legale*

# How to read the Report

(GRI 102- 1, 50, 45)

SZA publishes its Integrated Report with the aim of showing how the firm approaches value creation in the broad, diversified sense of the term, and not only in the short term but also with a view to medium and long term goals - for all our stakeholders.

The “extended” concept of value creation refers to all those factors required to achieve good results - for example, innovation and development of know-how, skills and people’s sense of belonging, client care, and environmental sustainability - yet which do not find sufficient acknowledgment in traditional reporting tools. This is true in particular for Law Firms, which are not under any obligation to draft financial statements.

In line with the evolution in international reporting, SZA’s Integrated Report has been drawn up in compliance with the International Integrated Reporting Framework <IR>, published in December 2013 by the International Integrated Reporting Council (IIRC) and uses a set of indicators, selected from among those put forward by GRI Standards 2016 for the reporting of significant issues.

The scope of the report includes SZA’s professional activities and refers to 2019 (1 January 2019 - 31 December 2019).

We also considered it necessary to provide information judged to be of particular importance concerning certain facts which occurred up to the date of publication of this Integrated Report.

The main sources of the data and information reported in the Integrated Report are:

- Management and accounting systems;
- Documents provided by individuals in charge of processes;
- Results of internal and external assessment, with particular regard to the definition of the Materiality Matrix.

The Integrated Report is available on our website: [www.studiosza.it](http://www.studiosza.it).





# About us

(GRI 102-2)

For over 25 years SZA has been providing legal services to state enterprises, private companies, non-profit entities and individuals in the areas of:

- Civil and commercial law, including litigation;
- Company law, which includes the three practice areas of Corporate, Employment and Compliance;
- Administrative law, with a particular focus on public contracts and services of general economic interest;
- Credit management, with over 1500 positions amounting to an Overall Business Value of over one billion Euro.

We have built up solid expertise mainly in the following sectors:

- Insurance
- Banking
- Energy
- Pharmaceutical
- Fashion and Luxury Goods
- Food and Beverage
- Family Businesses
- IT
- Leisure
- Logistics
- Healthcare
- Staff leasing
- Start ups
- Not-for-Profit
- Transport and Public Utilities





## Highlights

(GRI 102-7)



### People

47 of whom 37 lawyers



### Gender balance

57% women - 43% men



### Average age

42



### Number of clients

394



### Turnover 2019

Euro 6 million



### 4 Departments

9 areas of expertise



### Markets

15



### Smart office in Milan

Over 900 sq



### Average case value

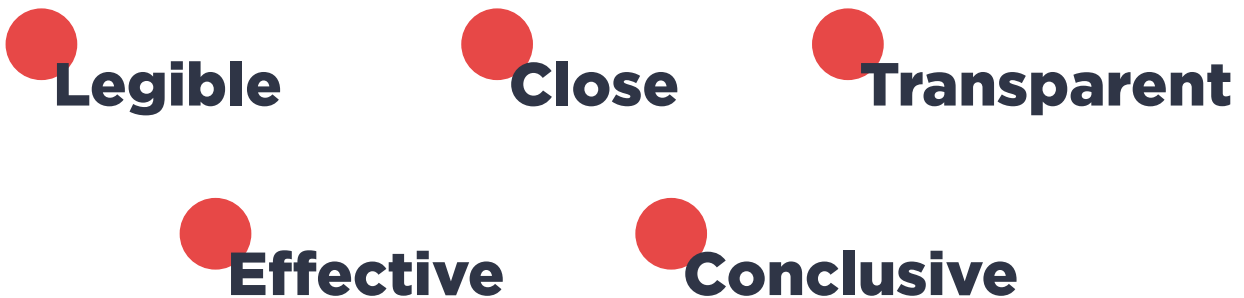
Euro 370.000



## Philosophy

(GRI 102 -16)

From complexity to simplicity: our commitment is to provide legal services that are legible, close, transparent, effective and conclusive.



We have a strong belief in the importance of interaction and debate among a variety of skills, experience and professionalisms. Teamwork is our winning asset.

We are aware that transparency in human relations and business relations is an opportunity for human enrichment. We believe that the quality of the relationship between team members and the client is the cornerstone of excellent results, and that the best relationships are based on empathy, courage and determination.



# Our background

## 1991/2001

SZA was set up in 1991 under the name Sciumè & Associati; Alberto Sciumè and Marisa Meroni were the founding partners.

The firm initially focused on the areas of civil and commercial litigation, specialising particularly in civil liability and credit collection.

At the turn of this century, between 1999 and 2000, SZA decided to invest in extending its offer, adding the corporate law and public law departments. This expansion led to the arrival of Giuseppe Di Masi (who had previously operated out of his own independent firm) and Danilo Tassan Mazzocco and to Stefano Bombelli and Luca Guffanti being promoted to partner.

## 2001/2011

Growth continued apace thanks to the merger with Prof. Massimo Zaccheo's firm. Thus was born Sciumè Zaccheo & Associati, a name that came to affirm itself at national level over the following decade.

## 2011/2015

The firm began a rebranding process, adopting the name SZA and consolidating its presence in the market.



## 2016/2018

Over this three-year period SZA embarked on a path of in-depth renewal through a series of fundamental steps:

- The organisation of the firm's partnership structure into equity and salary partners;
- The development of an expertise expansion strategy, leading to the addition of an employment law department;
- The rationalisation of the firm's fixed costs, in view of a further increase in human capital;
- The implementation of a strategic communications plan;
- The consolidation of our presence in the international market.

