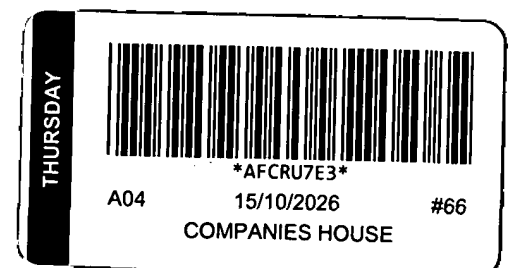


Registered no. OC323639

**Hogan Lovells Cadwalader
International LLP (formerly
Hogan Lovells International LLP)
Annual Report & Financial Statements**

For the year ended 31 December 2025



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Members' report

Management, on behalf of the Members, presents its report and the audited financial statements of Hogan Lovells Cadwalader International LLP (hereafter referred to as "the LLP") for the year ended 31 December 2025.

Basis of preparation

These financial statements are the statutory accounts for the LLP and reflect the results for the year ended 31 December 2025. The financial statements consolidate the accounts of the LLP and all its subsidiary undertakings ("the group"), drawn up for the year ended 31 December 2025.

On 1 July 2026, the LLP changed its name from Hogan Lovells International LLP to Hogan Lovells Cadwalader International LLP.

Principal activity

The principal activity of the LLP and the Group is the provision of legal services from offices in 19 countries, including branches in 7 countries.

Management team

Overall responsibility for the management of the LLP rests with the management team. Throughout the year and to the date of the financial statements, except as indicated below, the following have been Members of the management team:

Marie-Aimee de Dampierre, Chair*
Miguel Zaldivar, CEO*
Michael Davison, Deputy CEO
Janice Hogan
Andreas Von Falck*
Desmond Hogan
Karen Hughes (resigned 1 May 2025)
Owen Chan (resigned 1 May 2025)
Lloyd Parker (resigned 31 March 2025)
Patrick Ayad
Penny Angell
Tobias Faber*
Sebastien Gros
James Doyle
Jose Maria Balana
Miriam Gundt
Detlaf Hass
Andrew Gallagher*
Claire Southern* (appointed 1 May 2025)
Lu Zhou (appointed 1 May 2025)
David Gibbons (appointed 1 May 2025)
Christelle Coslin* (appointed 1 May 2026)

* = designated member

Except as indicated above, there are no other designated members.

Members' report (continued)

Finance and capital structure

The LLP is financed by a combination of Members' capital, undistributed profits (including tax retentions) and borrowing facilities arranged with a number of banks. Members' capital increased during the year ended 31 December 2025 by £14.2 million to £163.9 million (2024: £149.7 million).

The Group had £266.8 million of net cash at 31 December 2025 (2024: £372.3 million). Further details of the financial position of the group, its cash flows, liquidity position and borrowing facilities are described in the notes to the accounts.

Going concern

Our underlying business performance for the first half of 2026 has been strong, exhibiting the benefits of our global capability, the continued demonstration of the strength of our client work across our practice areas, industry sectors, and regions, and the positive effects of tight cost control in the current economic conditions.

Management has produced forecasts and cash flow projections, that have also been sensitised to reflect potential declines in revenue in the latter part of 2026 and into 2027. These demonstrate the Group has sufficient cash reserves to enable the Group to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

While there remains an ongoing risk of the economic environment having an adverse impact on some of our clients, taking into account our broad practice, extensive geographic reach, available bank facilities and the flexibility we have to vary the timing of payments to our Partners, and having considered the group's forecasts and projections, Management is satisfied that it is appropriate for these accounts to be prepared on the going concern basis.

Members' profit share, drawings and the subscription and repayment of Members' capital

In the year ended 31 December 2025, all Members were partners and shared in the profits of the LLP. Where a Member receives his or her remuneration as an employee or consultant, this is presented under the heading "Members' remuneration charged as an expense" in the consolidated income statement.

Each Member's capital subscription is linked to his or her share of profit and is repaid in full on ceasing to be a Member. The rate of capital subscription is determined by the Board depending upon the financing requirements of the business.

Members draw a proportion of their profit share in monthly on account instalments together with advanced interim distributions during the year in which the profit is generated. The balance of their profits, in most cases net of a tax retention, is paid in instalments in the subsequent year. All payments are made subject to the cash requirements of the business. Tax retentions are paid to the relevant tax authority as required with any excess being released to Members as appropriate.

As Members draw a proportion of their expected profit share during the year before the profits for the year have been determined and allocated to them, by the year-end their personal current accounts with the LLP are in deficit. The total of these current accounts is shown in the Consolidated Balance Sheet within "Amounts due from Members". Once the profit for the year has been allocated, the Members' current accounts are typically in surplus by the amounts retained to settle their tax liabilities and the amount of their share of the year's profit in excess of that already drawn.

Members' report (continued)

Energy and carbon report

Climate-related financial disclosures

This section of our report is in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, as amended by the Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022. These disclosures are published for the LLP's financial year ended 31 December 2025.

Governance

Roles, responsibility and accountability

Formulation and delivery of our plans is led by our Head of Global Sustainability, Policy and Strategy who reports directly to the deputy CEO, who is also Head of Responsible Business. The role of Head of Global Sustainability, Policy and Strategy includes responsibility for the firm's own response to climate-related issues and other aspects of sustainability within our business and within our communities. Key decisions are made by the International Management Committee (IMC), chaired by the CEO and reported to the global Board.

The Head of Global Sustainability, Policy and Strategy reports regularly to both the IMC and the Board. Formal reports to the IMC are required once every six months so as to monitor progress, with other interim updates made to the deputy CEO on a regular basis (usually weekly). The annual budgets are approved by the IMC and other major decisions are taken to the IMC on an ad hoc basis.

We have established a global network of sustainability stewards and committees in our offices worldwide who have responsibility for the collection of sustainability-related data and implementation of local initiatives. Each office has an individual transition plan detailing the emissions generated in the office, information highlighting which sustainability topics are important locally, and details of emissions reduction initiatives.

Our sustainability committees utilise the skills and experience of our client-facing and business team people.

Oversight and reporting

The Hogan Lovells Cadwalader Climate Transition Plan (2026) has been drafted to demonstrate how the firm intends to meet its GHG emissions targets and manage risk and opportunity whilst transitioning to a low carbon economy. It has been approved by the Board, the IMC, the Deputy CEO, and CEO. All receive regular updates on progress made towards our Science Based Targets Initiative (SBTi) emissions reductions targets and other sustainability goals.

Our sustainability team work with a wide range of stakeholders inside and outside the firm and collate information on potential risks and opportunities into a scenario matrix which is updated at least every two years. Client related climate-related opportunities are identified and managed by the firm's ESG practice. In 2023 the firm conducted a separate materiality assessment to identify material topics, including those relating to climate, which will be updated in 2026.

The overall process detailed in this report covers the Hogan Lovells Cadwalader International LLP group. Subsidiary entities are not required to undertake their own assessments.

Members' report (continued)

Energy and carbon report (continued)

Materiality exercise

Working with external consultants, we conducted our first double materiality assessment in 2023. The concept known as "double materiality" identifies the two approaches through which to view the corporate sustainability impacts of an organization: i) how these topics impact a company's financial performance and long-term enterprise value, and ii) how a company's actions on these topics impact society and the environment. Given the nature of our business, we asked stakeholders to consider our direct operational impact as well as the impact we might indirectly have through our legal services.

The project was conducted in three phases: identifying material topics, stakeholder engagement, and scoring and evaluation.

The assessment identified ten material topics: Strong governance, integrity and ethical conduct; ESG risk management and internal control; data privacy; climate: net zero transition; global supply chain ESG performance; other environmental topics; employee attraction, development and retention; inclusion; health and wellbeing; and pro bono and community investment.

We have since used these findings to inform our business and strategy planning. In preparation for our obligations under wider reporting requirements we will be updating our materiality assessment in 2026.

General risk management

Our annual process for identifying, assessing and responding to climate-related risks and opportunities is an integral part of our wider risk management framework that is overseen from a governance perspective by the Risk Management Committee, which includes our Head of Global Sustainability, Policy and Strategy. Our firmwide risk register consolidates material risk exposures across short (0-1 years), medium (1-3 years) and long-term (3-10 years) risk horizons and facilitates the firm's response and monitoring of the risk profile. The risk register process is coordinated by our dedicated Director of Risk and is subject to oversight from senior firm management.

Climate scenario analysis

As a responsible business, we have undertaken detailed climate scenario analysis to assess and manage the potential physical and transitional risks to the business arising from climate change and to identify and maximize client services and operational opportunities.

In 2025 we completed a detailed climate scenario analysis. We engaged external advisers to analyse our potential physical climate risks and to undertake a gap analysis in relation to our previous transitional climate risks and opportunities analysis. In line with the results of the transitional risks gap analysis we updated our process to align the risk methodology to the existing firm risk framework, included more detailed timeframe information, considered the materiality of relevant risks, included supplemental information from other published climate scenarios, and engaged more widely with relevant stakeholders across the firm.

Our scenario analysis assesses potential physical risks for firm locations in 2030, 2040 and 2050 and potential transitional risks and opportunities for the period 2030-2035. The different time horizons were selected to maximize the usefulness of the exercise. As a law firm we operate on relatively short time frames and have few projects which require decades-long planning. Recent geopolitical and weather events have shown how quickly policy and climate can change and therefore to maximize the credibility of transition planning we have restricted the transition risk analysis to the period 2030-2035. A longer set of time frames were chosen for the physical risks analysis as this assessment feeds into our office planning and the need to manage climate adaptation. The scoring and categorization of risks are consistent with those used elsewhere in the firm for risk management and strategic planning.

Members' report (continued)

Energy and carbon report (continued)

We have considered a range of scenarios which include an 'ambitious' mitigation scenario aligned to approximately 1.5-1.7°C warming by the end of the century (SSP1-1.9), A 'middle of the road' scenario of approximately 2.5°C warming by the end of the century (SSP2-4.5), and a 'high warming' scenario of approximately 4.5°C + warming by the end of the century (SSP5-8.5)¹. The potential impacts of these scenarios on metrics such as heatwave days and extreme precipitation, were projected for firm locations for the years 2030, 2040 and 2050.

For the transitional risks assessment, the results of the physical risks analysis were supplemented with information from other scenarios and reports including from the International Energy Agency (Net Zero Emissions by 2050, Stated Policies Scenario and Fragmented World Scenario), and Network for Greening the Financial System (Nationally Determined Contributions Scenario), the World Economic Forum and Our World in Data. These scenarios were selected because collectively they provide a sufficiently broad range of transition pathways, including an orderly/rapid transition, a policy-driven transition and a more fragmented/disorderly transition, and because they are relevant to the jurisdictions, regulatory environments and client sectors in which the business operates. Assumptions included in the analysis under these scenarios include the efficacy of legal and regulatory mechanisms to achieve emissions reductions in line with national and international commitments and that the physical risks analysis provides a reasonable basis for assessing potential impacts on the business.

Physical Climate Scenario Analysis

The physical climate scenario analysis exercise looked at the predicted impacts for the following acute and chronic climate variables in 2030, 2040 and 2050: extreme precipitation, monthly mean precipitation, air heatwave days, cooling degree days, maximum temperature days >35°C, monthly mean temperature, heating degree days, extreme water level, mean sea level rise, and extreme wind speed. Sixteen offices were chosen for the exercise in 2025 and an additional sixteen of our offices have been assessed in 2026. The increase in potential risk for each variable (from a 2005 baseline) was estimated by use of a hazard score and elevated risks were noted and summarized for each office.

The overall summary of the physical risks analysis concludes that for the period 2030- 2050 climate hazards which are projected to change most significantly from their baseline, providing higher risk exposure to Hogan Lovells Cadwalader sites include extreme rain, mean rain, air heatwave days, extreme wind speed and drought, as well as some site-specific risks such as extreme water level and cyclones. Hogan Lovells Cadwaladers' overall exposure level and associated risks are relatively low.

