

Corporate social responsibility:

Making a difference around the world

Highlights from our 2007/08 report, at www.freshfields.com/csr



In 2008, over 2,200 people participated in a firmwide vote choosing WaterAid as our first charity of the year. We are funding safe water projects in Mozambique.
Image: WaterAid/Marco Betti



FRESHFIELDS BRUCKHAUS DERINGER

Our CSR partners and contacts

We welcome feedback on our approach to corporate social responsibility (CSR).

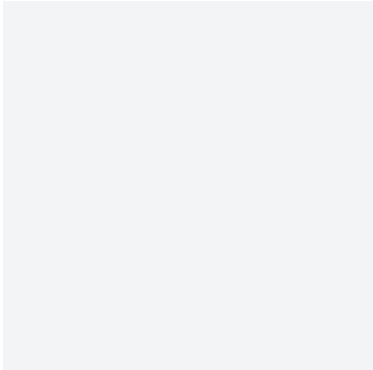
Please email us at csrfeedback@freshfields.com or contact:

Chair, CSR strategy group, and community and pro bono committee, and co-chair of diversity working group	Guy Morton, senior partner
Chair, environmental working group	John Blain, partner, environment, planning and regulatory
Head of CSR and community investment	Bea Malleson
Head of diversity and UK trainee recruitment	Deborah Dalglish
Head of pro bono	Clarissa O'Callaghan

Partners responsible for CSR across the network: Our CSR partners are responsible for developing and implementing our CSR strategy and commitments, ensuring they reflect the various cultures and sizes of our offices and the needs of the communities in which they work. They are supported by community and pro bono co-ordinators and environmental co-ordinators in each office, as well as our dedicated CSR team. Some offices have chosen to share the responsibilities for specific roles within CSR among several partners.

Europe

Amsterdam	Dirk-Jan Smit, partner, corporate
Barcelona and Madrid	Miguel Klingenberg, partner, tax
Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg and Munich	CSR, focus on community investment and pro bono: Christian Bunsen, partner, finance Diversity: Kirsten Floss, partner, corporate Environment: Juliane Hilf, partner, environment, planning and regulatory CSR in Berlin: Wolf Friedrich Spieth, environment, planning and regulatory CSR in Cologne: Juliane Hilf, partner, environment, planning, and regulatory; and Andreas Röhling, partner, competition CSR in Düsseldorf: Jochen Lüdicke, partner, tax and finance CSR in Frankfurt: Klaus-Albert Bauer, pro bono; and Christian Bunsen, community investment and pro bono (partners, finance)



	CSR in Hamburg: Klaus-Stefan Hohenstatt, partner, employment, pensions and benefits
	CSR in Munich: Ferdinand Fromholzer, partner, corporate
Brussels	Thomas Janssens, partner, antitrust, competition and trade
London	CSR and the environment: John Blain, partner, environment, planning and regulatory
	Diversity: Kathleen Healy, partner, employment, pensions and benefits; Chris Howard, partner, finance; and Barry O'Brien, partner, corporate (diversity leadership team)
	Focus on homelessness: Tim Jones and Philip Richards, partners, corporate
	Focus on pro bono: Paul Lomas, partner, dispute resolution
	Focus on young people: Simon Hall, partner, finance; and Barry O'Brien, partner, corporate
Milan	Vittorio Salvadori di Wiesenhoff, partner, tax
Moscow	Jacky Baudon, partner, corporate
Paris	Emmanuel Bénard, partner, employment, pensions and benefits
Rome	Gian Luca Zampa, partner, antitrust, competition and trade
Vienna	Christof Pöchhacker, partner IP/IT

Asia and Middle East

Abu Dhabi	Charles July, partner, finance,
Bahrain	Harnek Shoker, head of Bahrain office
Beijing	CSR: Jack Wang, partner, corporate
	Focus on pro bono: Antony Dapiran, partner corporate
Dubai	Joe Huse for Dubai and for Bahrain
Hanoi and Ho Chi Minh City	Tony Foster, partner, corporate
Hong Kong	Connie Carnabuci, partner, IP/IT
Shanghai	Alan Wang, partner, corporate
Tokyo	James Lawden, partner, finance

US

New York and Washington, DC	CSR: Melissa Raciti-Knapp, partner, finance
	Focus on pro bono: Dolly Mirchandani, partner finance



Global diversity committee

Country	
Austria and Germany	Rick van Aerssen and Kirsten Floss, partners, corporate
Belgium, Italy, the Netherlands, Russia, Spain	Fabrizio Arossa, partner corporate
China	Calvin Lai, partner, corporate
France	Antonin Besse, partner, finance
Japan and Vietnam	Ed Cole, partner, corporate
UK	Jonathan Kembery, director of risk and compliance, and two members of the diversity leadership team (see London CSR partners above)
US	Melissa Raciti-Knapp, partner, finance and Timothy Wilkins, partner, corporate


With support from Andy Dent, our diversity executive.

Please note we closed our office in Bratislava in April 2009. We are continuing to work in central and eastern Europe, largely from our offices in Vienna and London, we also refer work to, or co-operate on a case-by-case basis, with two or three leading local law firms in Slovakia.

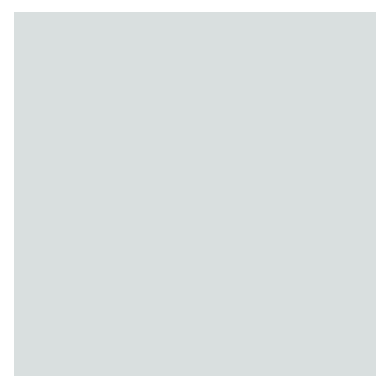
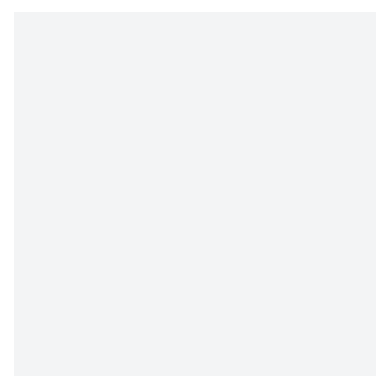


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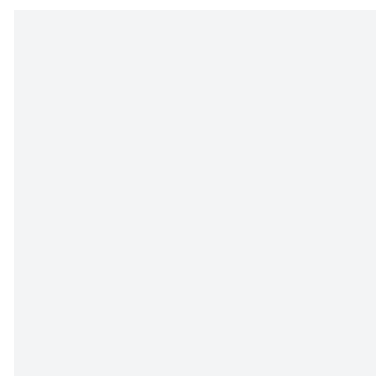


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For details of our firmwide statistics regarding number of offices, staff grades and diversity, please refer to our online CSR report which contains the most up-to-date figures. For this reason they are not included in this PDF. You can view the data in our CSR report at www.freshfields.com/csr

Note: All data provided in section 9 has been independently reviewed by the Edinburgh Centre for Carbon Management. All data in section 10 has been compiled according to LBG measurement principles. The LBG model was developed by a group of businesses in 1995 as an internal evaluation tool and as a way to ensure greater consistency and comparability in external reporting. Today more than 100 leading international businesses apply the model around the world.