The years 2017 - 2018 saw the firm add to its range of practice areas with the setting up of an employment law department, thanks to the arrival firstly of Studio Borghi and then of a team of professionals led at the time by Sergio Barozzi.

These latest additions have also contributed greatly to the firm's renewal process, particularly with regard to international communications and partnerships.

Lastly, over the course of 2019 the firm has proceeded to promote 6 associates to the rank of partner. This move has been inspired by a wish to stimulate generational change, rewarding the legal, managerial and relationship skills shown by these associates over the years.





# Reference Market

For over a decade, the legal services market offer has been characterised by overabundance and fragmentation.

According to data provided by Cassa Forense (the legal profession's social insurance fund) the number of lawyers registered with the Italian Bar in August 2019 had reached 245,430, showing an increase of 0.8% with respect to the previous year.

This figure indicates a slight upward trend compared to the previous year, which had recorded a mere 0.3% increase.

Of the overall number of lawyers, only a part of them operate in associated firms. Milan accounts for over 1,000 partnerships, mainly small to medium sized.

Approximately 50 Milanese law firms can count on the services of over 50 professionals; and half of these again employ more than 80 lawyers.

Despite hypertrophic supply, the legal services market continued its growth trend in terms of overall turnover during the 2019 financial year.

This figure is confirmed by research carried out by the specialized press.

**In particular, the leading 50 law firms have seen 5% growth over the year, according to data provided by Legalcommunity.**

**These figures indicate that the highest returns were seen by law firms which broadened their offer during 2019, either through mergers between partnerships or by means of lateral hiring.**

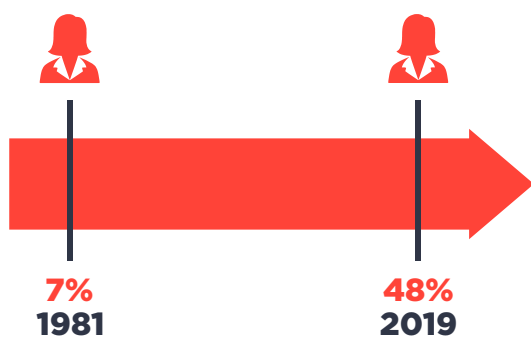


Concerning gender in the legal profession, Cassa Forense data highlight that practically equal numbers of each sex are represented; of a total of 245,000 lawyers, 117,500 are female and 127,500 are male.

In the under 50 age group, however, women now outnumber men.

Instead, the gender pay gap is where significant differences between the two sexes remain. While average pay for the category was Euro 39,473 in 2018, men earned on average Euro 53,681, while women took home approx. Euro 24,378, meaning that women's salaries are approximately 40% lower than those of their male colleagues. This percentage is variable and decreases in older age brackets.

#### LAWYERS SOCIAL INSURANCE FUND FIGURES



**Pay  
Gender  
Gap** **5.3**

# SZA Today

(GRI 102-18)

## Governance and internal organization model The partnership and how it is managed

The firm is run by two Managing Partners, the equity partners Marisa Meroni and Luca Guffanti, first appointed for the period 2016-2018, and re-confirmed for the following three years, 2019-2021.

Since 2016, the SZA partnership structure has featured two levels of partnership.

The salary partner category was introduced in addition to the original equity partnership.

At the end of December 2019, the firm counted seven equity partners and eight salary partners.

The firm currently boasts the services of two of counsel, including one of the founding partners.

## Lawyers

At the close of 2019, 37 lawyers were working for the firm.

## Staff

There are 10 members of staff, covering administration, paralegal and IT support roles.





# Our offices

(GRI 102-3)

SZA Milan office is to be found at 13 Corso Italia, in the iconic “Ship” building designed by Luigi Moretti, one of the most representative ‘palazzi’ of Milanese architecture.

A headquarters designed and experienced as the vehicle of a clear message of courage and innovation.

The innovative energy of the Ship also animates SZA and has led to our experimenting with an open space layout aimed at facilitating the fluid, direct, involving and synergetic organisation of work.

The legal market is in a state of constant ferment and SZA wants to distinguish its offer and make it immediately recognisable, starting with our workspace.

## International partnerships

In 2018 SZA joined League of Lawyers, a network of independent law firms present in the main western European countries and in South East Asia. Despite being a very new member, SZA has already gained significant collaborations with other members of the network.

SZA attends the annual LAWASIA conferences with League of Lawyers, an association which promotes the interests of the legal profession in Asia and in the Pacific, along with the transnational exchange of legal know-how, encouraging compliance with the reciprocally respected principles governing rule of law, professional integrity and protection of human rights.

In 2019 a number of SZA representatives attended the annual League of Lawyers meeting, which took place in Paris.





# Risk Assessment

(GRI 102-15)

The full awareness of the risks and opportunities, both internal and external, that the firm will be called upon to address in the course of our development is a strategic aspect of our governance and management actions.

SZA is today carrying out far-reaching transformation, change at once delicate and exciting: growing towards the goals that we have set ourselves means leaving behind some of the features of a small firm, without, however, becoming unrecognisable or losing some features of our identity that we consider to be among our strengths.

The assessment carried out in 2018 enabled us to identify the main risk and opportunity areas as shown in the figure below.