In relation to near-term unavoidable climate change we looked at the specific hazard scores estimated for the climate variables under SSP2-4.5 for 2030. The analysis indicates that physical climate risks occur globally by vary in severity by geography and office location. Temperature-related risks are evident across all regions in which we operate, with over half of our offices have a high, or extremely high, hazard scoring associated with the risk of experiencing days where the temperature is 30°C or greater. Approximately 25% of our offices are projected to have a significantly increased risk of experiencing more heatwaves and over 50% of our offices have high hazard scoring in relation to potential humidity levels.

¹ We note the current updating of climate scenarios in preparation for CMIP7.

Members' report (continued)

Energy and carbon report (continued)

Transitional risks and opportunities

In 2025 we identified 32 potential transitional risks and used stakeholder interviews and the firm's risk management classification to identify the risks as most likely to be material to the business. The risks and measures to manage them are explained below in the context of the scenario under which they arise.

Unavoidable near-term climate change:

All scenarios are associated with some unavoidable impacts of climate change in the near future². Temperatures recorded by multiple agencies in 2025 (NASA³, Copernicus⁴, World Meteorological Association⁵) reported an average global temperature for the year which was the third highest on record. Extreme events linked to climate change which were reported in 2025 included Hurricane Melissa⁶, extreme heat in Europe⁷, flooding in Africa⁹, wildfires in California^{10,11}, Heatwaves in India and Pakistan¹² and Typhoon Ragasa¹³. In addition, scientists are drawing attention to the likely occurrence of a strong El Niño in later 2026 which could further exacerbate weather extremes in the near term¹⁴.

Significant physical impacts associated with acute extreme weather and water shortages are highly likely to become more severe in the regions in which we operate by 2030. The severity of these near-term impacts will be dependent on local climate adaptation action, but have the potential to adversely impact our people, for example, by increasing the costs of living, creating exposure to greater health risks and making it difficult to obtain insurance¹⁵. Our International Management Committee, our Board and our Business Team Leadership all receive regular updates on sustainability related initiatives and projects to enable inclusion of sustainability-related risks and opportunities in business planning.

The challenges posed by more frequent and longer heatwaves include regulating our work environment, ensuring the functionality of our infrastructure and heat-sensitive devices, managing our energy use, and ensuring continuity of our essential supply chain. We have established risk management protocols for all our offices which consider a range of risks including physical disruption, and we include forward-looking analysis of our climate related risks in lease renewal/new lease process.

- ² WMO Global Annual to Decadal Climate Update. *Target years: 2024 and 2024-2028*
<https://library.wmo.int/idurl/4/68910>,
<https://www.metoffice.gov.uk/binaries/content/assets/metofficegovuk/pdf/research/news/met-office-briefing-note-on-lags-in-the-climate-system>
- ³ Global Temperature - Earth Indicator - NASA Science
- ⁴ Global Climate Highlights 2025 report, compiled by the Copernicus Climate Change Service (C3S).
- ⁵ World Meteorological Organization (WMO). State of the Global Climate 2025. (WMO-No. 1342). Geneva, 2026.
- ⁶ Hurricane Melissa | Grantham Institute – Climate Change and the Environment | Imperial College London
- ⁷ Kew et Al. 2025 Climate change drives record-breaking heat in Iceland and Greenland challenging cold adapted ecosystems and societies.
- ⁸ European State of the Climate 2025: record heatwaves from the Mediterranean to the Arctic, while glaciers shrink and snow cover declines (World Meteorological Association)
- ⁹ Diop et Al. 2025 Climate change impacts on floods in West Africa: new insight from two large-scale hydrological models. *Natural Hazards and Earth System Sciences*, 25 (9). 3161-3184.
- ¹⁰ Severe heatwaves and droughts are making extreme wildfires more frequent and intense worldwide - Met Office
- ¹¹ State of Wildfires 2024-2025 Earth Syst. Sci. Data, 17, 5377–5488, 2025
- ¹² World Weather Attribution (2026). *Climate change exposes hundreds of millions to longer and deadlier pre-monsoon heat in South Asia*. Available at: <https://www.worldweatherattribution.org/>
- ¹³ Typhoon Ragasa | Grantham Institute – Climate Change and the Environment | Imperial College London
- ¹⁴ Pacific Ocean warming signals the possible return of a strong El Niño - Met Office
- ¹⁵ Long et Al. (2026) Mental health as both outcome and determinant in climate adaptation. *Nature*. Volume 16, July 2026, p748

Members' report (continued)

Energy and carbon report (continued)

Actions seeking to recover the costs of extreme events associated with climate change are already underway through both regulatory mechanisms (such as the Vermont Climate Superfund legislation) and litigation-based approaches (Lliuya v RWE, McKinsey case - County of Multnomah v. Exxon Mobil Corp) being used. In the likely event of increased extreme events, and in the absence of a coordinated global policy approach by governments for meeting the costs of adaptation, the number of these types of initiatives is set to increase. The risk of liability for historic emissions is addressed in part by our carbon credit policy which has facilitated the purchase and retirement of carbon credits equivalent to our measured scope 1 and 2 since 2022, and business travel (air, land and sea travel) since 2019 whilst we decrease emissions in line with our SBTi approved near and long-term targets. We are also working on a project to provide meaningful data on potential positive and negative sustainability impacts associated with our legal services.

In many scenarios advancing climate change is associated with a global financial slowdown. Dependent on the scenario, this negative impact on global GDP may be partly countered by new technology to address climate mitigation and adaptation, such as carbon capture technologies and new renewable energy infrastructure. These changes, along with the likely impacts on the delivery of legal services by the introduction of artificial intelligence tools and potential changes to established business sectors, support the need to regularly review and revise business strategy.

Ambitious (SSP1-1.9/Net Zero 2050 scenario):

The firm has an SBTi approved target of net zero emissions by 2050¹⁶. Transitional risks which arise under climate scenarios aligned to this target include the need to meet regulatory requirements to rapidly limit carbon emissions, manage energy use, and increase validity of sustainability impact reporting and disclosure. In preparation for these increased requirements, we have aligned our sustainability data and reporting to the Global Reporting Initiative Framework (GRI) methodology and onboarded an AI provider to support the production of sustainability related information for our clients.

Additionally, the cost of carbon is projected to increase significantly under this scenario, and we are managing this risk by remaining on track to meet our 2030 SBTi near-term target of a 90% reduction in our global Scope 1 and 2 emissions relative to a 2019 baseline.

'Middle of the Road' (SSP2-4.5/Nationally Determined Contributions):

The most recent UN Emissions Gap Report (2025) reports that current projections for 2100 are between approximately 2.3 and 2.8 degrees Celsius¹⁷. The middle of the road scenario corresponds to 2.3-2.7 degrees and assumes the continuation of energy, climate and industrial policies that are already planned but does not assume that these will be met. It also assumes delayed and divergent approaches to climate policy, adaptation and mitigation, globally.

The transitional risks arising under climate scenarios aligned to this target include geopolitical issues and conflicting regulation and policy in the regions in which we operate. Meeting the potentially conflicting requirements of regulation in different jurisdictions and meeting the expectations and needs of our clients in relation to their own climate transition will require additional resource and careful monitoring. The practicalities of managing the climate transition consistently across the globe will provide valuable experience which can be used to benefit our clients.

¹⁶ Hogan Lovells SBTi target was validated in 2023. Following recalculation of the baseline we will be applying for revalidation of the target if needed.

¹⁷ "A continuation of the mitigation effort implied by current policies only limits warming below 2.8°C (range: 2.1–3.9) over the century, with a 66 per cent chance. This level of warming would be reduced to 2.5°C (range: 1.9–3.3) if unconditional NDCs are fully implemented by 2035 and similar efforts continue. Even with efforts sufficient to meet the conditional NDCs in full, warming would only be kept below 2.3°C (range 1.9–3.3) with at least a 66 per cent chance. By 2050, the central warming projections for these scenarios see global warming surpassing 1.5°C by several tenths of a degree, leaving the world with a 21–33 per cent chance that warming will already exceed 2°C by then" <https://www.unep.org/resources/emissions-gap-report-2025>

Members' report (continued)

Energy and carbon report (continued)

Opportunities:

With the firm's commitment to sustainability and climate adaptation we are well positioned to take advantage of future financial incentives associated with emissions reductions.

Our need to regularly review the state of the climate and update the scenario analysis provides an opportunity to provide our Marketing & Business Development team with updated information regarding the potential business success of new or evolving sectors.

Hogan Lovells Cadwalader's well established cross-sector ESG practice has an annual strategic plan that leverages knowledge and experience across the firm to identify and act on new opportunities arising from changes in legislation, legal risk and business practice responsive to climate transition activities.

The scenario analysis shows that climate change will affect Hogan Lovells Cadwalader to varying degrees in terms of both transition and physical factors. Our focus on ensuring appropriate sustainability goals, accurate sustainability reporting, and assessment and mitigation of operational risks in addition to the business development work of the ESG practice, supports our belief in the resilience and innovative ability of the firm to transition to a lower-carbon model and create new growth opportunities.

Members' report (continued)

Streamlined Energy and Carbon Reporting (SECR)

Performance

We have set greenhouse gas emissions reductions targets for Scope 1 and 2 (market) emissions, and an engagement target for our procurement related Scope 3 emissions which have been validated by the Science Based Targets initiative along with a Net Zero target for 2050. Global performance against these targets is reported annually in our CDP submission, and publicly available Corporate Sustainability Report, and global Climate Transition Plan. In 2026 we will conduct a base year recalculation exercise for our targets following the combination of Hogan Lovells and Cadwalader, Wickersham and Taft on 1st July 2026 and we will re-submit our targets to the SBTi for validation if necessary.

The key performance indicators used to assess progress against our SBTi targets are (i) greenhouse gas emissions reported in tonnes of eCO₂ and (ii) the proportion of our suppliers by emissions covering purchased goods and services, capital goods, upstream transportation and distribution, and business travel, which have science-based targets for emissions reduction (near term Scope 3 target). Progress against our global emissions targets is reported in our published global Climate Transition Plan. We have assessed the proportion of our suppliers covered by our Scope 3 near term target and in 2026 we onboarded a specialist supplier engagement platform to facilitate engagement with 75% of our suppliers by emissions on sustainability topics, including emissions reductions targets.

We also measure, and where necessary estimate, other performance indicators including energy, water use, and waste generation.

We have set targets validated by the Science Based Targets Initiative, which include achieving a 90% reduction in Scope 1 and Scope 2 (market based) emissions from a 2019 baseline by 2030.

Our transition plan includes sourcing renewable energy where possible, eliminating sources of Scope 1 emissions, implementing new business travel policies, engaging with our clients to support their sustainability journeys, and engaging with our peers to support the decarbonisation of the legal sector.

Our greenhouse gas emissions are disclosed annually through CDP and other reporting frameworks, covering our global portfolio. The emissions and energy data in this report covers our UK operations, as required under the Limited Liability Partnerships Regulations 2008 as amended. Our relevant energy use and carbon related emissions stem from our three offices, two in London and one in Birmingham. The energy use is summarised below.

Energy Source	Units	2019 baseline	2021	2022	2023	2024	2025
Biogas	kWh	-	-	213,099	106,800	140,887	954,954
Oil (Gas)	kWh	467,724	-	-	-	-	-
Natural Gas	kWh	8,023,408	6,819,469	6,062,123	5,019,949	5,241,384	5,213,432
Electricity	kWh	8,676,156	6,229,295	6,688,398	6,523,191	6,522,901	6,792,257
Total	kWh	17,167,288	13,048,764	12,963,620	11,649,940	11,905,172	12,960,643
Energy Intensity (measured against rentable floor area)	kWh/m ²	551	481	547	396	404	452

We have decreased our overall energy consumption since the 2019 baseline which has in part been due to the introduction of energy efficiency measures, particularly in our largest site in London. In addition, in 2022 we moved one of our premises to a more efficient building with a smaller floor area.