This material is for general information only and is not intended to provide legal advice.

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Welcome

Welcome to our international corporate social responsibility (CSR) report for 2007/2008. 'Making a difference around the world' assesses the progress made in our continuing commitment to be both a socially and environmentally responsible business and an excellent employer. This commitment features strongly in our strategy for the firm and is as important now – in a time of economic turbulence – as it has ever been.

Preparing the report

Our CSR report uses recognised reporting guidelines to provide information, in a systematic way, on our commitments, activities, achievements and approach to social and environmental responsibility in our offices around the world. We focus on issues that are relevant to us, such as law and ethics; our people and diversity; climate change and the environment; and community and pro bono legal advice.

We hope the report will help to improve people's understanding of the firm and the way we conduct our business, by providing insights into our commitment to:

- be an excellent employer;
- attract and retain people from a diverse pool of talent;
- minimise our contribution to climate change;
- have a positive impact on the communities in which we work, and beyond; and
- make a valuable contribution to promoting human rights and improving access to justice for people in need.

We find CSR reporting a useful and thought-provoking exercise, which helps us in our ongoing efforts to ensure that we remain an outstanding law firm.

Assurance

This 2007/2008 CSR report is an update on our activities since the 2006/2007 report. Unless otherwise stated, the data is for our financial year May 2007 to April 2008. We have also included information on more recent activities.

We are the only major international law firm to produce an externally assured CSR report using the AA1000 international assurance standard and the Global Reporting Initiative guidelines. We also use the London Benchmarking Group model to evaluate our community and pro bono activities and the Edinburgh Centre for Carbon Management to analyse our carbon footprint.

Looking forward, our web-based report enables us to provide up-to-date information for our 27 offices in 15 countries and to minimise our contribution to climate change.

1. Recent highlights

- Winner, 2009 CSR Programme of the Year, Legal Business Awards
- 2009, joined the UN Global Compact – the first major international law firm to do so
- ‘Standout,’ Responsible Business Category, 2008 Financial Times Innovative Lawyers report
- Winner, 2008 International Financial Law Review European Pro Bono Award
- Business in the Community Big Tick 2007 and 2008 for our programme for homeless people
- Winner, Exceptional Achievement 2008 Managing Partners’ Forum Award for our 35-year partnership with Tower Hamlets Legal Advice Centre.
- Winner, The Lawyer’s 2008 The Law Firm of the Year award, partly ‘in recognition of the firm’s achievements in the sphere of corporate responsibility’
- Highly commended, Law Society of England and Wales’ Excellence in Social Responsibility Award 2008
- In 2007/2008 29 per cent of our people firmwide contributed over 30,000 hours to our community and pro bono activities
- Certified CarbonNeutral® across all our offices
- First firmwide charity of the year – WaterAid – helping to provide safe water to communities in Mozambique
- A reduction of 4.6 per cent per person in our greenhouse gas emissions across the firm
- Clean City Award winner in the UK since 1999

1.1 Corporate social responsibility

‘I am happy to say that one of the factors that attracted me to Freshfields was that it positively encouraged pro bono and community work and acknowledged the value of CSR. I was impressed that Freshfields was the first law firm in London to produce a CSR report.’ **Po-Laine Goh, new recruit**

- Winner 2009 CSR Programme of the Year, *Legal Business Awards*. ‘By increasing transparency, Freshfields has undeniably pushed CSR at law firms to a new level.’ In addition to praising our CSR report, the award citation also commented on our notable success in having made all our offices carbon neutral.
- Winner 2008 Law Firm of the Year Award, *The Lawyer Awards (UK)*. Our achievements in the sphere of CSR were cited as a contributing factor to winning this award.
- ‘Standout’ in the responsible business category of the 2008 Financial Times Innovative Lawyers report for our CSR report. We were praised

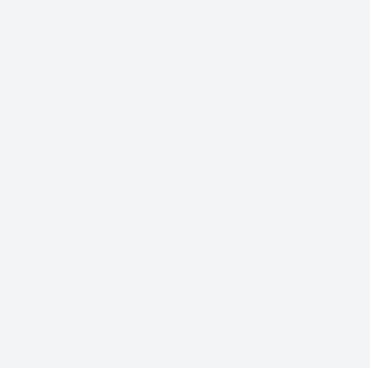
for being the first to undertake a major international audit of ourselves as a responsible business which, 'has had a ripple effect in the legal sector, encouraging other firms to start similar work'.

- Highly commended at the 2008 Law Society Awards in the Excellence in Social Responsibility – Community Engagement category for being the first firm to produce an independently verified international CSR report, for our broad and successful range of CSR initiatives, and for taking a 'bold step' in identifying areas of improvement and setting targets. 'Their approach demonstrates clear leadership in reporting and transparency and shows that their activity is not cosmetic.'
- The establishment of a new CSR strategy group. This group links the activities of our working groups on the environment and diversity, our community and pro bono committee, and our CSR partners, giving strategic direction to our worldwide initiatives.
- Joining the UN Global Compact, committing us to align our operations and strategies with 10 principles in the areas of human rights, labour standards, environment and anti-corruption.

1.2 Our people and diversity


'I was personally drawn to Freshfields for, among other reasons, its genuine emphasis on diversity.' **Andrej Jonovic, new recruit**

- The launch of our people strategy and the creation of a new global structure to take it forward, with partners responsible for its implementation in each office.
- The launch of our global diversity committee, in 2009, and the appointment of diversity partners in our various offices.
- In London we have appointed a head of diversity, a diversity executive and three partners who are responsible for developing our diversity strategy in association with our diversity working group (chaired by joint senior partner, Guy Morton).
- We are founding signatories of the Law Society of England and Wales's Diversity and Inclusion Charter, initiated by the Society of Asian Lawyers and BT. The Charter commits us to developing and implementing best practice in equality, diversity and inclusion - as employers, as providers of legal services, as purchasers of goods and services and in our wider role in society.
- A three-year commitment to the College of Law and Sutton Trust's new diversity scheme, Pathways to Law, designed to encourage more students from 'non-traditional' backgrounds to consider a career in law. As part of this, we are providing work experience placements to pupils from state schools who will be the first in their family to attend university and whose parents are in non-professional occupations. We hosted five placements in 2008, the first year of the scheme, and three in 2009.