## Strengths

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Background  
Expertise and quality of work Multi-disciplinary approach  
Cohesion of partners  
Innovation: workplace and way of working  
Closeness to clients and speed

## Opportunities

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Brand awareness  
Smart office and Smart Working  
Consolidated relationships  
Growing demand from clients for specialization, and resulting new alliances between firms

## Weaknesses

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Complexity of procedures  
Integration of viewpoints among professionals and staff  
Management systems in evolution

## Threats

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Evolution of the legal market with the entry of new players and lowering of entry barriers.  
Artificial intelligence and widespread accessibility to standardised contract forms and templates  
Globalisation and fragmentation of the market



## In short

**Our strength lies in the quality of our work and in our ability to work together.**

**Proof of this comes from our solid background and continually reiterated confirmation by our clients.**

**It is determined by the values that motivate us and by the relationship style that has always defined us: close to our clients, fast and transparent.**

The context is prone to change and the legal profession can no longer rely on any type of comfort zone. What the market demands from lawyers evolves more rapidly than in the past and as a result firms are equipping themselves to deal with this.

The key words are internationalisation, multi-disciplinary approach, and flexibility. The lawyer's role is now characterised by a fluidity unknown until just a few years ago.

**SZA intends to take these elements of risk as drivers of our growth and transformation.**

Among the measures taken in 2019 to address elements of risk and criticality, we may mention the initial planning stages of a knowledge management system aimed at achieving more modern management and storage of internal knowledge to guard against the risk of possible dispersion.

In response to increased market demand for specialization, the firm has invested in the training of professionals in specific practice areas and has also sought external professionals on the market to support its growth.

SZA has made a significant effort to define its market positioning through a communication strategy entrusted to an external consultant.

Changes, be they generational or other, in the make-up of associate and staff structure, drive a new way of sharing work objectives and a common culture among professional categories; a blending of new and more traditional human and on-the-job experience is leading to an evolution in the firm's identity, all the while respecting its principal characteristics.



# Materiality Assessment and reporting principles

(GRI 102- 40, 42, 43, 44, 47).

In 2018 and 2019 SZA undertook an assessment which involved the partners, associates and staff and included a direct qualitative listening phase involving external stakeholders.

The goal of the Materiality Assessment was to understand whether and to what extent the different points of view are aligned and the firm's internal efforts are proceeding in the same direction as the external expectations or, as may occur, certain aspects are over- or underestimated.



# How we conducted our Materiality Assessment

(GRI 102 - 40, 42, 43, 44, 47)

## The internal perspective

In order to be able to understand and share the material issues as perceived from inside the firm, three focus groups involving SZA partners, associates and staff were set up and tasked with delineating the identifying features, the 'key words' to describe the firm's current and future success.

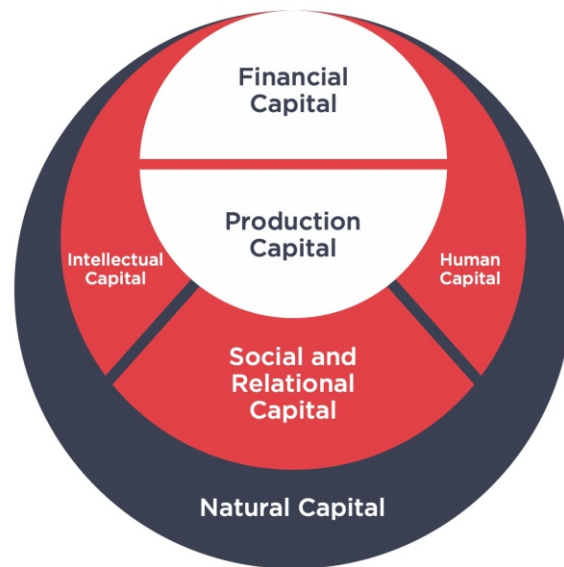


The words chosen were then aggregated into four main dimensions characterising the firm's identity as we see it:

- Sense of belonging
- Reputation, which derives from our history and grows thanks to our skills
- Capacity to innovate
- Care in dealings with others, in nurturing relationships, towards spaces



A critical reading of these dimensions provides a summary representation of the nature of SZA, a firm committed from the outset to fostering the balanced development of different types of 'capital': in particular, financial capital, human capital, intellectual capital, social and relationship capital, manufactured or infrastructural capital and natural capital.



The Six Capitals Framework for value creation (Source IIRC 2013)

This framework is used to assess organizations under the magnifying lens of six areas, known as 'capitals', in which value may be created: financial, human, intellectual, social and relationship, manufactured/infrastructural and natural. The nature of the business carried on by SZA means that the creation of value and the impact generated by SZA may be seen mainly in 5 of the 6 "capitals". Our commitment to the protection of the environment, while duly considered, expresses itself in the firm's actions for the development of other capitals - particularly infrastructure (the sustainability of our head office) and human (internal policies and the culture of sustainable development).





### Stakeholders' perspective

The defining of material topics cannot be considered complete if evaluated only from the point of view of the organisation itself.

To this end, SZA has put considerable effort into seeking a non-conventional dialogue with our stakeholders for the purposes of analysing our reciprocal expectations, and pursuing innovative paths, while also taking our shared needs into account.