Members' report (continued)

Streamlined Energy and Carbon Reporting (SECR) (continued)

The carbon emissions associated with the energy use in our offices is summarised below.

GHG Emissions (tCO ₂ e)	2019 baseline	2022	2023	2024	2025
Scope 1	1,595	1,190	917	959	1,006
Scope 2 (location-based)	2,218	1,343	1,342	1,351	1,203
Total	3,813	2,533	2,259	2,310	2,209

Carbon Intensity Metric (2025): 77 kgCO₂e/m².

In accordance with our near term Scope 3 target, we have now engaged with 75% of our suppliers and have established that 37% have a science-based emission reduction target.

The calculation of carbon emissions (including scope 3) follows the GHG protocol methodology and is based on emissions factors for 2025 published by the Department for Environment, Food and Rural Affairs. Emission factors are updated annually. Scope 2 emissions are calculated according to the location-based method for comparison, although the majority of our UK electricity use is now supplied from a renewable source.

Emission Reduction Initiatives

Our ongoing mitigation initiatives include:

- Working towards the elimination of our sources of Scope 1 emissions by switching to biofuels and using electric energy sources.
- Working towards achieving 100% renewable energy for business operations including through continued engagement with landlords to motivate renewable energy provision.
- Prioritising buildings with sustainability credentials when selecting new leases.
- Increasing the energy efficiency of our operations and working to reduce our overall energy use.
- Working with our value chain to reduce our scope 3 emissions; In 2026 we onboarded a specialist supplier engagement platform to facilitate engagement with 75% of our suppliers by emissions on sustainability topics, including emission reductions targets.

Hogan Lovells Cadwalader reports its global sustainability performance in full in an annual Climate Transition Plan.

Auditor

Deloitte LLP will be proposed for reappointment.

Signed on behalf of the Board

Marie-Aimée de Dampierre

Marie-Aimée de Dampierre
Chair
24 September 2026

Statement of members' responsibilities

The Members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. The financial statements are also required by law to be prepared in accordance with the Companies Act 2006, as applicable to limited liability partnerships.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the firm's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, Members are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

The Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These responsibilities are exercised by the Board on behalf of the Members.

Independent auditor's report to the members of Hogan Lovells Cadwalader International LLP

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Hogan Lovells Cadwalader International LLP (the 'parent limited liability partnership') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the limited liability partnership's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB);
- the parent limited liability partnership financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006 as applied to limited liability partnerships; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent limited liability partnership balance sheets;
- the consolidated and parent limited liability partnership cash flow statements;
- the consolidated and parent limited liability partnership statement of changes in equity; and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and, as regards the parent limited liability partnership financial statements, as applied in accordance with the provisions of the Companies Act 2006 as applied to limited liability partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described

Independent auditor's report to the members of Hogan Lovells Cadwalader International LLP (continued)

in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of members

As explained more fully in the statement of members' responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the group's and the parent limited liability partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the group or the parent limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Independent auditor's report to the members of Hogan Lovells Cadwalader International LLP (continued)

We considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations.

We also enquired of management and the members about their own identification and assessment of the risks of irregularities including those that are specific to the group's business sector:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud, and
- reviewing internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Companies Act 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. This included UK Bribery Act.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- We presume a risk of material misstatement due to fraud relating to revenue recognition. This has been pinpointed to the valuation of amounts to be billed to clients, more specifically the accuracy of the realisation rates applied in the calculation of amounts to be billed to clients. To address this risk, we have performed the following procedures:
 - Recalculated the realisation rates used, including assessing and challenging the methodology applied;
 - Performed substantive testing over amounts to be billed to clients through post year-end billing analysis; and
 - Assessed the design and implementation of internal controls around the valuation of amounts to be billed to clients and the calculation and LLP's methodology for the realisation rates.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Independent auditor's report to the members of Hogan Lovells Cadwalader International LLP (continued)

- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent limited liability partnership financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Black ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
28 September 2026

Consolidated income statement

	Note	2025 £'000	2024 £'000
Revenue	4	1,318,033	1,230,835
Other operating income		6,660	5,432
Operating expenses			
Staff costs	6	(482,891)	(462,567)
Depreciation and amortisation	10/12	(18,257)	(16,733)
Depreciation and amortisation – Right-of-use assets	14	(45,678)	(46,216)
Other operating expenses		(236,569)	(222,524)
Profit from operations		541,298	488,227
Investment income	7	6,994	13,896
Finance expense	7	(10,254)	(7,934)
Profit before tax	5	538,038	494,189
Tax expense	8	(36,771)	(37,810)
Profit before Members' remuneration and profit share		501,267	456,379
Members' remuneration charged as an expense		(64,303)	(57,976)
Profit for the period for division amongst equity Members	9	436,964	398,403

The results from both years were derived from continuing operations.

Consolidated statement of comprehensive income

	Note	2025 £'000	2024 £'000
Profit for the financial period for division amongst equity Members		436,964	398,403
Other comprehensive income:			
Items that will not be reclassified subsequently to the consolidated income statement:			
Actuarial gain on defined benefit pension scheme	21	4,200	7,300
Items that may be reclassified subsequently to the consolidated income statement:			
Exchange differences on translation of foreign operations		(2,902)	(13,489)
Other comprehensive profit/(loss) for the period		1,298	(6,189)
Total comprehensive income for the period		438,262	392,214

Consolidated balance sheet

	Note	2025 £'000	2024 £'000
Assets			
Non-current assets			
Intangible assets	10	91	78
Property, plant and equipment	12	61,800	64,965
Right-of-use assets	14	181,323	207,200
Finance lease receivables	17	-	1,169
Retirement benefit scheme surplus	21	8,200	1,600
Investments	15	1,815	2,754
		253,229	277,766
Current assets			
Client and other receivables	16	825,941	647,632
Current tax receivables		8,710	6,055
Finance lease receivables	17	74	456
Cash and cash equivalents		266,825	372,266
		1,101,550	1,026,409
Total assets		1,354,779	1,304,175
Liabilities			
Current liabilities			
Trade and other payables	19	377,956	375,679
Current tax liabilities		11,822	8,084
Lease liabilities	18	59,863	64,662
Members' capital	22	163,875	149,744
Provisions	20	6,022	930
		619,538	599,099
Non-current liabilities			
Lease liabilities	18	159,476	177,939
Provisions	20	5,700	5,612
		165,176	183,551
Equity			
Members' other reserves	22	570,065	521,525
Total liabilities and equity		1,354,779	1,304,175
Members' interests			
Current assets – amounts due from Members	16 / 22	(170,276)	(150,859)
Current liabilities – Members' capital	22	163,875	149,744
Equity – other reserves	22	570,065	521,525
Total Members' interests		563,664	520,410

These financial statements of Hogan Lovells Cadwalader International LLP, registered number OC323639, were approved by the Board on behalf of the Members and signed on behalf of the Members on 24 September 2026 by:

Marie-Aimée de Dampierre

Marie-Aimée de Dampierre, Chair



Miguel Zaldivar, CEO



Michael Davison, Deputy CEO

Hogan Lovells Cadwalader International LLP balance sheet

	Note	2025 £'000	2024 £'000
Assets			
Non-current assets			
Intangible assets	11	70	68
Property, plant and equipment	13	42,864	44,402
Right-of-use assets	14	130,642	145,035
Finance lease receivables	17	-	90
Retirement benefit scheme surplus	21	8,200	1,600
Investments	15	12,457	13,439
		194,233	204,634
Current assets			
Client and other receivables	16	652,404	505,649
Current tax receivables		8,209	6,058
Finance lease receivables	17	74	81
Cash and cash equivalents		207,327	314,499
		868,014	826,287
Total assets		1,062,247	1,030,921
Liabilities			
Current liabilities			
Trade and other payables	19	308,599	311,792
Current tax liabilities		11,210	7,375
Lease liabilities	18	36,476	37,467
Members' capital	23	163,875	149,744
Provisions	20	6,022	930
		526,182	507,308
Non-current liabilities			
Lease liabilities	18	120,442	131,041
Provisions	20	5,700	5,612
		126,142	136,653
Equity			
Members' other reserves	23	409,923	386,960
Total liabilities and equity		1,062,247	1,030,921
Members' interests			
Current assets – amounts due from Members	16 / 23	(170,276)	(150,859)
Current liabilities – Members' capital	23	163,875	149,744
Equity – other reserves	23	409,923	386,960
Total Members' interests		403,522	385,845

The profit for division amongst members for the financial period dealt with in the financial statements of the LLP was £330,633,000 (2024: £306,767,000).

These financial statements of Hogan Lovells Cadwalader International LLP, registered number OC323639, including the consolidated financial statements, were approved by the Board on behalf of the Members and signed on behalf of the Members on 24 September 2026 by:

Marie-Aimée de Dampierre

Marie-Aimée de Dampierre, Chair

Miguel Zaldivar

Miguel Zaldivar, CEO

Michael Davison

Michael Davison, Deputy CEO

Consolidated cash flow statement

	Note	2025 £'000	2024 £'000
Net cash from operations	24	407,160	504,946
Investing activities			
Purchase of intangible assets		(89)	(12)
Purchase of property, plant and equipment		(13,785)	(22,417)
Dividends received		-	248
Interest received		6,644	13,727
Finance lease income		236	236
Proceeds on disposal of property, plant and equipment		36	18
Net cash used in investing activities		(6,958)	(8,200)
Financing activities			
Members' capital introduced		19,944	32,897
Capital repayments to Members		(5,813)	(9,230)
Payments to and on behalf of Members		(464,286)	(414,453)
Interest paid		(713)	(1,359)
Repayment of lease liabilities		(56,040)	(48,959)
Net cash used in financing activities		(506,908)	(441,104)
Net (decrease)/increase in cash and cash equivalents		(106,706)	55,642
Cash and cash equivalents at beginning of period		372,266	318,848
Effects of foreign exchange rate changes on cash		1,265	(2,224)
Cash and cash equivalents at end of period		266,825	372,266

Hogan Lovells Cadwalader International LLP cash flow statement

	Note	2025 £'000	2024 £'000
Net cash from operations	24	276,797	376,076
Investing activities			
Purchase of intangible assets		(78)	-
Purchase of property, plant and equipment		(10,316)	(15,342)
Dividends received		-	248
Interest received		6,445	12,930
Finance lease income		234	234
Proceeds on disposal of property, plant and equipment		19	20
Net cash used in investing activities		(3,696)	(1,910)
Financing activities			
Members' capital introduced		19,944	32,897
Capital repayments to Members		(5,813)	(9,230)
Payments to and on behalf of Members		(357,566)	(311,893)
Interest paid		(935)	(1,359)
Repayment of lease liabilities		(36,722)	(35,186)
Net cash used in financing activities		(381,092)	(324,771)
Net (decrease)/increase in cash and cash equivalents		(107,991)	49,395
Cash and cash equivalents at beginning of period		314,499	266,059
Effects of foreign exchange rate changes on cash		819	(955)
Cash and cash equivalents at end of period		207,327	314,499

Consolidated statement of changes in equity

	Note	2025 £'000	2024 £'000
Equity at 1 January		521,525	518,527
Profit for the financial period attributable to equity Members		436,964	398,403
Actuarial gain on defined benefit pension scheme		4,200	7,300
Exchange differences on translation of foreign operations		(2,902)	(13,489)
Total comprehensive income for the period		438,262	392,214
Profit allocated to Members		(389,722)	(389,216)
Equity at 31 December	22	570,065	521,525

Hogan Lovells Cadwalader International LLP statement of changes in equity

	Note	2025 £'000	2024 £'000
Equity at 1 January		386,960	383,518
Profit for the financial period attributable to equity Members		330,633	306,767
Actuarial gain on defined benefit pension scheme		4,200	7,300
Exchange differences on translation of foreign operations		(5,432)	(10,858)
Total comprehensive income for the period		329,401	303,209
Profit allocated to Members		(306,438)	(299,767)
Equity at 31 December	23	409,923	386,960

Notes to the financial statements

1. General information

Hogan Lovells Cadwalader International LLP is a limited liability partnership incorporated in the United Kingdom and registered in England and Wales. Its registered office is Atlantic House, Holborn Viaduct, London EC1A 2FG.