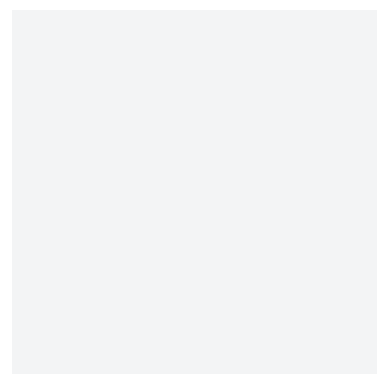
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- Our London office has received an ‘outstanding’ rating in the 2009 Best Companies to work for accreditation. The Best Companies accreditation is an acknowledgement of excellence in the workplace.
 - Our 2008 YouGov poll. This was designed to gather views from people in the London office, to help us deliver our commitment to be an excellent employer.
 - In 2008 our LGBT (lesbian, gay, bisexual and transgender) group organised recruitment events at Oxford and Cambridge universities, the first City law firm to do so. More events are planned for other universities in 2009. Our LGBT group also advertised in *Starting Out*, Stonewall’s graduate recruitment guide, and co-sponsored a discussion forum at the Law Society discussing LGBT issues in an international context.
 - Support for a number of initiatives designed to attract and recruit a wider range of people into the commercial legal profession in the UK, including:
 - the first City Solicitors’ Education Trust Summer School programme in 2008;
 - the Pure Potential programme which seeks to support students from ‘non-traditional’ backgrounds in their consideration of university, and subsequent careers;
 - sponsorship for Educational Opportunities which finds work placements for minority ethnic students looking for a career in commercial law (we provided three placements in 2008);
 - the Legal Chances programme, which assists first-year minority ethnic undergraduates in preparing for applications to City firms; and
 - encouraging applications from regional universities through offering interview skills training and (with other law firms) holding open days.

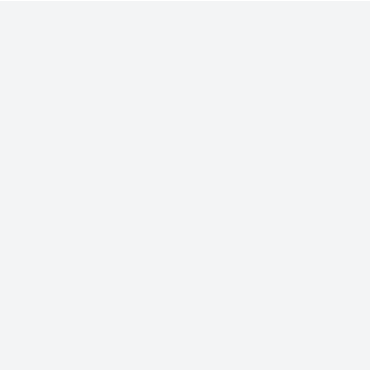
1.3 Climate change and the environment

‘The firm’s CSR policy was something that really impressed me about Freshfields when I was applying – in particular the carbon neutral status and the community work in east London.’ **Tom Dye, new recruit**

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- As a result of our efforts to reduce our firmwide impact on climate change, from 2005/06-2007/08 we have reduced our greenhouse gas emissions by 4.6 per cent per person who works at the firm.
 - We have reduced our electricity use across the firm by over 2m kilowatts in the past year. Since 2004, 85 per cent of our electricity supply in London has come from renewable sources. Our offices in Brussels, Milan and Rome switched in 2008 to low-carbon energy supplies.


- The activities of our 'green teams' comprising a wide cross-section of the people in our offices, and our environmental working group, are helping us achieve our environmental commitments. Notable achievements include our green conference guide and the development of green guides in our offices in Italy, Spain and Vietnam, as well as London.
- By offsetting the greenhouse gases we produce through energy use, business travel and other activities we have reduced our greenhouse gas emissions to net zero. As a result we have been certified CarbonNeutral® by The CarbonNeutral Company across our firm.
- We have shared our experience of collecting international data on our greenhouse gas emissions since 2005/06 with other members of the Legal Sector Alliance, helping to develop a carbon footprinting tool for the legal sector in the UK. Our Frankfurt office is part of a working group centred on environmental responsibilities, following the presentation of our environmental and sustainability policy to 60 German companies.
- The establishment of our carbon economy team to help businesses prepare for a low-carbon international economy.
- Our second firmwide vote saw the participation of over 2,600 people who helped choose how we offset our greenhouse gas emissions.
- Over 2,200 people voted to select our first firmwide charity of the year. WaterAid has received a donation as part of our first international festive e-card in December 2008 and additional funds are being raised through other activities. The funds are helping to provide a supply of safe water, effective sanitation and hygiene education to communities in Mozambique, where over 60 per cent of people do not have safe water to drink. This is part of our contribution to the UN Millennium Development Goals.
- In 2008 our Italian, London, Paris, Spanish and US offices supported UN Environment Day with a variety of initiatives designed to involve people in our environmental activities. Our support is part of our contribution towards achieving the UN Millennium Development Goals – eight targets to be achieved by 2015 focused on reducing poverty, improving the quality of lives, ensuring environmental sustainability and building partnerships to ensure that globalisation becomes a more positive force for all the world's people.
- Our continued financial support for the Carbon Capture Legal programme at University College London's Centre for Law and the Environment. The programme provides information on carbon capture and storage, which has been identified by the Stern Report and Intergovernmental Panel on Climate Change as potentially playing a significant role in tackling climate change by reducing the amount of greenhouse gases associated with the use of fossil fuels.



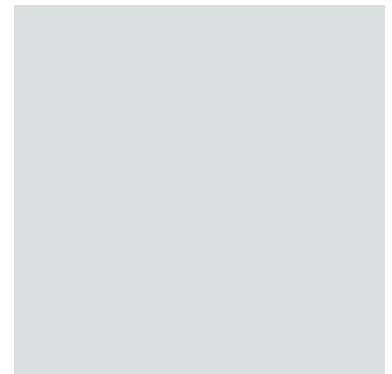
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- Successive Clean City Awards since 1999 for the London office. These show we have reduced our impact on the environment by: reusing and recycling resources; minimising waste; using renewable energy; and encouraging the use of public transport and cycling.