15 categories of stakeholders of the firm were identified, as may be seen from the following diagram



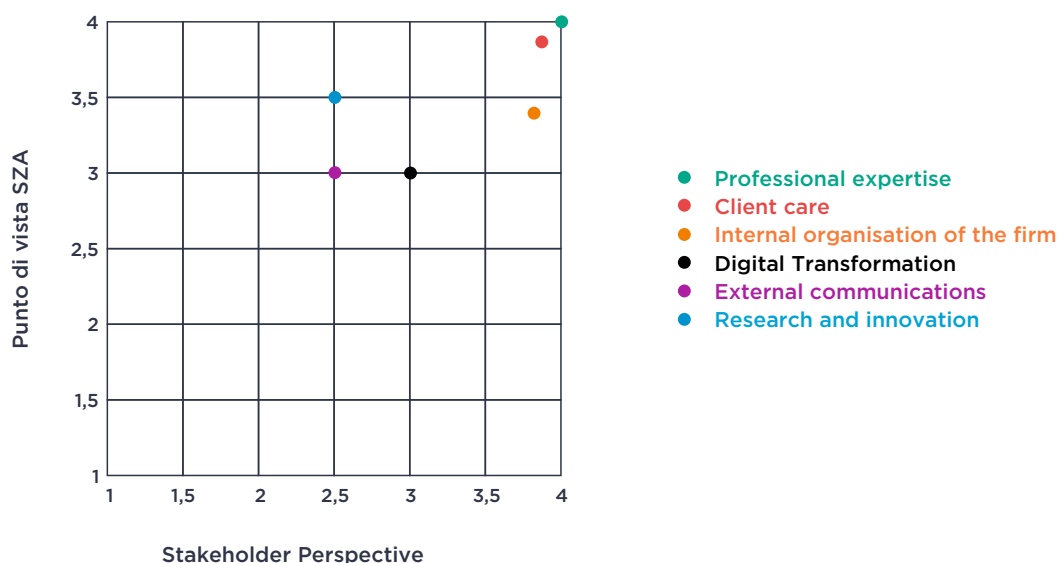


Downstream of the firm's internal involvement phase, a list was drawn up of stakeholders belonging to what were considered the most important categories (clients, suppliers and other professionals) and they were encouraged, through individual interviews, to express their views on the main features of SZA's identity, starting from the findings which came to light in our internal analysis phase.

This joint (internal and external) assessment of factors of importance enabled priority areas and those of major consequence to the firm for the purposes of value creation to be identified, as described in the Materiality Matrix set out below.

There are six areas in which strategic vision, operational commitment and transparency in reporting are required:

- *Professional expertise*, as it represents the core of SZA's - and the professionals' - action, and is also recognised and appreciated outside the firm.
- *Client care*, as it has been a distinguishing feature of the SZA model from the outset and is an indispensable trait of our success, both inside the firm and in dealing with external players.
- *The firm's internal organisation*, because it ensures quality in both process and result, is useful for professionals, clients and staff alike and is fundamental for a smart office and smart working mentality.
- *Digital Transformation*, because the way of working is evolving, and clients expect the same evolution from those they interact with.
- *External communications*, because the firm's reputation is one of our strengths and deserves to be reinforced even more not only when handling issues at work, but also in the capacity to communicate effectively.
- *Research and innovation*: because our times require constant renewal of the lawyer's role and expertise, consistent with the evolution of the economic and social framework.





# **An overview of 2019**

## **Commitment and results**

In the following paragraphs we have tried to summarise the events of 2019, where we set out a series of reasoned qualitative and quantitative indicators, based on their creation of value in different forms of capital (financial, human, infrastructural, intellectual, and relational), as proposed by the IIRC model.



## Financial Capital

At SZA, the development of our financial capital means a commitment to ensuring the right deployment of resources to reach our goals, including using appropriate criteria for the allocation of the firm's profits.

### *General outline*

2019 was a positive year from the business point of view, with a turnover of more than Euro 6 million.

The figures show the solidity of the firm and a growth trend also evidenced by our significant expansion in terms of partners and associates.

### *Some statistics*

The firm had approximately 400 clients in 2019.

**66%**

Businesses

**25%**

Individuals

**10%**

Public administration bodies and  
Partially state-owned enterprises

A total of 933 new dossiers were opened in 2019.

In litigation and credit recovery cases, the average value of each case was approximately 370,000, with peaks of over Euro 300 million in the administrative law area.

The firm's performance in practice management is dealt with in more detail in the "Measuring Performance and Process Efficiency" section of the Intellectual Capital chapter

# Human Capital

At SZA, the development of human capital means promoting the value of work as a fundamental element of each person’s fulfilment by fostering his or her professional skills in a stimulating and collaborative work environment.

## General outline

	Women	Men	Average age
	2019	2019	2019
Partners and Of Counsel	4	13	42
Associates	13	7	
Staff	9	1	43
Total	26	21	47

The firm’s professionals can be broken down into the following age ranges:

- 8 people aged between 25 and 29;
- 10 people aged between 30 and 39;
- 8 people aged between 40 and 49;
- 6 people aged between 50 and 59;
- 5 people aged over 60.

The following age ranges are to be found among the support staff:

- 3 people aged between 20 and 29;
- 2 people aged between 40 and 49;
- 4 people aged between 50 and 59;
- 1 people aged over 60.

## Professional development

Fostering the professional growth of our members and collaborators is among the principles which have guided the firm’s actions since its inception, and is enshrined in the by-laws of the partnership.

SZA has therefore seen the decision to promote 6 of its professionals - most of whom have grown up within the firm - to salary partner, as a natural implementation of this principle and as an attestation of their professional maturity.

This consolidation and expansion of the partnership is by no means in contradiction with the higher staff turnover experienced in 2018 and 2019.

The two circumstances are explained, in fact, by SZA’s firm intention to renew its organization and methods, while holding fast to its distinctive, standout features.

### *Professional training*

Throughout 2019, the firm invested in specific training programmes for a number of our professionals, as part of our move to enhance the services we provide in the market.