On 1 July 2026, the LLP changed its name from Hogan Lovells International LLP to Hogan Lovells Cadwalader International LLP.

The principal activity of the LLP is the provision of legal services.

The group's principal operations are in the United Kingdom and these financial statements are presented in pounds sterling. Operations outside of the United Kingdom are included in accordance with the policies set out below.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and the previous year, unless otherwise noted.

Accounting convention

The financial statements have been prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board (IASB) on the historical cost basis amended for certain items at fair value and with those parts of the Companies Act 2006 applicable to limited liability partnerships reporting under IFRS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Going concern

As stated in the Report to Members the financial statements have been prepared on a going concern basis.

Management has produced forecasts and cash flow projections, that have also been sensitised to reflect potential declines in revenue in the latter part of 2026 and into 2027. These demonstrate the Group has sufficient cash reserves to enable the Group to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

While there remains an ongoing risk of the economic environment having an adverse impact on some of our clients, in relation to uncertain factors including macro-economic factors, taking into account our broad practice, extensive geographic reach, available bank facilities and the flexibility we have to vary the timing of payments to our Partners, and having considered the group's forecasts and projections, Management is satisfied that it is appropriate for these accounts to be prepared on the going concern basis.

2. Accounting policies (continued)

Basis of preparation

The group financial statements incorporate the financial statements of the LLP and entities controlled by the LLP (its subsidiary undertakings). Control is achieved where the LLP has the power over the investee; is exposed, or has rights, to a variable return from its involvement with the investee; and has the ability to use its power to affect its returns. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

No individual profit and loss account is presented for the LLP as permitted by section 408 of the Companies Act 2006. The profit for division amongst members for the financial year dealt with in the financial statements of the LLP was £330,633,000 (2024: £306,767,000).

New and revised IFRS accounting standards

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
IFRS 18	<i>Presentation and Disclosure in Financial Statements</i>
IFRS 19	<i>Subsidiaries without Public Accountability</i>

The members do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

Foreign currencies

The individual financial statements of each of the group's operations are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the group financial statements, the results and financial position of each operation are expressed in pounds sterling, which is the functional currency of the LLP, and the presentation currency for the group financial statements.

Transactions denominated in currencies other than the functional currency of the entity concerned are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities which are not denominated in the functional currency of the entity concerned are translated at the rates ruling at the balance sheet date. These translation differences are dealt with in the income statement.

Exchange differences are recognised in profit or loss in the period in which they arise except for differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

The results of the group's operations where the functional currency is not sterling are translated at the average rates of exchange for the period, and their balance sheets at the rates of exchange ruling at the balance sheet date. Differences arising on the translation of the opening net assets and the results of these operations are accounted for in the consolidated statement of comprehensive income.

2. Accounting policies (continued)

Revenue

Revenue is measured based on the consideration specified in a contract with a customer. It represents the fair value of the consideration receivable in respect of professional services provided during the period, exclusive of recoverable expenses and value-added taxes.

A contract with a customer is recognised when a contract is legally enforceable by the Group. For each contract with a customer, the Group performs the following, as required by the five-step model included within IFRS 15 Revenue from contracts with customers: it identifies the contract with a customer, identifies the performance obligation in the contract, determines the transaction price, the Group allocates the transaction price to the performance obligation and it recognises revenue as the performance obligation is satisfied in a manner that depicts the transfer of the services promised to the client.

The Group recognises revenue over time. This is primarily because the performance of its services does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group does not provide extended terms on its services and therefore no significant financing components are identified by the Group. The Group applies the revenue constraint in respect of variable consideration by estimating the amount recoverable from clients on unbilled items. This estimate is based on assessment of the Group's historical recoverability rates, contingencies, agreements with clients and amounts deemed irrecoverable. Revenue is only recognised on contingent matters from the point at which it is highly probable that a significant reversal in the amount of revenue recognised will not occur.

Amounts to be billed to clients are contract assets, recognised when a performance obligation has been satisfied but not yet billed. Contract assets are transferred to client receivables when the right to consideration is unconditional and billed per the terms of the contractual agreement. Billings are at periodic intervals or upon achievement of contractual milestones.

Based on the above, the Group is using the practical expedient provided by IFRS 15.121, from providing further information about its remaining performance obligations.

Intangible assets

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset, held at cost less accumulated depreciation and any impairment loss.

Consideration paid to purchase the Hogan & Hartson client base in certain offices has been recognised as an intangible asset, held at cost less accumulated amortisation and any impairment loss.

Amortisation is provided to write off the cost less the estimated residual value of intangible assets on a straight-line basis over their estimated useful economic lives, which are as follows:

Computer software	3 - 5 years
Consideration for client base	8 years

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment loss. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in income.

Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment by equal instalments over the estimated useful economic lives as follows:

Leasehold improvements	Over the term of the lease
Fixtures and fittings	4 - 5 years
Computer equipment	3 - 5 years
Motor vehicles	4 years
Assets under construction	Depreciation in line with respective category will be applied once assets come into use

2. Accounting policies (continued)

Impairment of tangible and intangible assets

At each balance sheet date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Investments

Investments in Group interests are stated at cost less provision for impairment. Investments are considered to be impaired when their carrying value is greater than their estimated recoverable amount. Investments in joint ventures are accounted for using the equity method and are recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the group's share of the profit or loss and other comprehensive income of the joint venture.

Taxation

The taxation payable on profits of the limited liability partnership in most jurisdictions, including the UK, is the personal liability of the Members. A retention from profit distributions is made to fund the taxation payments on behalf of Members.

The tax expense represents the sum of the current tax relating to the corporate subsidiaries and certain branches where the tax payable on profits is the liability of the LLP and not the individual Members.

The current tax expense is based on taxable profits of the corporate subsidiaries and branches consolidated within these financial statements. Taxable profit excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Financial instruments

Financial assets and financial liabilities are recognised on the group's balance sheet when the group becomes a party to the contractual provisions of the instrument.

Client receivables

Client receivables are initially recognised at fair value, and are subsequently reduced for estimated irrecoverable amounts.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, on demand deposits and other short-term highly liquid investments.

2. Accounting policies (continued)

Trade payables

Trade payables are initially measured at fair value, and are subsequently reduced for discounts given by suppliers.

Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

2. Accounting policies (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other operating expenses' in profit or loss (see Notes 14 and 18).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's finance lease receivables. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Members' interests and current and non-current debts due to and from Members

Members subscribe capital to the firm in proportion to their equity interest in the firm. Members' capital may only be withdrawn when a Member retires from the LLP. As Members may retire from the LLP with 120 days' notice, Members' capital has been classified as a current liability. Drawings by Members on account of unallocated profits have been classified as Members' current assets within Members' interests.

2. Accounting policies (continued)

Provisions

Provisions are recognised when the group has a present obligation as a result of a past event, and it is probable that the group will be required to settle that obligation. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material. The increase during the period in the discounted amount arising from the passage of time and the effect of any change in the discount rate is charged to the income statement as a finance cost.

The group maintains an appropriate level of professional indemnity insurance cover which is reviewed annually. Provision or disclosure as appropriate is made for material costs that may arise from any claims against the group.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the value of proceeds on initial recognition. Interest is included in finance cost and is determined using the effective interest rate method.

Retirement benefit obligations

Contributions to the defined contribution schemes are charged to the income statement when they become payable. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate determined by reference to the current estimated rate of return on a high quality sterling corporate bond of equivalent term to the scheme liabilities. Defined benefit pension scheme assets are measured at fair value. Actuarial valuations are performed as at each balance sheet date based on full valuations obtained at least triennially and updated for subsequent changes in material assumptions. The resulting net defined benefit asset or liability is presented separately on the face of the balance sheet.

The interest cost arising from the unwinding of the discount net of the expected return on scheme assets is recognised as a finance cost.

Actuarial gains and losses are recognised in full in the period in which they occur in the statement of comprehensive income.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of group financial statements under IFRS requires management to make judgements and estimations that affect the reported values of revenue, expenses, assets and liabilities. These are reviewed on an ongoing basis.

Critical judgements in applying the Group's accounting policies

Management are of the opinion that there are no judgements critical in the application of the Group's accounting policies.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing material adjustment of the carrying amounts of assets and liabilities within the next financial year, are discussed below.

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

Provision for post-employment benefits

Estimates are required in the accounting for defined benefit pension plans, including the selection of discount rates, inflation rates, mortality rates and the prediction of the rate of future salary and pension increases. These estimates are made by management based on the advice of qualified experts. Details of the assumptions used and the sensitivity of the benefit obligation to these assumptions are set out in Note 21. In the current year, the net retirement benefit scheme surplus is valued at £8.2 million (2024: £1.6 million).

Other estimates

Amounts to be billed to clients

Estimation uncertainty exists regarding the amount that will ultimately be recovered from clients in respect of unbilled revenue at the year end, and has been identified as another estimate. Amounts to be billed to clients are valued on the basis of recorded time at the year end, then provided against for factors such as historical recovery rates and contingencies. In the current year these are valued at £155.7 million (2024: £135.6 million).

Client receivables provision

The valuation of the provision for irrecoverable client receivables is a key estimate. In the current year, this provision is valued at £24.0m (2024: £19.3 million). This is an estimate of the likelihood of default based on an analysis of historical recovery rates, whilst incorporating expectations of current and future economic conditions.

If the expected credit loss rates had been 5% higher than 31 December 2025:

- The loss allowance on trade debtors not past due would have been £0.12m (2024: £0.08m) higher.
- the loss allowance on trade debtors past due between 0 and 30 days would have been £0.16m (2024: £0.09m) higher.
- the loss allowance on trade debtors past due between 31 and 120 days would have been £0.16m (2024: £0.13m) higher.
- the loss allowance on trade debtors past due greater than 120 days would have been £0.76m (2024: £0.67m) higher.

4. Revenue

	2025 £'000	2024 £'000
Revenue generated by region:		
United Kingdom	517,707	493,130
Continental Europe	656,914	603,351
Asia, Pacific and Middle East	143,412	134,354
Total	1,318,033	1,230,835

All revenue is generated from the group's principal activity, being the provision of legal services.

5. Profit before tax

	2025	2024
	£'000	£'000
Profit before tax has been arrived at after charging:		
Short term lease payments		
– land and buildings	699	711
– other	22	28
Amortisation of intangible assets	86	136
Depreciation of property, plant and equipment	18,171	16,597
Depreciation on Right-of-use assets	45,678	46,216
Loss on sale of property, plant and equipment	154	181
Net foreign exchange loss	4,056	876
Fees payable to LLP auditor Deloitte LLP	2,476	2,098
A detailed breakdown of fees payable to Deloitte LLP is provided below:		
Fees payable to the LLP's auditor for the audit of the LLP accounts	260	251
Audit of LLP's subsidiaries and overseas branches pursuant to legislation	361	407
Tax compliance services	1,086	986
Tax advisory services	645	311
Other services pursuant to legislation	83	79
All other services	41	64
Total fees payable to LLP auditor Deloitte LLP	2,476	2,098

Please note that remaining other operating expenses primarily relate to subcontractor services, marketing, training, professional subscriptions and office costs.

6. Staff costs

	Group		LLP	
The average monthly number of people employed during the year (excluding Members) was:	2025	2024	2025	2024
	No.	No.	No.	No.
Fee earners	1,691	1,756	643	662
Support staff	1,573	1,599	529	521
Total	3,264	3,355	1,172	1,183

Staff costs incurred during the year were:	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Salaries	409,858	394,562	308,428	293,129
Social security costs	46,777	42,926	38,005	34,159
Pension costs*	10,861	10,200	11,078	10,419
Other costs	15,395	14,879	8,608	7,389
Total	482,891	462,567	366,119	345,096

*Includes actuarial adjustments, see note 21 for details.