1.4 Community investment and pro bono legal advice

'After reading through Freshfields' CSR and diversity policy, their community activities (especially the 35 years working in Tower Hamlets), all their homeless projects, schools projects and not forgetting their awards; without hesitation, I can say that Freshfields was the one and only law firm to give me the certainty and belief that, notwithstanding my background and ethnicity, there was no reason why I could not be a City lawyer and feel comfortable and accepted in that environment.' **Koser Shaheen, new recruit**

- Increased participation in our community and pro bono volunteering activities: from 24 per cent of people firmwide contributing 25,000 hours in 2006/2007 to 29 per cent and over 30,000 hours in 2007/2008.
 - The international rollout of a pro bono campaign. This is designed to increase the amount of time contributed to providing free legal advice, both to individuals in need and to our community partners. We aim to double the hours contributed to our pro bono programme by 2011.
 - Community Challenge – our first worldwide community initiative in 2007 involved over 600 people in 23 offices. Our 2008 team challenge month involved nearly 700 people.
 - Our pro bono human rights work with Liberty and Justice, on extraordinary rendition with Reprieve and REDRESS, and our success in overturning the death sentence on a Trinidad and Tobago citizen at the Privy Council in London.
 - New pro bono relationships with Oxfam, Médecins du Monde and One World Action.
 - Various new pro bono activities in Africa, including our work with Lawyers Without Borders and Save the Children relating to the HIV/AIDS pandemic, support for International Lawyers for Africa and for Africans Unite Against Child Abuse. This is in addition to our continuing pro bono advice to the Clinton Foundation HIV/AIDS Initiative targeted at children in 38 countries in Africa, Asia and the Caribbean.
 - Winning the 2008 *International Financial Law Review* European pro bono award for advising Deutsche Bank on the first externally-rated securitisation of subordinated microcredits by DB Microfinance. These subordinated loans will help 21 microfinance institutions make an effective contribution to the fight against poverty by distributing at least 120,000 very small loans to microbusinesses in 15 developing and emerging market countries.
- 

- Receiving the Exceptional Achievement 2008 Managing Partners' Forum Award for our 35-year partnership with Tower Hamlets Legal Advice Centre in London. Around 40 per cent of our current partners in London have been involved in this centre at some point during their career.
- Being awarded a Business in the Community (BITC) Big Tick in both 2007 and 2008 for our Ready for Work programme. This provides work experience placements to homeless people and since 2000, 141 individuals have completed placements at the firm. From these, 15 have taken up permanent jobs here and several others have gone on to work elsewhere. The Big Tick is given to organisations that can demonstrate the positive impact of their responsible business behaviour on society, as well as on the organisation itself.
- With Citi, KPMG, and BITC, presenting our recommendations and volunteering toolkit to various Members of the European Parliament and European Commission, to encourage and enable more businesses to support employee volunteering activities across the EU (particularly those schemes that help improve essential employment skills for disadvantaged groups within the EU). Several of our projects were showcased including our job coaching scheme in Frankfurt, the discovery day in Paris for school pupils, work placements for homeless people in London and our Number Partners scheme which helps to improve maths and financial literacy in schools in the UK.
- Leadership in the campaign to fill 40,000 vacancies in school governing boards in the UK as part of our involvement in BITC's Education Leadership Team. The research we commissioned was presented to the Department for Children, Schools and Families, used to encourage other law firms and other employers to support school governors during 2008 National Pro Bono Week, and led to an increase in the number of our people volunteering as school governors.
- The launch of the Inspiring Student Leaders programme with Youth at Risk, which enabled the charity to take its work into British universities for the first time. The scheme works with students at Bedfordshire, London Metropolitan and Thames Valley universities, and is supported by the Department of Innovation, Universities and Skills.
- The launch of the Children's Legal Service Unit following our three-year commitment to sponsoring Shelter's UK-based work to end child homelessness.
- Our support and participation in research by the New Economics Foundation, commissioned by Business Action on Homelessness. The research investigated the financial and other barriers to employment for homeless people in the UK, helping to establish what financial



incentives would be required to motivate people back to work and deliver an overall net gain to government.

- The launch of our matched funding programme in London to encourage and recognise the many ways that the people who work here raise money for charities and community organisations. We also matched funds raised by our people in China and Hong Kong in response to the Sichuan earthquake and the cyclone in Myanmar.

1.5 CSR awards 2008 and 2009

- Winner 2009 CSR Programme of the Year, *Legal Business Awards*. 'By increasing transparency, Freshfields has undeniably pushed CSR at law firms to a new level.' In addition to praising our CSR report, the award citation also commented on our notable success in having made all our offices carbon neutral.
- Law Firm of the Year 2008, *The Lawyer Awards*. The award was in part in recognition of our achievements in the sphere of corporate responsibility.
- 'Standout' in the responsible business category of the 2008 Financial Times Innovative Lawyers report for our CSR report.
- Winner of the 2008 *International Financial Law Review* European Pro Bono Award for advising Deutsche Bank on the first externally-rated securitisation of subordinated microcredits by DB Microfinance.
- Winner of the Exceptional Achievement Award 2008 from the Managing Partners' Forum, for our 35-year partnership with Tower Hamlets Legal Advice Centre.
- Highly commended, The Law Society of England and Wales' Excellence in Social Responsibility Award 2008, for our CSR report.
- Reaccredited with a Business in the Community (BITC) Big Tick for our Ready for Work programme, which provides work experience placements for homeless people. Between 2000 and 2008, 141 individuals have started placements at the firm, 15 of whom have taken up permanent jobs here. Others have gone on to work elsewhere. The Big Tick is given to organisations that can demonstrate the positive impact of their responsible business behaviour on society, as well as the organisation itself.
- We have won successive Clean City Awards since 1999 for our London office, showing we have reduced our impact on the environment by reusing and recycling resources, minimising waste, using renewable energy and encouraging the use of public transport and cycling.

1.6 CSR awards 2001-2007

2007

- Winner, CSR Firm of the Year at the 2007 *Legal Business Awards*:
'Freshfields led the way in the legal sector by being the first law firm to produce a CSR report under the Global Reporting Initiative guidelines in January 2006. The firm has also been a strong supporter of human rights group Reprieve.'
- Winner, The Law Society of England and Wales' Excellence in Social Responsibility Award 2007, for our programme for homeless people: 'Freshfields Bruckhaus Deringer's range of projects including supporting the homeless charity Crisis on its Urban Village project by providing free legal advice on housing issues made their entry stand out. Most notable was a programme designed to break the cycle of homelessness and social exclusion through providing work experience, job coaching, informal support schemes and pro bono legal advice.'
- Awarded a Business in the Community (BITC) Big Tick for our Ready for Work programme.
- In 2007, corporate associate Kate Burns won the East London Business Alliance Mentor of the Year Award for five years of mentoring GCSE pupils at Haggerston School for Girls in Hackney. The recommendation was made by Hackney Schools Mentoring.

2006

- Won Pro Bono Activity of the Year Award at the 2006 *Lawyer* awards. This was for our intervention in the landmark House of Lords case challenging the admissibility of evidence obtained by torture overseas by agents of a foreign state. Over 60 of our lawyers worldwide were involved in preparing a comparative law brief on 22 different jurisdictions to present to the Lords, giving 1,200 hours of their time to our pro bono clients, the Commonwealth Law Association, the International Commission of Jurists and the Human Rights Institute of the International Bar Association.
- Our job coaching programme in Frankfurt received an award from the Hessian government.
- In 2006, finance secretary Cynthia Miller, one of our reading partners at Redlands Primary School, won the Company Volunteer Award from Tower Hamlets Education Business Partnership. Redlands School nominated Cynthia for the award.