Of particular note is the attention SZA pays to ensuring its professionals are constantly up to date on matters inherent to business crisis and recovery, corporate social responsibility and the third sector.

Again in 2019 SZA provided courses in professional English for all our lawyers who choose to participate.

### *Sense of belonging*

The historically very low turnover of SZA lawyers and staff has from the outset nurtured the natural development of a sense of belonging in the firm. Throughout 2019 we implemented a number of actions whose aims included strengthening this cultural identity. Among these, mention can be made first of all of the publication of this Integrated Report – a document which, by combining both financial and non-financial information, charts the evolution of the firm and the most significant steps in its history. In a further move, all members of the firm received SZA branded merchandise, including backpacks and stainless-steel water bottles.

### *Remuneration*

We make sure that salaries are proportionate to a person's experience and to the contribution he or she has made to the firm; we ensure they are in line with general living standards and make no distinction regarding gender. We have, in fact, cancelled out the gender pay gap, which is still prevalent among the professions in Italy and throughout the world.

### *Diversity and maternity protection*

At SZA we pride ourselves on our low turnover of personnel. 2018-2019 was something of an exception in this regard, when a new team joined the firm and a new policy aimed at expanding our practice areas, thanks also to new hires, began to be implemented.

The firm is made up of a multi-gender, multi-generational group of people.

2019 saw a lowering of the average age of members of the firm, due to progressive hiring of young professionals and staff. The fact that women lawyers have been part of the firm since its inception is an indication of the type of firm we are. In 2019, women made up almost half of the professionals on our team.

Statistics aside, it is important to point out that at SZA we have always protected female workers and their maternity rights. Standard maternity leave is five months; the firm also integrates the social security payments made by the National Lawyers' Social Insurance Fund to bring the sum up to an amount equal to a regular monthly salary.

At the firm, we are always willing to listen to younger colleagues and to involve them in strategic decision-making.

A particularly successful initiative was the group project that involved drawing up and organising a programme of seminars designed specifically for clients, in which younger members of the team were also involved as speakers on panels during the year.



## Infrastructural Capital

For SZA, developing infrastructure means having chosen an open-plan office space, interpreted as a privileged place that conveys a contemporary and forward-looking identity and is ideally suited to the current technological context and smart working.

### *General outline*

*"Open space, open mind, open perspectives. Our being together is an open, shared way of being together".*

On 1 July 2018, we moved from our premises at Via Amadei, 8 in Milan to our new offices at Corso Italia, 13.

Every aspect of the choice of the firm's new premises was the result of a project co-designed with DEGW architects, with careful consideration of the historical context, the changes in the practice of the legal profession, and of SZA's specific requirements.

In planning the layout of the new premises we analysed how our lawyers used the office space, how long people spent at each workstation and the frequency of meetings with clients.

Given the outcome of the survey, we decided to abandon the traditional model of individual closed offices and instead opted for an open-plan workspace, considering it more efficient for the following reasons:

Rationalisation of space management costs;

Mobility of workers and flexibility at work;

Increased cooperation and easier exchange of information between people.



### *Caring about the environment*

The interior design of the space places special emphasis on fittings and materials that prioritise good acoustics and good air quality:

**Textile floor coverings:** these ensure there is good sound absorption, by reducing the vibrations and noise caused by footsteps while at the same time improving air quality by capturing dust particles. They also have a higher resistance to microbial contamination compared with other types of flooring, both in terms of quantity and quality.

**Sound-absorbing panelling:** coverings for walls and for soft furnishings were chosen for their ability to absorb sound, particularly in the case of vertical surfaces.

**Radiant ceiling:** the steel ceiling panels have excellent sound absorption properties, absorbing even the slightest vibrations and making for a comfortable and pleasant environment. The metal ceiling contains 90% fewer cables than other systems, facilitating quick installation and flexibility.

**DALI lighting system:** not only is an integrated DALI system technically advanced, it also ensures significant savings in energy and management and maintenance costs; movement sensors and light dimmers allow optimisation of energy consumption and guarantee a consequent reduction in electricity used.

The start of 2019 saw SZA banish plastic bottles and glasses for the office. While the former were replaced by biodegradable paper cups, the firm opted to provide all lawyers and staff with SZA-branded stainless steel bottles, and at the same time to install a water purifying and filtering system. Thanks to this decision, SZA eliminated the use of plastic, saving over 10,000 bottles per year.



### *Smart working*

The use of portable devices is a feature of the dynamic nature of our office layout. Each lawyer is provided with a light laptop and a smartphone in order not to necessarily be tied to his or her workstation while at the same time to be immediately contactable by clients, without an intermediary receptionist or secretary.

Work can therefore be carried out when away from the office, thanks to the possibility to connect remotely to the firm's IT system and network via a VPN, which can also be accessed through the mobile phone's hotspot if Wi-Fi is not available.

In addition to hardware, all our archives are stored in the cloud on remote servers, with guaranteed top security standards and access to content.

The firm's largest meeting room boasts an 86-inch display screen for comfortable viewing of documents and can be connected to other devices by means of a handy plug-in. Visiting lawyers or clients can also easily use it to display relevant documents (presentations, slides, tables, graphs, etc.).

Environmental awareness is reflected in our work practices. Professionals and support staff have made significant reductions to the amount of paper they use and for several years now most of our documents have been digitally archived.

Likewise, the use of cloud technology in the workplace means that it is now possible for several people to work on one file simultaneously, so reducing the need to print numerous copies of drafts and other documents.