7. Investment income / (Finance expense)

	2025	2024
	£'000	£'000
Investment income		
Interest receivable	6,644	13,727
Interest on lease receivables	150	169
Net investment income on retirement benefit scheme	200	-
	6,994	13,896

Finance expense

Interest payable on bank loans and overdrafts	(837)	(1,383)
Net finance expense on retirement benefit scheme	-	(300)
Interest on lease liabilities	(9,171)	(5,968)
Interest on tax liabilities	(6)	-
Unwinding of discount on provisions	(240)	(283)
	(10,254)	(7,934)

8. Tax

	2025	2024
	£'000	£'000
Current tax	36,771	37,810
	36,771	37,810

In most locations, including the UK, income tax payable on the allocation of profits to Members is the personal liability of the Members and hence is not shown in these financial statements.

	2025	2024
	£'000	£'000
Profit before taxation from continuing operations	473,735	436,213
Less: Amounts subject to personal taxation	(425,950)	(399,286)
Profits subject to taxation	47,785	36,927
Tax at the effective UK corporation tax rate of 25% (2024: 25%)	11,946	9,232
Different tax bases in other jurisdictions	27,219	27,589
Adjustments in respect of prior years	(2,394)	989
Charge for the period	36,771	37,810

The Group falls within the scope of the OECD Pillar Two model rules. Management has performed an assessment and determined that the impact of Pillar Two is not considered material to the Group.

9. Members' share of profits

Profits are shared among the Equity Members after the end of the period in accordance with agreed profit sharing arrangements.

The average profit per Equity Member is calculated by dividing the profit for the period, after non Equity Members' profit shares, by the average number of Equity Members.

	2025	2024
Group	No.	No.
Average number of Members	377	364
Average number of Equity Members	252	248
	£'000	£'000
Profit available for division among Equity Members	436,964	398,403
Average profit per Equity Member	1,734	1,606

10. Intangible assets - Group

	Computer software £'000	Consideration for client base £'000	Total £'000
Cost			
At 1 January 2024	31,328	2,298	33,626
Currency translation adjustments	29	(105)	(76)
Additions	12	-	12
Disposals	(32)	-	(32)
At 31 December 2024	31,337	2,193	33,530
Currency translation adjustments	58	121	179
Additions	89	-	89
Disposals	(77)	-	(77)
At 31 December 2025	31,407	2,314	33,721
Amortisation			
At 1 January 2024	31,214	2,298	33,512
Currency translation adjustments	(59)	(105)	(164)
Charge for the year	136	-	136
Disposals	(32)	-	(32)
At 31 December 2024	31,259	2,193	33,452
Currency translation adjustments	48	121	169
Charge for the year	86	-	86
Disposals	(77)	-	(77)
At 31 December 2025	31,316	2,314	33,630
Carrying amount			
At 31 December 2025	91	-	91
At 31 December 2024	78	-	78

11. Intangible assets – LLP

	Computer software £'000	Consideration for client base £'000	Total £'000
Cost			
At 1 January 2024	31,086	2,297	33,383
Currency translation adjustments	36	(105)	(69)
Additions	-	-	-
Disposals	(29)	-	(29)
At 31 December 2024	31,093	2,192	33,285
Currency translation adjustments	49	121	170
Additions	78	-	78
Disposals	(25)	-	(25)
At 31 December 2025	31,195	2,313	33,508
Amortisation			
At 1 January 2024	30,984	2,297	33,281
Currency translation adjustments	(55)	(105)	(160)
Charge for the year	125	-	125
Disposals	(29)	-	(29)
At 31 December 2024	31,025	2,192	33,217
Currency translation adjustments	50	121	171
Charge for the year	75	-	75
Disposals	(25)	-	(25)
At 31 December 2025	31,125	2,313	33,438
Carrying amount			
At 31 December 2025	70	-	70
At 31 December 2024	68	-	68

12. Property, plant and equipment – Group

	Leasehold improvements	Computer equipment	Fixtures and fittings	Motor vehicles	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 January 2024	94,213	101,396	76,475	388	8,911	281,383
Currency translation adjustments	(1,748)	(1,121)	(1,705)	(8)	-	(4,582)
Additions	8,984	3,246	6,926	39	3,222	22,417
Disposals	(6,118)	(1,856)	(2,586)	(37)	-	(10,597)
Transfers	5,527	-	-	-	(5,527)	-
At 31 December 2024	100,858	101,665	79,110	382	6,606	288,621
Currency translation adjustments	1,357	791	1,479	2	-	3,629
Additions	4,993	2,886	555	65	5,286	13,785
Disposals	(1,125)	(2,293)	(446)	(58)	-	(3,922)
At 31 December 2025	106,083	103,049	80,698	391	11,892	302,113
Depreciation						
At 1 January 2024	53,782	92,807	73,488	178	-	220,255
Currency translation adjustments	(1,091)	(837)	(872)	2	-	(2,798)
Charge for the year	9,813	4,064	2,684	36	-	16,597
Disposals	(6,097)	(1,755)	(2,513)	(33)	-	(10,398)
At 31 December 2024	56,407	94,279	72,787	183	-	223,656
Currency translation adjustments	(134)	688	1,673	(9)	-	2,218
Charge for the year	11,001	4,589	2,541	40	-	18,171
Disposals	(1,122)	(2,151)	(412)	(47)	-	(3,732)
At 31 December 2025	66,152	97,405	76,589	167	-	240,313
Carrying amount						
At 31 December 2025	39,931	5,644	4,109	224	11,892	61,800
At 31 December 2024	44,451	7,386	6,323	199	6,606	64,965

13. Property, plant and equipment – LLP

	Leasehold improvements	Computer equipment	Fixtures and fittings	Motor vehicles	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 January 2024	69,679	89,363	59,836	256	8,911	228,045
Currency translation adjustments	(820)	(833)	(1,374)	(11)	-	(3,038)
Additions	3,350	2,396	6,335	39	3,222	15,342
Disposals	(4,158)	(1,197)	(2,033)	(37)	-	(7,425)
Transfers	5,527	-	-	-	(5,527)	-
At 31 December 2024	73,578	89,729	62,764	247	6,606	232,924
Currency translation adjustments	957	795	1,567	12	-	3,331
Additions	3,349	2,030	52	65	4,820	10,316
Disposals	-	(476)	(68)	(58)	-	(602)
At 31 December 2025	77,884	92,078	64,315	266	11,426	245,969
Depreciation						
At 1 January 2024	46,847	82,914	56,035	66	-	185,862
Currency translation adjustments	(99)	(606)	(1,137)	(1)	-	(1,843)
Charge for the year	6,714	2,935	2,100	27	-	11,776
Disposals	(4,136)	(1,143)	(1,961)	(33)	-	(7,273)
At 31 December 2024	49,326	84,100	55,037	59	-	188,522
Currency translation adjustments	310	669	1,232	-	-	2,211
Charge for the year	7,529	3,528	1,876	31	-	12,964
Disposals	-	(477)	(68)	(47)	-	(592)
At 31 December 2025	57,165	87,820	58,077	43	-	203,105
Carrying amount						
At 31 December 2025	20,719	4,258	6,238	223	11,426	42,864
At 31 December 2024	24,252	5,629	7,727	188	6,606	44,402

14. Leases (Group as a Lessee)**Right-of-use assets**

	Buildings	Equipment	Total
	£'000	£'000	£'000
Cost			
At 1 January 2025	420,793	2,031	422,824
Additions	18,069	361	18,430
Disposals	(6,573)	-	(6,573)
Currency translation adjustment	6,247	15	6,262
At 31 December 2025	438,536	2,407	440,943
Accumulated depreciation			
At 1 January 2025	214,055	1,569	215,624
Currency translation adjustment	681	4	685
Charge for the year	45,353	325	45,678
Disposals	(2,367)	-	(2,367)
At 31 December 2025	257,722	1,898	259,620
Carrying amount			
At 31 December 2025	180,814	509	181,323
At 31 December 2024	206,738	462	207,200

The maturity analysis of lease liabilities is presented in note 18. The Group has various leases based in different locations and on different terms and therefore additional qualitative information is not deemed necessary.

	2025	2024
	£'000	£'000
Amounts recognised in profit and loss:		
Depreciation expense on right-of-use assets	45,678	46,216
Interest expense on lease liabilities	9,171	5,968
Expense relating to short-term leases	699	711
Expense relating to leases of low value assets	22	28
Income from subleasing right-of-use assets	(150)	(169)

At 31 December 2025, the Group is committed to £0.2 million (2024: £0.3 million) for short-term leases (see Note 26).

14. Leases (LLP as a Lessee) (continued)**Right-of-use assets**

	Buildings	Equipment	Total
	£'000	£'000	£'000
Cost			
At 1 January 2025	289,359	1,424	290,783
Additions	12,791	127	12,918
Disposals	(44)	-	(44)
Currency translation adjustment	5,843	24	5,867
At 31 December 2025	307,949	1,575	309,524
Accumulated depreciation			
At 1 January 2025	144,757	991	145,748
Currency translation adjustment	722	3	725
Charge for the year	32,136	273	32,409
Disposals	-	-	-
At 31 December 2025	177,615	1,267	178,882
Carrying amount			
At 31 December 2025	130,334	308	130,642
At 31 December 2024	144,602	433	145,035

15. Investments - Group and LLP

The financial statements consolidate the results and financial position of the group, including the subsidiary and associated undertakings listed below. The LLP has investments in the following subsidiary undertakings:

	Country of incorporation	Activity	Proportion of ordinary shares or ownership held
Hogan Lovells Cadwalader (Alicante) SL & Cia., S.C. ³	Spain	Legal services	100%*
Hogan Lovells (Alicante) Limited ²	United Kingdom	Dormant	100%
Hogan Lovells Cadwalader (Alicante) S.L. ³	Spain	Legal services	100%*
Hogan Lovells (CIS) ²	United Kingdom	Dormant	100%*
Hogan Lovells (Hong Kong) Ltd ⁴	Hong Kong	Service Company	100%
Hogan Lovells (Warszawa) LLP ¹	United Kingdom	Legal services	100%*
Hogan Lovells Cadwalader Services ²	United Kingdom	Service Company	100%
65 Holborn Viaduct Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells (Geneva) Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Limited ²	United Kingdom	Dormant	100%*
Lovell & Co Limited ²	United Kingdom	Dormant	100%*
Lovell White Durrant Limited ²	United Kingdom	Dormant	100%*
Lovell White Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Cadwalader (Holdings) No.1 Limited ²	United Kingdom	Dormant	100%
Hogan Lovells Cadwalader (Holdings) No.2 Limited ²	United Kingdom	Legal services	100%*
Lovells (Moscow) Limited ²	United Kingdom	Dormant	100%*
Lovells Hogan & Hartson Limited ²	United Kingdom	Dormant	100%*
Lovells Hogan Limited ²	United Kingdom	Dormant	100%*
Lovells Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Cadwalader Pension Trustees Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Cadwalader Trustees ²	United Kingdom	Dormant	100%*
Hogan Lovells Cadwalader Property Trustees (No. 1) Limited ²	United Kingdom	Dormant	100%
Hogan Lovells Cadwalader Property Trustees (No. 2) Limited ²	United Kingdom	Dormant	100%
Hogan Lovells Cadwalader Real Estate Limited ²	United Kingdom	Dormant	100%*
Loviting Limited ²	United Kingdom	Dormant	100%
Serjeants' Inn Nominees Limited ²	United Kingdom	Dormant	100%*
Sisec Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Cadwalader Corporate Services Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells UK Pension Scheme Trustees Limited ²	United Kingdom	Dormant	100%
Hogan Lovells Cadwalader (Holborn Viaduct) Limited ¹	United Kingdom	Legal services	100%
Hogan Lovells (Ulaanbaatar) LLC ⁵	Mongolia	Dormant	100%
Hogan Lovells Services Cadwalader (South Africa) Limited ²	United Kingdom	Service Company	100%
RJ Fenshaw Hughes Ltd ²	United Kingdom	Dormant	100%