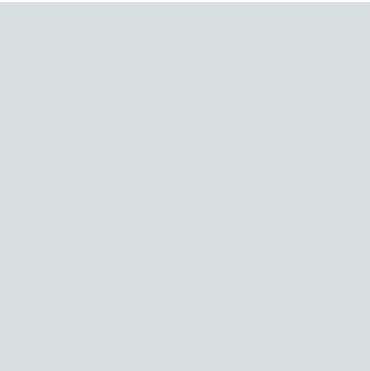
2005

- Awarded the Solicitors Pro Bono Group Pro Bono Award (over 100 fee earners category) for: our contribution to the Tsunami Legal Assistance Helpline set up in the aftermath of the 2004 Tsunami; cases we have undertaken for individual clients; and our representation of clients at pro bono mediations.
- Simon Jones, an associate in our dispute resolution practice, received an award from the Young Solicitors Group (large firm category) in recognition of his work for several litigants in person.
- Our Hong Kong office was awarded *Asian Legal Business* Pro Bono Law Firm of the Year 2005, largely due to the work Mary Wicks did to raise funds for those affected by the 2004 Tsunami. Mary was also nominated in the *Asian Legal Business* Hot 100 for her work.

2004

- Awarded the BITC Barclays European Community Impact Award for our work in the community.
- The Hong Kong Council of Social Service awarded us the Caring Company logo for our work with Global Hand and Crossroads.

2001

- We won a highly commended certificate at the BITC Awards for Excellence in recognition of our Ready for Work programme.
- 

2. Senior partners' statement

The past year has seen huge upheaval across the markets in which our clients and our firm operate. The financial services sector in particular has changed significantly and will continue to do so. This, we believe, will make 2009 one of the most challenging years to date for our clients and for us.

We are working hard to maintain the quality of our service to our clients and at the same time to manage our costs through a variety of means (such as freezing salaries for our lawyers and other staff in several of our offices), alongside our continuing efforts to manage our environmental impact by reducing travel and conferences and improving energy efficiency.

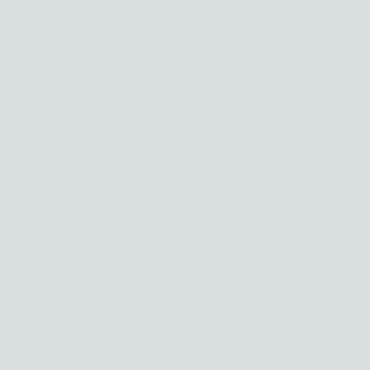
We feel that we are in a strong position to deal with this economic downturn. We began a series of organisational changes in 2007 to make us a more efficient and adaptable business, while at the same time maintaining our commitment to our core values: integrity; excellence; understanding of our clients and our communities; teamwork; and imagination.

Annual CSR reporting helps us to stay focused on the goals we have set ourselves and on how best to achieve them in the complex world in which we all operate. We believe that proper understanding and management of our social and environmental impacts are important to the sustainability of our own business, and are also of value to our clients.



Now, as we reflect on the past year and think about the future, we wish to restate our commitment to minimising our contribution to climate change; to being an excellent employer and creating a positive impact on the communities in which we work (and beyond); to promoting human rights and improving access to justice for people in need; and to strengthening our activities in promoting diversity and greater inclusivity. We see our participation in the UN Global Compact as an important step forward in achieving our aims.

We are encouraged by the positive response to our CSR reports and activities internally and externally – from our clients and other businesses and through the awards that we have received in this area. We are even more encouraged by the participation of the people who work here, both as volunteers in our community and pro bono programme, and by their efforts to reduce our impact on the environment. Our desire is that this will continue, since the economic recession will only exacerbate social issues such as homelessness, deprivation and unemployment, as well as creating significant business challenges and pressures that will leave few people untouched.

We are focused on long-term success and we take a long-term view. Tackling climate change and investing in the talent of the future is important now and for future generations. This is about sustainability – combining professional success and social and environmental responsibility.



Our CSR report measures our programme using recognised benchmarks, and enables those who are important to us – in particular our clients, our people, and potential recruits – to see how we are doing. We find CSR a thought-provoking and challenging process and we hope that readers will find this report useful in improving their understanding of the firm and of the work and aspirations that it describes.



Konstantin Mettenheimer and Guy Morton
Senior partners

3. Looking forward: our approach to sustainability

Why is social and environmental responsibility important to us?

Being a successful law firm is often measured by the quality of a firm's client base, the scale of its turnover, its profitability or by the receipt of peer awards. These factors are clearly important and inform the actions and practices in running our business.

But they are not enough.

For us to consider ourselves truly successful, we decided that we should seek to achieve our goals in a way that is responsible and positively beneficial to those involved with, or affected by, our firm.

What has this meant in practice?

To me, it has meant a number of things. First, we make sure, as best we can, that our working practices are efficient and sustainable. It falls to each area of our business to look at the way it works and to see where carbon economies can be achieved. Significant improvements have been made over a number of years on this score, which has enabled us to reduce our greenhouse gas emissions by 4.6 per cent since 2005/2006.

Second, we want to use the considerable talents and energies within the firm at all levels and across our international network to make a real contribution to the communities in which we operate – both the legal communities in which we hope to provide leadership and guidance in key areas, and our local communities in which we can help in all sorts of ways, both directly related to our practice and otherwise. We see this not only as our responsibility but also as a rewarding opportunity: the communities benefit and we know that those working here benefit in participating in the varied schemes that have run for many years now.

So I am particularly pleased to see an increase in the number of people involved in our community and pro bono activities, up from 24 per cent and 25,000 hours in 2006/2007 to 29 per cent of people across the firm contributing over 30,000 hours in 2007/2008.

And that brings me to the final issue. We are striving to do all that we can to make the firm a contented, motivated and diverse group of people, focused on the common goal of achieving the objectives of the firm in a sustainable way that makes them satisfied and proud to be part of the firm. We know that we have further to go on all these issues and that getting there will not be easy. Some of our goals will only be achieved by sustained effort over the longer term. But with the launch of our people strategy, and our new global HR team and global diversity committee I feel sure we will see more progress on this front.

Overall, we recognise there is much to do in embedding and improving the processes in the various offices and regions in which we operate so that our working practices best ensure sustainable development. Given the size

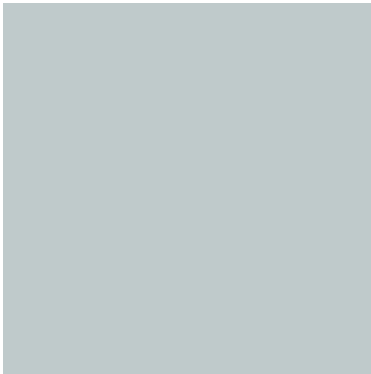
and structure of some of these offices, the speed at which such policies may be implemented may vary. But we are committed to making the necessary changes and it is evident that there is the will, enthusiasm and means within the firm, at all levels, to achieve these goals. This report is a step along the way.