The firm allows both professionals and members of staff to work from home, in line with a schedule agreed with heads of department.

The aim is to combine the needs of the individual with those of his or her team.

SZA believes that social interaction is a positive feature that characterizes the workplace and that it helps to promote not only team building, but first and foremost the quality of the legal services delivered.





# Intellectual Capital

At SZA, growing our organisational capital means undertaking to organise our work processes in innovative, structured and homogeneous ways, with a view to increasing client satisfaction and the quality of the work done by the firm's professionals and support staff.

## *General outline*

The firm is divided into four internal legal departments:

- Civil and Commercial;
- Company, which includes Corporate, Employment and Compliance;
- Administrative;
- Credit Management.

Each department is headed by at least one equity partner, assisted in the management of resources by salary partners.

Tasks are assigned within each department after careful assessment of the complexity of the matter in hand and the level of experience of individual lawyers.

Our lawyers in the four departments are used to working together and in teams, pooling their various fields of expertise.

There is particularly close professional dialogue between the company law department (in its corporate, employment and compliance sectors) and the department of administrative law; similarly, the overlapping of features of civil and commercial law with those of credit management leads to constant dialogue between the specialists in those areas.

### *Characteristic procedures*

We have perfected an operational and organisational model that sets out how we communicate and interact with clients, and a timeline for our various activities, enabling the firm to act in real time.

The continuous exchange of information is a constant feature of every case and is achieved by means of:

- Sharing strategies;
- Real-time updating of the status of each case;
- Filing periodical reports;
- In certain areas (credit collection, for example), integrating our management models with those of the client and enabling direct access by the client to the firm's management software system to check the status of cases (in full compliance with sensitive data safety measures).

### *Measuring performance and process efficiency*

SZA's management software system is able to provide a statistical analysis of the progress of litigation cases in any reference period and on a multi-year basis, thus facilitating proactive reporting to clients.

Over the years, SZA has developed a unique massive case load management system that ensures an optimum combination of efficiency of results and quality of work.

In the credit recovery area the firm has demonstrated its ability, over a three year period, to successfully deal with over 95% of the cases it received in a given year.

By way of example, we can report the results of a sample client, for whom, as of November 2020, 98% of the cases referred to us in 2017 and 95% of those referred in 2018 had been closed. Equally impressive results have been achieved with respect to the cases referred in 2019, of which 80% have been successfully dealt with to date.

Just as impressive (with regard to the same client) are the figures relating to the sums recovered: 65% to 70%, on average, of the debts assigned to us for recovery between 2017 and 2019.<sup>1</sup>

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<sup>1</sup> These percentages have been calculated without taking into account on-going insolvency procedures or debt restructuring plans.





### *Internal audit function*

For over ten years SZA has dedicated a member of staff to oversee the internal control function, in order to ensure constant monitoring of the following aspects and data:

- Case terms
- The number of adjournments of each term
- The staff workload, with particular reference to the number and complexity of dossiers assigned to each individual.

Oversight is facilitated by the management software system used by the firm, which automatically gathers all relevant information concerning each dossier. SZA continues to invest in the development of new software functions to always ensure state-of-the-art monitoring of cases and performance by the management software system.

### *Technological support*

Current technology has considerably facilitated the organisation of work, both between colleagues and with clients, with cloud software allowing files and documents to be shared easily and several people to work simultaneously on the same file.

Our conference call system has been greatly simplified, allowing each professional to reserve a space for a call with dedicated access codes as required.

The advanced technological tools available in our meeting rooms are an important factor in making meetings with both colleagues and clients run more smoothly.



### *The pursuit of innovation*

The constant pursuit of innovation in processes and services has always been a hallmark of SZA.

In recent years, the firm has consciously attempted to blend innovation with its sharing-oriented work methods.

In line with this, a bold move was undoubtedly the decision to adopt the model of an open-plan office space for all the professionals in the firm (partners included) – a radical organizational layout which up until 2018 had not been attempted by any other structured Italian law firm of comparable (or even greater) size.

The traditional hierarchical organisation of the workplace, where the more senior a lawyer's position in the firm, the larger his or her office size, was abandoned in favour of a horizontal system, where all the professionals work in the same shared space, regardless of whether they are a partner, an associate or a trainee.

In 2019 SZA published a report on the firm's non-financial activities, making us the first Italian law firm (including branches of foreign firms) to do so. Also from this perspective, the aim was that of strengthening the method of sharing, through transparency, making it available to external shareholders as well.

Again, over the course of 2019, the firm sought out a suitable knowledge management tool on the market, which was then implemented the following year.

Our goal is to enhance the skills pool built up by SZA over almost thirty years in practice and to foster the exchange of professional capabilities and collaboration across the various departments.

The implementation of a knowledge management system is also functional to the enhancement and capitalization of internal skills against the risk of dispersion over the years.

# Relational Capital

At SZA, growing our relational capital means undertaking to meet our clients' needs, both from the point of view of providing our services and, in a broader sense, of promoting legal awareness and culture, with the ultimate aim of fulfilling the social responsibility that is part of being a lawyer.

## *General outline*

SZA increased its investment in legal marketing and communication in 2019.

More specifically, the firm engaged an external communications officer to manage SZA public relations initiatives, the on- and off-line press office and internal communications: in 2019 the press and digital PR office produced 75 Facebook posts, 77 LinkedIn posts and 38 Instagram posts with the aim of discussing relevant issues and creating interest in the firm's activities. Relations with the media generated 20 articles in on- and off-line publications.