15. Investments - Group and LLP (continued)

	Country of incorporation	Activity	Proportion of ordinary shares or ownership held
Hogan Lovells Services (Germany) Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Solutions Limited ²	United Kingdom	Dormant	100%*
Hogan Lovells Cadwalader International Regional Headquarter Company	Saudi Arabia	Service Company	100%
Hogan Lovells Johannesburg Inc. ⁶	South Africa	Legal services	100%

*Ordinary shares held by another member of the group

Registered office addresses:

¹ Atlantic House, Holborn Viaduct, London, United Kingdom EC1A 2FG

² 21 Holborn Viaduct, London, United Kingdom EC1A 2DY

³ Avenida Maisonnave 22, Alicante, Spain, 03003

⁴ 11th Floor, One Pacific Place, 88 Queensway, Hong Kong, China

⁵ Suite 810, Shangri-La Centre, Olympic Street-19A, Sukhbaatar District, 1st Khoroo, Ulaanbaatar 14241, Mongolia

⁵ 26th Floor Tamkeen Tower, Al Yasmin Area, Riyadh 13325, Saudi Arabia

⁶ 140 West Street, Sandton, Johannesburg 2196

The LLP has the power to exercise, or actually exercises, dominant influence or control over the following principal undertakings:

	Country of incorporation	Activity
Loviting (H.K) Limited ³	Hong Kong	Legal services
Loviting (H.K.) (No. 2) Limited ³	Hong Kong	Dormant
S.I Nominees (H.K.) Limited ³	Hong Kong	Legal services
S.I. Nominees (H.K.) (No. 2) Limited ³	Hong Kong	Dormant
S.I. Nominees (H.K.) (No. 3) Limited ³	Hong Kong	Dormant
Lovells Limited ³	Hong Kong	Legal services
Lovells Cadwalader (Hong Kong) Limited ³	Hong Kong	Dormant
Hogan Lovells Limited ³	Hong Kong	Dormant
Thunderground Limited ³	Hong Kong	Legal services
Hogan Lovells Cadwalader (Hong Kong) (No 1) LLP ¹	United Kingdom	Legal services
Hogan Lovells Cadwalader (Hong Kong) (No 2) LLP ¹	United Kingdom	Legal services
Hogan Lovells Cadwalader (Paris) LLP ¹	United Kingdom	Legal services
Hogan Lovells Cadwalader (Middle East) LLP ²	United Kingdom	Legal services
Hogan Lovells (Prague) LLP – dissolved 6 August 2019 ¹	United Kingdom	Dissolved
Hogan Lovells Cadwalader (Shanghai) Intellectual Property Service Co Ltd ⁴	China	Legal services
Hogan Lovells ²	United Kingdom	Legal services
Hogan Lovells Cadwalader Horitsu Jimusho Gaikokuho Kyodo Jigyo ⁵	Japan*	Legal services
Hogan Lovells Cadwalader Società Tra Avvocati S.r.l. ⁶	Italy*	Legal services
Hogan Lovells Cadwalader (Luxembourg) LLP ¹	United Kingdom	Legal services
Hogan Lovells (Mongolia) LLP ⁷	Mongolia	Dormant
Hogan Lovells (Australia) (No 1) LLP ¹	United Kingdom	Dormant
Hogan Lovells (Australia) (No 2) LLP ¹	United Kingdom	Dormant
Hogan Lovells (Australia) Limited Partnership ⁸	New South Wales Australia*	Legal services
Hogan Lovells Services (Australia) Pty Limited ⁸	Victoria, Australia	Legal services
Hogan Lovells ⁸	New South Wales Australia*	Legal services
Hogan Lovells Cadwalader Lee & Lee ⁹	Singapore	Legal services
Hogan Lovells Cadwalader Indemnity Co. Limited ²	United Kingdom	Dormant
Hogan Lovells Cadwalader (Ireland) LLP ¹⁰	Ireland	Legal services
Hogan Lovells International Law Firm ¹¹	Saudi Arabia	Legal services

*unincorporated undertaking, denotes principal place of business

15. Investments - Group and LLP (continued)

The LLP has a 100% interest in Hogan Lovells, a general partnership governed by English law through which legal services are performed in Hong Kong. Hogan Lovells' head office is Atlantic House, Holborn Viaduct, London EC1A 2FG, United Kingdom.

The results and financial position of Hogan Lovells are consolidated in the financial statements of Hogan Lovells Cadwalader International LLP. Accordingly, advantage has been taken of the exemptions provided by Regulation 7 of the Partnerships (Accounts) Regulations 2008 from the requirements for preparation, delivery and publication of the general partnership's accounts.

Registered office addresses:

¹ Atlantic House, Holborn Viaduct, London, United Kingdom EC1A 2FG

² 21 Holborn Viaduct, London, United Kingdom EC1A 2DY

³ 11th Floor, One Pacific Place, 88 Queensway, Hong Kong, China

⁴ 1802 Park Place, 1601 Nanjing Road West, Shanghai 200040

⁵ 15th Floor, Daido Seimei Kasumigaseki Building, 1-4-2 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013, Japan

⁶ Via Santa Maria alla Porta 2, 20123 Milan, Italy

⁷ Suite 810, Shangri-La Centre, Olympic Street-19A, Sukhbaatar District, 1st Khoroo, Ulaanbaatar 14241, Mongolia

⁸ Level 17, 20 Martin Place, Sydney, New South Wales 2000, Australia

⁹ 50 Raffles Place, 06-00, Singapore Land Tower, Singapore 048623

¹⁰ Fitzwilliam Hall, Fitzwilliam Place, Dublin 2 D02 T292, Ireland

¹¹ 26th Floor Tamkeen Tower, Al Yasmin Area, Riyadh 13325, Saudi Arabia

The LLP has a participating interest in the following associated undertakings:

	Country of incorporation	Activity	Proportion of ordinary shares held
Hogan Lovells Cadwalader Global Services Limited ¹	United Kingdom	Service Company	50% joint venture
Hogan Lovells Solutions (Transfer Pricing) Limited ¹	United Kingdom	Consultancy Services	50% joint venture
HL Tech Legal Technology & Consulting B.V. ²	Netherlands	Consultancy Services	25% joint venture

Registered office addresses:

¹ 21 Holborn Viaduct, London, United Kingdom EC1A 2DY

² Amsterdam Building - East Tower, Eduard Van Beinumstraat 10, Amsterdam, 1077CZ, Netherlands

15. Investments - Group and LLP (continued)

Group	Group Interests	Other Investments	Total
	£000	£000	£000
Investments as at 1 January 2025	-	2,754	2,754
Share of Profit & Loss	-	690	690
Dividends Received	-	(266)	(266)
Foreign Exchange on Investments	-	143	143
Disposal of investment	-	(1,506)	(1,506)
Investments as at 31 December 2025	-	1,815	1,815

LLP	Group Interests	Other Investments	Total
	£000	£000	£000
Investments as at 1 January 2025	10,952	2,487	13,439
Share of Profit & Loss	-	380	380
Foreign Exchange on Investments	-	144	144
Disposal of investment	-	(1,506)	(1,506)
Investments as at 31 December 2025	10,952	1,505	12,457

During the year, the Group disposed of 50% of its holding in HL Tech Legal Technology & Consulting B.V, reducing its shares held from 50% to 25%.

Prior to the disposal, the Group accounted for its interest in HL Tech Legal Technology & Consulting B.V as a joint venture using the equity method. Following the disposal, the Group retained significant influence over HL Tech Legal Technology & Consulting B.V. The remaining 25% interest continues to be accounted for using the equity method as an investment in an associate in accordance with IAS 28 Investments in Associates and Joint Ventures.

Total consideration for the disposal was £7.3 million, comprising £5.6 million of cash consideration receivable and £1.7 million of loan notes. Both amounts were included within other debtors at the balance sheet date. The cash consideration was received after the date of the balance sheet. The disposal resulted in a gain of £5.8 million, which has been recognised in the income statement within other operating income.

The carrying amount of the Group's retained 25% interest at the date of disposal was £1.5 million.

Other investments are measured under equity accounting with any movements recognised through the income statement. Group interests are valued at cost.

16. Client and other receivables

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts to be billed to clients	155,706	135,603	92,045	85,530
Client receivables	356,757	289,936	257,458	210,538
Amounts due from Members	170,276	150,859	170,276	150,859
Other debtors	100,802	20,356	95,439	17,082
Prepayments	42,400	50,878	37,186	41,640
	825,941	647,632	652,404	505,649

There is no material difference between the fair value and carrying value of client and other receivables. Changes in the amounts to be billed to clients balance during the year were not materially impacted by any specific factors. Client receivables are shown after impairment provisions for bad and doubtful debts of £24.0 million (2024: £19.3 million), movements on which are shown below:

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At start of period	19,321	16,951	8,293	8,320
Exchange adjustments	(76)	(208)	79	(141)
Write offs	(5,074)	(2,198)	(2,059)	(1,010)
Charge	9,849	4,776	5,091	1,124
At end of period	24,020	19,321	11,404	8,293

In determining the recoverability of the client receivable Management considers any change in the credit quality of the client. Specific provisions for impairment are raised against client receivables where full recoverability of the debt is considered doubtful. Reasons for specific impairment could include the client being unable to pay or a dispute over either the services provided or the fees incurred.

The Group has applied the simplified approach in IFRS 9 to measure the lifetime expected credit loss. In line with IFRS 9, a provision is determined by reference to past default experience, as a proportion of different ageing categories of client receivables.

The group's client acceptance procedures include a detailed review of the creditworthiness of each and every client before an engagement commences and the concentration of credit risk is limited due to the client base being large and unrelated. Accordingly, there is no further credit provision required in excess of the provision for doubtful debts.

16. Client and other receivables (continued)

Further details on how the expected credit loss falls into the ageing of client receivables can be found below:

Group

2025	Not past Due	Client receivables – days past due date			Total
		0 – 30 days	31 – 120 days	greater than 120 days	
Average expected credit loss rate	2%	3%	4%	42%	
Estimated total gross carrying amount at default	140,111	127,676	76,596	36,394	380,777
Expected credit loss	(2,463)	(3,277)	(3,162)	(15,118)	(24,020)
Client Receivables	137,648	124,399	73,434	21,276	356,757

2024	Not past Due	Client receivables – days past due date			Total
		0 – 30 days	31 – 120 days	greater than 120 days	
Average expected credit loss rate	1%	2%	4%	43%	
Estimated total gross carrying amount at default	117,231	94,373	66,763	30,890	309,257
Expected credit loss	(1,608)	(1,761)	(2,542)	(13,410)	(19,321)
Client Receivables	115,623	92,612	64,221	17,480	289,936

16. Client and other receivables (continued)

Clients are required to settle invoices on presentation or on such other date that is agreed in the engagement terms for that client. Terms vary but invoices are considered past due after 14 days have elapsed following the invoice date. No client receivables are held as collateral for liabilities. The ageing of client receivables past due at the reporting date was:

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Not past due	137,648	115,623	102,210	86,736
Past due by 0 – 30 days	124,399	92,613	90,996	69,124
Past due by 31 – 120 days	73,434	64,220	54,235	49,070
Past due by greater than 120 days	21,276	17,480	10,017	5,608
	356,757	289,936	257,458	210,538

The carrying amount of financial assets including cash recorded in the financial statements, which is net of any impairment losses, represents the group's maximum exposure to credit risk. The group's maximum exposure to credit risk comprises:

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Financial assets	894,734	835,042	730,574	693,149
Amounts to be billed to clients	155,706	135,603	92,045	85,530
	1,050,440	970,645	822,619	778,679

Further analysis of financial assets and other risks facing the group is provided in Note 27.