In overseeing the production of this report, it was evident that, while there are many challenges to tackle, the firm makes a great number of really positive contributions in many areas, over and above continuing to provide a good service for its clients. This is through the hard work and commitment of the people who work here and it makes me proud to work with them. I hope that they are proud of themselves.

We hope you enjoy reading it!

A handwritten signature in black ink, appearing to read 'John Blain', with a long horizontal flourish extending to the right.

John Blain
Partner responsible for CSR, and chair of our
environmental working group



4. About us

4.1 Our firm at a glance

Firmwide turnover May 2007/April 2008: £1,178m

Firmwide turnover May 2006/April 2007: £986m

Net profits May 2007/April 2008: £595m

Net profits May 2006/April 2007: £490m

We will be producing our first LLP accounts for our financial year May 2008/April 2009 in late autumn 2009.

We are a leading international law firm and – with around 2,500 lawyers worldwide – combine a depth of local knowledge with expertise across practice areas and borders.

As of May 2009, we have 27 offices in 15 countries across Asia, Europe, the Middle East and the US. Since our CSR report is for offices in operation during our financial reporting period 2007/2008, we have not included data for our offices in Abu Dhabi and Bahrain, but this will be included in our next CSR report.

Our CSR report sits online alongside our firm website and we would encourage readers to look at both websites to gain a complete picture of the firm. Find out more about our firm at www.freshfields.com or go directly to sections on:

Our people – lawyers, trainees, business services, careers, alumni	www.freshfields.com/people/
Our work – clients, practice and industry groups	www.freshfields.com/aboutus/ourwork/
Our offices around the world	www.freshfields.com/locations/
Our beliefs and culture and the values that guide us	www.freshfields.com/aboutus/ourvalues/
Our awards for legal work	www.freshfields.com/news/awards/
News and publications	www.freshfields.com/news/ www.freshfields.com/publications

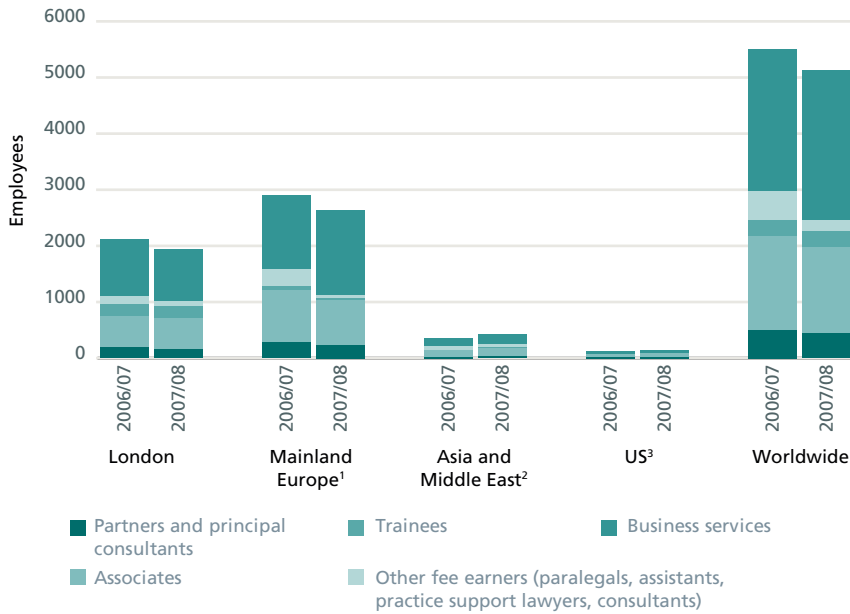


We have divided this CSR report into the following key sections:

- Introduction and recent highlights of aspects of our CSR programme
- Senior partners' statement
- Our approach to sustainability
- About us – our offices, management structure and organisation
- Integrating CSR – our CSR principles and responsibilities, how we work with our stakeholders (in particular, the people who work here), CSR structures, CSR contacts, why we think CSR reporting is important
- CSR reporting – progress against our targets and the Global Reporting Initiative, and external commentary on our report
- Law and ethics – whistle-blowing, conflicts of interest, anti-money laundering, client complaints, CSR and our role as lawyers, charter of core principles of the European legal profession
- Our people and diversity – diversity training, our diversity principles, our culture, the demographic profile of our people, our people and diversity activities in London, promoting diversity, developing our people, reward, support and well-being, diversity working group
- Climate change and the environment – carbon offsetting, WaterAid, our impact, environmental priorities, engaging our people, Greenhouse Gas Protocol, carbon capture and storage, environmental and sustainability policy, our activities in London, environmental working group
- Community investment and pro bono legal advice – volunteering during the working day, new developments, the statistics, improving access to justice, reducing homelessness, promoting human rights, raising the achievements of young people, team challenges, working with international charities, our focus on Africa, the activities in our offices, our community and pro bono policy, our volunteers, community and pro bono committee

4.2 Our offices

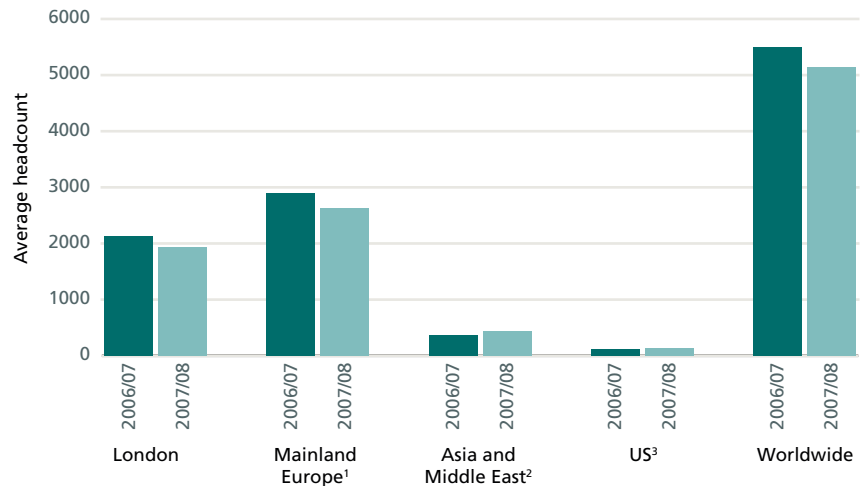
People in our offices 2006/07 - 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna
²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo
³New York, Washington

During 2006/2007 we implemented a series of structural and organisational changes designed to make us more competitive, adaptable, and efficient, and to keep our costs under control. This resulted in the departure of a number of lawyers and a reduction in our business services departments and, as a result, a reduction in our average headcount.