A reputational analysis was undertaken that led to the defining of the firm's positioning and value proposition.

The firm's strategic marketing plan was defined, and its corporate identity redrawn in line with the values expressed by the SZA brand which led (in 2020) to the development of the new website, conceived as a communication hub.

SZA also continued to hold seminars at the firm's offices. The events organized under the name Diritto e Bollicine (which translates loosely as Law and Sparkling Wine), initially dedicated exclusively to the firm's clients, became open to anyone wishing to register in 2019. Information concerning the programming of meetings, provided in our periodical newsletters, began to be published through the firm's social networking channels, and starting from 2020 those wishing to attend can book directly through the special registration form on our website. 8 newsletters have been sent out since August 2019.

Mention should be made of the inclusion of one of SZA's seminars in the annual Legalweek events organized by Legalcommunity magazine.

SZA published its first Integrated Report in September 2019, and it was presented during the firm's annual autumn event. SZA traditionally dedicates the last week of September to reflecting on the future. OPEN SPACE is an event dedicated to all the firm's professionals as well as to our clients: it offers an opportunity to meet and exchange ideas about the future.

On the subject of internal communications, 2019 saw SZA inaugurate a new way of communicating and sharing internal policies by means of a specific format newsletter called "Rules".





### *Philanthropy and corporate social responsibility*

In December 2019 SZA made a donation in support of Meeting Point International, Kampala, an NGO which provides assistance to those in difficult circumstances in Uganda. The firm donated the amount of money which it would habitually allocate to Christmas gifts for our external stakeholders.

The journey to Uganda, his home country, by a member of the firm, provided the ideal opportunity to make this donation.

The initiative was communicated to our internal and external stakeholders as a means of raising awareness around poverty and protection of those in greatest need.

### *Membership of Associations*

In our commitment to the development of relational capital, we have also turned our attention to our involvement in associations.

SZA renewed its membership of the international network League of Lawyers and of Asia.

Similarly, SZA continued to be a member in 2019 of Pro Bono Italia; by virtue of belonging to this association the firm provided pro bono assistance to certain entities that needed to amend their bylaws in compliance with Legislative Decree no. 117/2017.

The firm has also continued its links with the principal Italian and international law directories, our Employment and Corporate departments being mentioned and reviewed in Legal Community's 2018 reports.

Also worthy of mention is the fact that Marisa Meroni, co-managing partner of the firm, successfully ran for election to Milan Bar Association, and was subsequently appointed Treasurer. Although a decision to run for election is a purely personal one, avv. Meroni was supported by the other members of the firm, who share and appreciate the public-spirited nature underlying her serving in this role.



### *Acquiring clients: tenders and beauty contests*

In 2019 the firm continued to affirm its credentials as a competitive player in the market, both by taking part in bids for public and private tenders and by the enrolling of our lawyers in registers of professionals selected by public and private entities.

One member of our team is charged with performing a weekly evaluation of contracts put out for tender and as a firm we subscribe to the beauty contest platform run by 4Clegal.

During the course of 2019 we acquired 23 engagements through tenders or by being enrolled in professional registers, more than double the figure for the previous year.

The revenue generated by engagements assigned through tenders or professional registers accounted for 4.5% of our overall turnover deriving from cases worth over 10,000, confirming the increased importance of this channel as a source of new clients.

We therefore confidently maintain our position as a competitive force in this market.

### *Performance of engagements*

SZA carries out constant, direct monitoring of client satisfaction as an integral part of the professional relationship.

Thanks also to this commitment, no disagreements or litigation arose with clients in 2019.

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<sup>2</sup> By tenders, we mean a) public, or in any case competitive, procedures organised by public entities or by partially state-owned enterprises; b) beauty contests run by independent platforms. For the purposes of these statistics, informal tenders organised by clients, by means of requests for proposals (RFPs) from two or more law firms, have not been taken into account.







## Events which occurred after 31 December 2019: Covid-19 pandemic

The date of publication of this report makes it incumbent on us to give an account of the events which have occurred after 31 December 2019, in particular with regard to the unprecedented situation stemming from the outbreak of Covid-19.

This section will set out a brief summary of the actions put in place by the firm in response to the health and social crisis which arose in February 2020.

### *Financial capital*

Up to 30 September 2020 the firm's economic results have shown a downturn linked to the impact of the on-going pandemic. Despite this, as a mark of responsibility towards our employees and towards the national community, SZA took the decision not to avail of the special furlough scheme introduced under emergency legislation.

### *Human capital*

Throughout the health crisis SZA has maintained staffing levels and has not introduced any salary cuts for associates or employees.

### *Infrastructural capital*

The firm has provided a portable computer also to each member of staff in order to facilitate remote working, in compliance with organizational recommendations.

Starting from mid-May 2020, SZA began to invite professionals and employees to a gradual return to the office; to this end the firm adopted a health and safety protocol and acquired individual protective equipment (face masks, plexiglass barriers and hand sanitizer).

Up to 30 September 2020, no employee or associate had contracted Covid-19.



### *Intellectual capital*

During the months of lockdown, SZA invited its departments to carry out daily debriefing sessions to keep everyone in the loop concerning the progress of cases, and as a secondary aim, to provide moral support where necessary.

SZA also proposed English language courses to all members of staff, organized by Asia specifically for employees of member law firms. Lastly, the firm initiated an internal engagement path for the purposes of drawing up the SZA code of ethics, to be published shortly.