17. Lease receivables**Finance lease receivables**

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Undiscounted lease payments analysed as:				
Recoverable after 12 months	-	1,587	-	75
Recoverable within 12 months	74	452	74	101
	74	2,039	74	176

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Net investment in the lease analysed as:				
Recoverable after 12 months	-	1,169	-	90
Recoverable within 12 months	74	456	74	81
	74	1,625	74	171

The Group entered into finance leasing arrangements as a lessor for the sublet of property. The average term of finance leases entered into is 1 year. Generally, these lease contracts do not include extension or early termination options.

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts receivable under finance leases:				
Year 1	74	452	74	101
Year 2	-	451	-	75
Year 3	-	403	-	-
Year 4	-	431	-	-
Year 5	-	302	-	-
Onwards	-	-	-	-
Undiscounted lease payments	74	2,039	74	176
Less: unearned finance income	-	(414)	-	(5)
Present value of lease payments receivable	74	1,625	74	171

17. Lease receivables (continued)

The following table presents the amounts included in profit or loss.

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Finance income on the net investment in finance leases	(150)	(169)	(2)	(5)

The Group's finance lease arrangements do not include variable payments.

The average effective interest rate contracted is approximately 6.7 per cent per annum (2024: 6.7 per cent per annum).

18. Lease liabilities

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Lease Liability				
At 1 January	242,601	233,198	168,508	148,541
Additions	17,415	63,607	12,918	57,507
Disposals	(358)	(5,854)	(44)	(872)
Lease payments	(56,040)	(48,959)	(36,722)	(35,186)
Interest	9,171	5,892	6,500	2,605
Currency translation adjustment	6,550	(5,283)	5,758	(4,087)
At 31 December	219,339	242,601	156,918	168,508

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Analysed as:				
Non-current	159,476	177,939	120,442	131,041
Current	59,863	64,662	36,476	37,467
	219,339	242,601	156,918	168,508

18. Lease liabilities (continued)

	Group		LLP	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Maturity analysis				
Year 1	52,983	52,765	37,378	36,009
Year 2	56,699	50,454	40,324	34,560
Year 3	53,590	49,211	38,599	33,572
Year 4	27,694	48,127	13,295	33,807
Year 5	17,440	25,441	12,521	11,530
Onwards	33,098	45,264	31,603	39,486
Undiscounted lease payments	241,504	271,262	173,720	188,964
Less: future finance expense	(22,165)	(28,661)	(16,802)	(20,456)
Present value of lease payments	219,339	242,601	156,918	168,508

The Group does not face a significant liquidity risk with regard to its lease liabilities.

19. Trade and other payables

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade payables	306,660	295,973	244,147	242,474
Social security and other taxes	26,314	29,129	10,182	10,572
Accruals and deferred income	44,982	50,577	8,004	13,610
Amounts due to group undertakings	-	-	46,266	45,136
	377,956	375,679	308,599	311,792

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Included in current liabilities	377,956	375,679	308,599	311,792
Included in non-current liabilities	-	-	-	-
	377,956	375,679	308,599	311,792

There is no material difference between the fair value and carrying value of the trade and other payables.

Amounts due to group undertakings are repayable on demand, unsecured and are interest-free.

20. Provisions – Group and LLP

Provisions are analysed as follows:	Provision for annuities 2025 £'000	Provision for client claims 2025 £'000	Total provisions 2025 £'000	Total provisions 2024 £'000
Current liabilities	350	5,672	6,022	930
Non-current liabilities	5,700	-	5,700	5,612
	6,050	5,672	11,722	6,542

Provision for client claims

Client claim provisions are the estimated cost of defending and concluding client claims. Amounts provided for are based on management's assessment of the specific circumstances in each case.

Provision for annuities

The LLP has conditional commitments to pay annuities to certain individuals who are either former partners of the LLP's predecessor partnership or dependants of those partners. An actuarial valuation of the net present value of the best estimate of the expected liability for the future payments to these individuals is obtained at each period-end and any change to the provision necessary is recorded in the income statement.

The provision for annuities is subject to actuarial adjustments and is payable over the life of the annuitants.

The assumptions used by the actuaries in the calculation of the provision are the same as those used in the valuation of the defined benefit pension scheme, as set out in Note 21.

	2025 £'000	2024 £'000
At start of period	6,020	6,691
Currency translation	52	(45)
Utilisation of provision	(369)	(446)
Actuarial adjustment	106	(464)
Unwinding of discount	241	284
Net movement in provision	30	(671)
At end of period	6,050	6,020

Major assumptions used in valuation:	2025 % p.a.	2024 % p.a.
Discount rate	5.60	5.50
Price inflation	2.80	3.00

21. Retirement benefit schemes – Group and LLP

Defined contribution scheme

Employer contributions to defined contribution retirement benefit schemes totalled £10.3m (2024: £10.1m).

Defined benefit scheme

The LLP sponsors a funded defined benefit pension plan for qualifying UK employees. The Hogan Lovells UK Pension Scheme ("the Scheme") is administered by a separate Trustee company. The directors of the trustee company are independent professional trustees. The trustee is required by law to act in the interest of all relevant beneficiaries and are responsible for the investment policy for the assets and the day-to-day administration of the benefits.

The defined benefit scheme of the LLP is closed to new members and all future accrual. Under the Scheme, employees are entitled to annual pensions on retirement. Benefits are also payable on death.

Profile of the Scheme

The Defined Benefit Obligation (DBO) includes benefits for current employees, former employees and current pensioners. Broadly, about 45% to deferred pensioners and 55% to current pensioners.

The Scheme duration is an indicator of the weighted-average time until benefit payments are made. For the Scheme as a whole, the duration is approximately 12 years.

Funding requirements

UK legislation requires that pension schemes are funded prudently. The last funding valuation of the Scheme was carried out by a qualified actuary as at 31 December 2023 and showed a deficit of £5.4m. The Firm agreed to pay deficit contributions of £2.15m per annum from 1 January 2024 to 31 October 2026 and £2.15m per annum from 1 November 2026 until the earlier of the Scheme being assessed as fully funded on a buy-out basis or 30 June 2031. Following an updated assessment of the Scheme's funding position, these contributions ceased in March 2026. The Firm established an escrow account initially containing £9.675m (equivalent to 4.5 years of contributions, representing payments previously due in the period from 1 January 2027 to 30 June 2031), which currently remains in place as additional security for the scheme.

Risks associated with the Scheme

The Scheme exposes the LLP to a number of risks, the most significant of which are:

Asset volatility

The DBO is calculated using a discount rate set with reference to corporate bond yields. If assets underperform this yield, this will create a deficit.

The Scheme retains a limited allocation of growth assets (equities and global absolute return fund), which may introduce some short-term volatility relative to bond-based investments. However, the Scheme's exposure to growth assets had reduced significantly by 31 December 2025, reflecting the trustees' ongoing de-risking strategy.

Changes in bond yields

A decrease in corporate bond yields will increase the value placed on the Scheme's DBO for accounting purposes, although this will be partially offset by an increase in the value of the Scheme's bond holdings.

Inflation risk

The majority of the Scheme's DBO is linked to inflation, and higher inflation leads to a higher DBO (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation).

The Government's response to its consultation on RPI reform was published on 25 November 2020, and strongly implied that RPI will become aligned with CPI-H from 2030. The consequences of the outcome of the consultation may cause the net pension asset to change.

21. Retirement benefit schemes – Group and LLP (continued)**Life expectancy**

The majority of the Scheme's obligations are to provide benefits for the lifetime of the member, so increases in life expectancy will result in an increase in the DBO.

Risk management

The trustees invest in growth assets to back the liabilities for the deferred members. In addition, in July 2016, the trustees entered into a buy-in policy with the Pensions Insurance Corporation (PIC) to insure all of the liabilities for the members who were pensioners as at 13 July 2016. This policy protects the Scheme against inflation, interest rate and longevity risk for these members. The trustees insure certain benefits which are payable on death before retirement.

The principal assumptions used to calculate the liabilities under IAS 19 are as follows:

	2025	2024
Key assumptions used:	%	%
Discount rate	5.6	5.5
RPI Inflation	2.8	3.0
CPI Inflation	2.2	2.2
Expected rate of salary increases	n/a	n/a
Future pension increases	1.9	2.0

The post retirement mortality assumptions used are based on the standard published tables "S3PXA" as adopted by the actuarial profession. These were then adjusted to allow for future improvements in life expectancy in line with the Continuous Mortality Investigation 2023 core projections and a 1.25% p.a. long-term rate of improvement for males and females. On this basis the life expectancy assumed for a male pensioner aged 65 as at 31 December 2025 was 22 years and for a female was 24 years. Also on this basis the life expectancy at 65 assumed for a male currently aged 45 as at 31 December 2025 was 24 years and for a female was 26 years.

The principal assumptions all have an effect on the IAS19 accounting valuation. The following shows the sensitivity of the value of the defined benefit obligations to changes in these assumptions:

Assumption	Change in assumption	Approximate Impact on Scheme liabilities
Discount rate	Increase/decrease by 0.5%	Increase/decrease by £7.0m
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by £2.7m
Rate of mortality	Increase/decrease expected lifetime at retirement by 1 year	Increase/decrease by £3.4m

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

21. Retirement benefit schemes – Group and LLP (continued)

Amounts recognised in the balance sheet are as follows:

	2025	2024
	£'000	£'000
Fair value of scheme assets	119,600	112,900
Present value of defined benefit obligations	(111,400)	(111,300)
Retirement benefit surplus	8,200	1,600

Amounts recognised in the income statement in respect of these defined benefit schemes are as follows:

	2025	2024
	£'000	£'000
Interest cost	6,000	5,500
Expected return on scheme assets	(6,200)	(5,200)
	(200)	300

Of the charge for the year a net credit of £200,000 (2024: net debit of £300,000) has been included in investment income. Actuarial gains and losses have been reported in the statement of comprehensive income.

The Scheme's assets are stated at their market value as at 31 December 2025. Movements in the fair value of scheme assets were as follows:

	2025	2024
	£'000	£'000
At start of period	112,900	116,650
Expected return on scheme assets	6,200	5,250
Actuarial gains/(losses)	3,600	(5,500)
Contributions from sponsoring employer	2,200	2,150
Benefits paid	(5,300)	(5,650)
At end of period	119,600	112,900

The actual return on scheme assets was as follows:

	2025	2024
	£'000	£'000
Expected return on scheme assets	6,200	5,200
Actuarial gains/(losses) on scheme assets	3,600	(5,500)
	9,800	(300)

21. Retirement benefit schemes – Group and LLP (continued)

The analysis of the Scheme assets at the balance sheet date was as follows:

	Fair value of assets	
	2025	2024
	£'000	£'000
Equity instruments	5,500	25,000
Long-term gilts and bonds	62,800	32,600
Property	-	11,200
Absolute return fund	2,800	6,600
Annuities	27,300	26,700
Cash/net current assets	21,200	10,800
Overall	119,600	112,900

The overall expected rate of return on scheme assets is a weighted average of the individual expected rates of return on each asset class. The expected return on assets is determined using current and projected economic and market factors and after taking actuarial advice.