People in our offices: average headcount 2006/07 - 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna

²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo

³New York, Washington

Average headcount includes people on fixed-term and permanent contracts. If we add contractors, self-employed and agency people to the average headcount figures for 2007/2008 – many of whom participate in our community and environmental initiatives – there was an average of 5,451 people firmwide for 2007/2008, 1,984 in London, 2,857 in Mainland Europe, 458 in Asia and the Middle East, and 152 in the US.

4.3 Management structure

Freshfields Bruckhaus Deringer is a partnership. The firm’s principal policy body is the partnership council. It includes our two senior partners, Konstantin Mettenheimer and Guy Morton, and 15 elected members, assisted by the partnership secretary, Crispin Hain-Cole.

The partnership council discusses our approach to CSR regarding it as core to the firm and CSR features as part of our firmwide strategy for 2009 and beyond. The council receives reports from members of our CSR strategy group, community and pro bono committee, and diversity and environmental working groups.

The council delegates authority for day-to-day decision-making to the central management team, comprising the two senior partners and the chief executive, Ted Burke, assisted by the managing partner, Peter Jeffcote.

The senior partners are elected by the partners for a five-year term (renewable for one further five-year term). The chief executive and managing partner are appointed by the senior partners with the approval of the partnership council.

Locally, each of our offices has its own office managing partner who is responsible for the management of the business and the reputation of

the firm in each location. There are also CSR partners responsible for developing our CSR initiatives in each office.

CSR is on the agenda at our partner conferences. We have budgets for each of our key CSR areas which are managed by our CSR team with guidance from the various CSR strategic groups.

As we are a private partnership, tax is principally the responsibility of the partners to pay individually, rather than the business.

4.4 Organisational change and review

Our firm continues to evolve and develop. In 2008, we opened two new offices in Abu Dhabi and Bahrain, further strengthening our firm's well established presence in the Middle East, and our offices in Asia and the US continue to grow.

To ensure we respond effectively to the fast-changing environment in which we and our clients operate, and in response to feedback from our people, there have been several significant developments in 2008.

We have put in place a global people strategy led by a new team of people; we have a new management structure in our London office; on 1 May 2008 we became a limited liability partnership (LLP); and we have reviewed and made changes to our internal communications programme.

Our people strategy

On 1 May 2008, employment, benefits and pensions partner Caroline Stroud became our global HR partner. Caroline has made a three-year commitment to this role and is focusing her work on ensuring that we continue to attract, retain and develop talented people at all stages in their careers. She is working with our new global director of HR, Kevin Hogarth, and each office now has a partner in charge of implementing our global people strategy which focuses on our two greatest assets – our reputation and our people.

Our office in London

Our largest office is in London and many of our central systems are based there. To manage the London office more effectively and to promote more active co-operation between all parts of the business, in 2008 we re-launched the London Management Group under the chairmanship of corporate partner Tim Jones. The group, which includes all the London departmental managing partners, is also responsible for: improving communication and co-ordination across the London office; London strategy; recruitment and training; and the office's interaction with the rest of the firm.

Becoming an LLP

To develop a more appropriate business structure and to continue to attract and retain the best people to work with us, on 1 May 2008 we

converted most of our business to an English LLP, whose members have limited liability. This change has affected all our offices except those in Hong Kong, Japan and the US where, as appropriate, clients continue to deal with our existing Hong Kong or Japanese entities or our US limited liability partnership.

Communications

In response to feedback from the people who work here, over the past year we have reviewed our internal communications with a view to improving them. We have initiated new worldwide webcasts from partners and other key people to help to explain more about the firm's activities and to reinforce our sense of community and common purpose.

In February 2009, the London office hosted our first London Festival. The festival's aim was to help our people learn more about what goes on in the London office, practice groups and business service areas, to get more people to meet each other, to collect feedback on many of our activities – and to have some fun too. Every department got involved, contributing to and participating in presentations, stands, films, and fringe talent events. The evening debates included some external speakers and discussions such as 'CSR and Human Rights' and 'London' (covering regeneration, the City, the mayor and the media).

Our CSR team continues to send regular firmwide e-bulletins updating people on our activities, as well as involving people through our green teams and community and pro bono activities, and CSR debates, votes and surveys. In London, the CSR team continues to present our CSR activities to the various practice groups and business service areas, and to new joiners at our regular inductions. They have also produced a 2009 CSR calendar for our London office.

Our offices in China and London have their own CSR intranet sites as well as the firmwide CSR intranet to encourage and enable more people to get involved in our activities.

5 Integrating CSR

5.1 About us

We are a leading international law firm providing legal and regulatory advice and solutions to national and multinational corporations, financial institutions and governments around the world.

Over the years, our firm and many individuals within it have received awards in recognition of their skilled legal work and their dedication to producing outstanding client-focused results. However, we recognise that being a business in the legal sector involves much more than this.

Our values

Our approach to CSR, and the way we conduct our business in general, is guided by values of integrity, excellence, understanding of our clients and our communities, teamwork and imagination. It is also reflected in our membership of Business in the Community and its leadership teams for education, homelessness, and international volunteering, as well as its activities designed to tackle the impact of climate change.

Our responsibilities: to our people

We are a large employer, with over 5,000 people worldwide. We have responsibilities to ensure that our people are engaged, enthused and cared for in an environment that encourages them to make the best use of their talents and personalities to advance their careers. We also benefit from taking these responsibilities seriously and ensuring that our people thrive in the workplace and enjoy being here.

Our responsibilities: to the environment

We have responsibilities to ensure that, notwithstanding the highly competitive market in which we operate, the working practices we adopt to provide the high-quality client service required have as little impact on the environment as possible. And we recognise that we must be prepared to continue to make changes to our working practices to fulfil that responsibility.

Our responsibilities: to the legal and wider communities

We have responsibilities to ensure that the communities with which we have contact – the legal community and the communities local to our offices – benefit from harnessing the considerable talents and energies within our firm. This includes promoting better practices or procedures within the legal community, as well as making a positive difference to these local communities. Such commitments and responsibilities are important in guiding the way we conduct our business and we hope they will contribute to our continued success.

Making CSR happen

To help us meet our goals, organise our resources effectively and maximise the impact of our people over 28 offices, we have developed a structure of people, working groups, policies and guidelines, data collection, communications and CSR reporting that is designed to enable us to review our activities on an ongoing basis – something we believe is essential in a fast-changing world.

5.2 Our corporate social responsibility principles

Being a good corporate citizen, who sees social and environmental responsibilities as integral to the way we operate, is central to the firm strategy.