### *Relational capital.*

The firm continued to provide assistance to our clients, including by means of ad hoc seminars and publications on pandemic-related legal issues.

SZA organized 5 webinars and published an e-book on how the pandemic has affected commercial contracts. Through our newsletters the firm has provided timely information to our clientele on the implications of government measures for businesses.

Throughout the lockdown, SZA played an active role in ASLA meetings, called to coordinate the actions of law firms and to provide mutual support to its members.

With respect to CSR, the firm made an economic contribution to a hospital in Lombardy during the acute phase of the pandemic.



## Prospects, context and objectives.

### *General outline*

The issues given priority on the firm's agenda and to which SZA will be committed in the three-year period 2019-2021 are:

### *Market positioning*

The firm has reflected on, and assessed, its value proposition and new objectives in terms of its position in the market.

With regard to our identity, a code of ethics was in the process of being drafted at the time of publishing this report.

SZA is always open to the expansion of its corporate and professional structure, as well as to the consolidation of existing international partnerships and the establishment of new alliances.

In 2019 and 2020 the firm invested heavily in the areas of strategic marketing and communication, which we view as indispensable tools to identify new areas of development, strengthen our presence in certain industries and provide support in entering new markets. SZA intends to make this commitment a cornerstone of our strategy.



### *Strengthening assets: human capital and infrastructural capital*

Over 2019 and 2020 the firm invested in bolstering its knowledge management systems.

SZA confirms its commitment to the process of constant updating and development of its technology framework.

### *Sustainability*

At SZA we have renewed our commitment to sustainability policies for the coming three years, including, among others:

- Adopting policies aimed at reducing environmental impact, such as using only re-cycled paper;
- Promoting gender, culture and age diversity;
- Pursuing the sustainable development goals set out in the UN's 2030 Agenda, among these a key objective to be highlighted is taking responsibility, starting from 2019-2020, for the achievement of goal no.1 (End Poverty).



*Our commitment to achieving the UN 2030 Agenda goals*

When starting along the path of integrated reporting and, therefore, the reasoning inherent to the creation of "extended" value - not only an analysis of the economic and financial aspects, but also of the broader social and environmental impact of our actions as professionals and as a firm - one of our sources of greatest inspiration was undoubtedly the 2030 Agenda for Sustainable Development, the plan of action established by the UN at the end of 2015.

## SUSTAINABLE DEVELOPMENT GOALS



With its 17 SDGs (Sustainable Development Goals) and 169 specific targets, the Agenda sets out the actions which must be taken to meet some of the greatest challenges facing the world today, by means of a multidisciplinary approach bringing together economic, social and environmental issues and calling on everyone to act: from the single individual to countries and, particularly, to businesses.

The UN “call to action” has not left us indifferent and it is something we strive to embrace in our own long-term personal vision as well as in the everyday life of the firm.

We have begun to develop at least two complementary lines of reasoning as part of an ongoing process that will become increasingly more efficient over time, thanks especially to the use of precision tools to measure results:

## 1. SZA and the sustainability challenge 2. The legal profession and Agenda 2030

With regard to the first point, which is strongly connected to our firm’s specific identity, we are prioritising Goals 5, 8 and 12:



Gender equality is central to our culture and identity: our firm promotes the equal dignity of the work performed by male and female workers alike, valuing competence regardless of gender, having completely eliminated the gender pay gap within the firm and offering support to women at those times when it is most needed (for example, during maternity).



Being part of the SZA team means participating in a common project that has solid roots and broad horizons; it also means being able to reconcile the values of the legal profession with the human dimension of multidisciplinary cooperation and of consideration for the individual. These are concepts which are amply evident in our innovative use of spaces and technology in our office.



Our commitment to integrated reporting (the first law firm in Italy and among the first international players to use such reporting) is consistent with target 12.6, which encourages organisations to “adopt sustainable practices and to integrate sustainability information into their reporting cycle”.

Goal 12.5 is also a priority (12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse); in this regard, the Firm has been at the vanguard of the profession in its use of digital technology, greatly reducing its consumption of paper in favour of digital archives. More recently, earlier in 2019, we eliminated the use of plastic bottles and cups, issuing all the team with personalised stainless-steel bottles and providing glass bottles and biodegradable cups for meetings with visitors to the firm.

In relation to the second point, which concerns the legal profession in a broader sense, our commitment lies mainly with Goals 4 and 6:



At SZA, we have always risen to the challenge of promoting an awareness of the law and the legal profession in society. To this end, we run training courses on specific topics for our clients, hold informal events open to all our stakeholders, and maintain an ongoing relationship with the major universities in Italy. These are only some of the activities that are a testament to our engagement with this particular target.

Promoting legal culture and bringing it into closer contact with everyday life is an integral part of who we are and who we wish to continue to be.



Of all the SDGs, Goal 16 is the one which is most closely related to the legal profession: to guarantee a just society based on the rule of law is the principle that directs and guides us as lawyers.

As a firm, we give particular importance to achieving the following specific targets:

- 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all;
- 16.5 Substantially reduce corruption and bribery in all their forms;
- 16.6 Develop effective, accountable and transparent institutions at all levels;
- 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels;
- 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements;
- 16.b Promote and enforce non-discriminatory laws and policies for sustainable development.

In order to achieve these targets, we are committed to charging fair fees and to providing pro bono assistance to those who should need it.

We view participation in public and private tenders and contests as an effective way of fighting corruption and the abuse of power.





### Credits

This year's Report has been curated by Marco Cristiano Petrassi,  
from SZA's corporate department.

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