The present value of the defined benefit obligation, the related current service cost and past service cost was measured using the projected unit credit method. Movements in the present value of defined benefit obligations were as follows:

	2025	2024
	£'000	£'000
At start of period	111,300	124,350
Interest cost	6,000	5,500
Actuarial losses from changes in demographic assumptions	1,200	1,050
Actuarial gains from changes in financial assumptions	(1,300)	(15,250)
Actuarial losses/(gains) due to liability experience	(500)	1,300
Benefits paid	(5,300)	(5,650)
At end of period	111,400	111,300

The analysis of the amounts recognised in the statement of comprehensive income is as follows:

	2025	2024
	£'000	£'000
Actuarial gains/(losses) on scheme assets	3,600	(5,500)
Actuarial gains on scheme liabilities	600	12,800
Total actuarial gains	4,200	7,300

22. Members' interests – Group

	Members' capital - current liability	Amounts due from Members	Members' equity - other reserves	Total
	£'000	£'000	£'000	£'000
Members' interests at 1 January 2024	126,077	(144,225)	518,527	500,379
Allocated profits	-	389,216	(389,216)	-
Drawings and distributions	-	(395,850)	-	(395,850)
Capital introduced	32,897	-	-	32,897
Capital repaid	(9,230)	-	-	(9,230)
Differences on translation	-	-	(13,489)	(13,489)
Pension scheme actuarial loss	-	-	7,300	7,300
Profit for the financial period	-	-	398,403	398,403
Members' interests at 31 December 2024	149,744	(150,859)	521,525	520,410
Allocated profits	-	389,722	(389,722)	-
Drawings and distributions	-	(409,139)	-	(409,139)
Capital introduced	19,944	-	-	19,944
Capital repaid	(5,813)	-	-	(5,813)
Differences on translation	-	-	(2,902)	(2,902)
Pension scheme actuarial loss	-	-	4,200	4,200
Profit for the financial period	-	-	436,964	436,964
Members' interests at 31 December 2025	163,875	(170,276)	570,065	563,664

Members' other reserves rank after unsecured creditors in the event of a winding-up. The amount of capital that each Member is required to subscribe is determined by the Board and under the Members' Agreement of the LLP a Member can only withdraw capital after he or she ceases to be a Member or if their share of the partnership decreases.

From 1 July 2014 non-equity members in certain jurisdictions were required to subscribe capital.

23. Members' interests – LLP

	Members' capital - current liability £'000	Amounts due from Members £'000	Members' equity - other reserves £'000	Total £'000
Members' interests at 1 January 2024	126,077	(144,225)	383,518	365,370
Allocated profits	-	299,767	(299,767)	-
Drawings and distributions	-	(306,401)	-	(306,401)
Capital introduced	32,897	-	-	32,897
Capital repaid	(9,230)	-	-	(9,230)
Differences on translation	-	-	(10,858)	(10,858)
Pension scheme actuarial gain	-	-	7,300	7,300
Profit for the financial period	-	-	306,767	306,767
Members' interests at 31 December 2024	149,744	(150,859)	386,960	385,845
Allocated profits	-	306,438	(306,438)	-
Drawings and distributions	-	(325,855)	-	(325,855)
Capital introduced	19,944	-	-	19,944
Capital repaid	(5,813)	-	-	(5,813)
Differences on translation	-	-	(5,432)	(5,432)
Pension scheme actuarial gain	-	-	4,200	4,200
Profit for the financial period	-	-	330,633	330,633
Members' interests at 31 December 2025	163,875	(170,276)	409,923	403,522

The members of the LLP have agreed that members' other reserves rank after unsecured creditors in the event of a winding-up. The amount of capital that each Member is required to subscribe is determined by the Board and under the Members' Agreement of the LLP a Member can only withdraw capital after he or she ceases to be a Member or if their share of the partnership decreases.

From 1 July 2014 non-equity members in certain jurisdictions were required to subscribe capital.

24. Notes to the cash flow statements

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Profit from continuing operations	541,298	488,227	409,615	369,870
Adjustments for:				
Amortisation of intangible assets	86	136	75	125
Depreciation of property, plant and equipment	18,171	16,597	12,964	11,776
Depreciation on Right-of-use assets	45,678	46,216	32,409	32,693
Loss/(gain) on disposal of property, plant and equipment	154	181	(9)	132
Gain on disposal of other investments	(5,767)	-	(5,767)	-
Increase/(decrease) in provisions	4,939	(8,764)	4,939	(8,764)
Operating cash flows before movements in working capital	604,559	542,593	454,226	405,832
Increase in receivables	(140,037)	(5,056)	(110,350)	9,042
(Decrease)/increase in payables	(21,417)	10,079	(34,404)	1,402
Cash generated by operations	443,105	547,616	309,472	416,276
Corporation taxes paid	(35,945)	(42,670)	(32,675)	(40,200)
Net cash from operating activities	407,160	504,946	276,797	376,076
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Cash and cash equivalents comprise:				
Cash at bank	257,150	372,266	197,652	314,499
Restricted cash at bank	9,675	-	9,675	-
Total cash and cash equivalents	266,825	372,266	207,327	314,499

Included within cash and cash equivalents at 31 December 2025 is £9.7 million (2024: £nil) held in escrow in connection with the Group's pension arrangements. The amount is subject to restrictions under the terms of the escrow agreement and is not available for general corporate purposes.

Change in liabilities from financing activities

	31 December 2024 £'000	Cash flows £'000	Other non-cash changes £'000	Changes in exchange rates £'000	31 December 2025 £'000
Members' capital classified as a liability	149,744	14,131	-	-	163,875
Lease liabilities	242,601	(56,040)	26,228	6,550	219,339
Net debt	392,345	(41,909)	26,228	6,550	383,214

25. Capital commitments

At the year-end the group had contracted to spend £130.1 million on property fit-out costs and associated professional fees (2024: £129.3 million). At the year-end the LLP had contracted to spend £120.6 million on property fit-out costs and associated professional fees (2024: £127.3 million). These amounts were not provided for in the financial statements.

26. Short term lease commitments

At 31 December 2025, the group had outstanding commitments for future minimum lease payments under non-cancellable short term leases, which fall due as follows:

	Group			
	Land and buildings	Other	Land and buildings	Other
	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Within one year	239	1	255	69
Between one and five years	-	-	-	13
In more than five years	-	-	-	-
	239	1	255	82

27. Financial instruments

Financial instruments comprise loans, short-term borrowings, cash and deposits, client receivables and trade payables, Member's capital and amounts due from Members. Financial instruments result in the group being exposed to liquidity, credit, interest rate and foreign currency risks. Information about credit risk is contained in Note 16 and the remaining risks are covered below.

The carrying amounts of financial instruments are as follows:

	Group		LLP	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Financial assets				
Client receivables	356,757	289,936	257,458	210,538
Amounts due from Members	170,276	150,859	170,276	150,859
Lease receivables	74	1,625	74	171
Other receivables	100,802	20,356	95,439	17,082
Cash and deposits	266,825	372,266	207,327	314,499
Assets at amortised cost	894,734	835,042	730,574	693,149
Financial liabilities				
Members' capital	(163,875)	(149,744)	(163,875)	(149,744)
Amounts due to group undertakings	-	-	(46,266)	(45,136)
Lease Liabilities	(219,339)	(242,601)	(156,918)	(168,508)
Trade payables	(306,660)	(295,973)	(244,147)	(242,474)
Liabilities at amortised cost	(689,874)	(688,318)	(611,206)	(605,862)
Net financial instruments	204,860	146,724	119,368	87,287

27. Financial instruments (continued)

Liquidity risk

The group has in place facilities to cover short-term working capital requirements but follows a policy of active management and targeting of client receivables and amounts due to be billed to clients, to minimise the level of short-term borrowings. All borrowing facilities are arranged through the LLP.

At 31 December 2025, the LLP had committed bank facilities for periods up to a year totalling £90 million (2024: £90 million). At the balance sheet date the group had not utilised any of these facilities, some of which are repayable on demand. These facilities have been, or are being, replaced or renewed after the period-end and are now due to expire between April 2028 and August 2028 when they are expected to be renewed or replaced.

Trade payables of £307 million (2024: £296 million) are payable within 12 months of the balance sheet date. Members' capital is repayable when a Member retires. As 120 days' notice of retirement is required, Members' capital has been presented as a current liability.

The amount of undiscounted cash outflows for financial liabilities is equal to their carrying amount as both trade payables and partner capital are non-interest bearing. These undiscounted cash outflows are potentially due for repayment immediately, subject to Member retirement, or within a two-month time frame. In practice the majority of the Member capital balance is viewed as being of a long-term nature and in most cases capital introduced by new Members is expected to replace that of retiring Members.

Interest rate risk

Cash and cash deposits of £267 million (2024: £372 million) earned interest predominantly at a variable rate linked to the Bank of England base rate. Interest is payable on a maximum of £30 million of the overdraft facilities at a floating rate above the Bank of England base rate. Interest on the remainder of the £90 million facilities is payable at a rate linked to the SONIA. The weighted average interest rate on overdrafts was 1.5% above base rate (2024: 1.5 %). Management recognises that interest rates are liable to fluctuate and the group accepts this risk and does not consider it likely to be material.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the balance sheet date was outstanding for the whole period.

If interest rates were 1% higher and all other variables were held constant, the group's profit and equity for 12 months ended 31 December 2025 would have increased by £2,668,000 (2024: £3,723,000).

27. Financial instruments (continued)**Foreign currency risk**

The group's income and expenditure is primarily in sterling and euros. However some fees and costs are denominated in other currencies, as are certain of the transactions with the LLP's subsidiary undertakings.

The group does not hedge or enter into forward or derivative transactions and is exposed to translation and transaction foreign currency exchange risk.

The group had the following net foreign currency denominated monetary assets and liabilities:

	Group		LLP	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
US Dollar	129,668	93,973	87,064	70,769
Euro	248,160	207,955	182,923	161,322
Japanese Yen	(1,020)	13,047	705	1,597
Singapore Dollar	(3,121)	(322)	-	-
Chinese Renminbi	(3,621)	(1,726)	(272)	582
Hong Kong Dollar	3,336	4,413	20	18
Other	1,865	3,670	1,402	962
	375,267	321,010	271,842	235,250

The fair value of all financial instruments measured at amortised cost, estimated by reference to the net present value of future cash flows, is materially the same as their carrying amount.

Foreign currency sensitivity analysis

The following table details the sensitivity to a 10% increase or decrease in sterling value against the relevant currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in sterling exchange rates. A positive number below indicates an increase in profit and equity where sterling weakens 10% against the relevant currency. For a 10% strengthening of sterling against the relevant currency, there would be an equal and opposite impact on the profit and equity and the balances would be negative.

Profit or Loss	Euro currency impact		US Dollar currency impact		Other currency impact	
	2025	2024	2025	2024	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Group	24,816	20,796	12,967	9,397	(256)	1,908
LLP	18,292	16,132	8,706	7,077	185	316

28. Related party transactions - Group and LLP

Transactions between the LLP and its subsidiary undertakings, which are related parties, have been eliminated on consolidation.

During the year ended 31 December 2025, the LLP incurred costs of £17,395,000 (2024: £14,888,000) through transactions with Hogan Lovells Global Services Limited. As at 31 December 2025 the Group owed Hogan Lovells Global Services Limited £4,768,000 (2024: £3,655,000).

During the year ended 31 December 2025, the LLP generated revenues of £51,000 (2024: £132,000) and recharged costs of £1,366,000 (2024: £1,373,000) through transactions with HL Tech Legal Technology & Consulting B.V. As at 31 December 2025 HL Tech Legal Technology & Consulting B.V. owed the group £393,000 (2024: £227,000). On 31 December 2025, the Group disposed of 50% of its holding in HL Tech Legal Technology & Consulting B.V, reducing its shares held from 50% to 25%. The disposal resulted in a gain of £5.8 million. See note 15 for further information.

During the year ended 31 December 2025, the LLP incurred costs of £830,000 (2024: £nil) through transactions with Hogan Lovells Solutions (Transfer Pricing) Limited. As at 31 December 2025, Hogan Lovells Solutions (Transfer Pricing) Limited owed the Group £3,898,000 (2024: £3,492,000).

The share of the profit and the remuneration of the key management team for the year ended 31 December 2025 amounted to £38.4 million (2024: £34.4 million). This is a consolidated set of financial statements. The members control the LLP and as such there is no one controlling party.

29. Events after the reporting period

On 1 July 2026, Hogan Lovells International LLP changed its name to Hogan Lovells Cadwalader International LLP. This was a non-adjusting event occurring after the reporting date and had no impact on the LLP or Group financial position, results or cash flows for the year ended 31 December 2025.

In connection with the combination between Hogan Lovells and Cadwalader, Hogan Lovells International LLP combined with the UK business of Cadwalader.