We aim to be a socially and environmentally responsible business and make the following commitments.

- To be an excellent employer.
- To attract and retain people from a diverse pool of talent.
- To minimise our contribution to climate change.
- To have a positive impact on the communities in which we work, and beyond.
- To make a valuable contribution to promoting human rights and improving access to justice for people in need.

Additionally, we want our firm to be:

- a provider of excellent professional legal services;
- integrated, truly international, distinctive in character and uncompromisingly committed to our values;
- a great place to work, where people get the training and development they need; where their well-being and contribution is valued; where the environment encourages openness, teamwork, a sense of proportion and of fun; and where everyone has the chance to fulfil their potential;
- a business that manages its social and environmental impacts in a responsible and constructive way, working with our people, clients, suppliers and other stakeholders to achieve this;
- a business that continues to reduce and mitigate our contribution to climate change, and that has a genuine impact on tackling the social issues on which we focus – from improving opportunities for homeless and disadvantaged young people to promoting human rights and improving access to justice for people in need; and
- a business that encourages its people to make use of their talents and skills to improve the communities in which we operate, and to reduce our impact on the environment. These activities can also be a great way of bringing our people together.

We are proud of our reputation as a business that is actively engaged and helping to set the agenda in this area. We are committed to sustaining this position and collaborating with other businesses and community organisations to help find solutions to issues of climate change and social exclusion, and to contribute to the achievement of the Millennium Development Goals – eight goals, to be achieved by 2015, that respond to the world's main development challenges.

5.3 The UN Global Compact

In 2009 we joined the UN Global Compact. This commits us to embrace, support and enact (within our sphere of influence) a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. We must also produce an annual communication on our progress.

This is another step forward in our endeavours to promote good governance, and to be a socially and environmentally responsible business and a good corporate citizen at a global level. The UN Global Compact offers us new opportunities for dialogue and collaboration with businesses and NGOs that share our commitments to tackle social and environmental issues, promote greater social inclusion and advance sustainability. We are looking forward to participating in local networks as well as internationally.

The Ten Principles are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

Human rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

5.4 CSR reporting

Why we think it is important

Our 2007/2008 CSR report builds on our previous reports, reviewing the social and environmental issues that are material to us. In particular the report covers our firmwide approach to sustainability; our response to the global issue of climate change; the development of our community and pro bono programme; the increasing involvement of our associates and people in shaping our firm; and our approach to diversity. We believe all these elements are important to the future of our firm and to the wider world in which we live and work.

CSR reporting helps us to measure our success against our goals, to see how we are doing and to manage our resources effectively. We find CSR reporting a useful and thought-provoking exercise, which helps us in our ongoing efforts to ensure we remain an outstanding law firm.

It matters to us and the people who are important to us

Success in social and environmental responsibility is vital in sustaining our position as a leading international law firm because it matters to us and the people who are important to us. To sustain the respect and trust of our stakeholders – particularly the people who work here, potential recruits, and our clients – we recognise that professional excellence and commitment to our people and clients is not enough in itself. We must also be outstanding in the delivery of our wider social and environmental objectives, and to be seen to be so. By using recognised benchmarks, our CSR report enables our stakeholders to assess for themselves how we are doing.

It is the right thing to do and makes good business sense

We believe being socially and environmentally responsible is the right thing to do, and makes good business sense. It has the benefit of ensuring we are investing in our own future and, more widely, playing our part in developing talent, promoting human rights, social inclusion and cohesion, and managing climate change. CSR reporting helps us to measure our progress in terms of these commitments and our CSR principles.

CSR reporting also helps to keep us attuned to international social and environmental issues and the needs of local markets and cultures, helping to improve our understanding of our clients and their needs, the people who work here, and the people we want to work here. It helps us to see where we are performing well and where we are not doing so well. In turn, this helps us to evolve, to respond to and anticipate our clients' and other stakeholders' needs, as well as our own.

Finally, CSR reporting also helps us to assess how we are doing in terms of our own values and the expectations of our stakeholders, and allows us to benchmark ourselves alongside other businesses.

CSR report updates

Looking back to our 2004/2005 and 2006/2007 CSR reports we are making good progress, but there is no room for complacency in terms of integrating our social and environmental commitments into the firm: this is a work in progress.

We will continue to use our CSR report to help us collect, analyse and communicate what we are doing. We will be producing our next assured CSR report for the 2008/2009 financial year. We also aim to update these pages when there are significant developments.

5.5 Defining our stakeholders

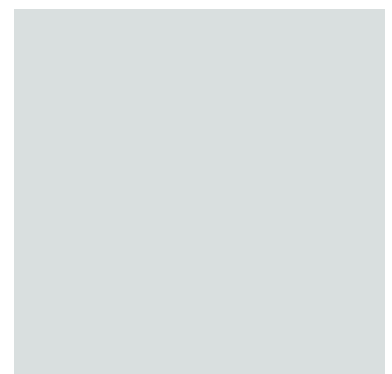
Our stakeholders have an interest in how we conduct our business and how we manage our social, environmental and economic impacts. They want to know how we behave as an international business that has offices in 16 countries; as a major employer of over 5,000 people worldwide; as a purchaser of goods and services; and as a law firm that sets itself the standard of being a leader in many fields, including corporate social responsibility (CSR).

Our stakeholders are the key groups of people who influence the success and development of our business. These include our people, potential recruits and clients, as well as community partners, the wider community, governments, the media, and other businesses and law firms.

Many of these stakeholders were emailed our 2006/2007 CSR report when it was launched in January 2008 and we were delighted with the positive response we received.

5.6 Engaging our stakeholders

Our 2006/2007 and 2007/2008 CSR reports have been shaped by the opinions of several key groups who influence the success and development of our business. For example, we have canvassed the views of the people who work here through the associate engagement group, the 2008 London-focused employee YouGov survey, firmwide votes, our community and pro bono volunteer surveys, and our green teams. We have also taken



into consideration the increasing number of requests from our clients for information on our approach towards the environment, diversity, and our community and pro bono legal advice activities; the opinions of the community-based organisations with which we work; and the strategic groups responsible for developing aspects of our CSR programme.

Firmwide votes

To gauge the interest of our people in our climate change activities, we have initiated three firmwide votes. Over 2,200 people have participated in each of them. Two of the votes helped us to choose how we offset our greenhouse gas emissions, and the third helped us select which charity would benefit from a donation as part of our first international festive e-card (WaterAid was voted our first worldwide charity of the year starting December 2008).

Partners, senior associates and heads of departments

We are working to engage more partners in developing our CSR commitments. Two of the lead partners presented at the 2008 partnership conference, and in 2009 we are hosting internal 'seeing is believing' events for partners, and senior associates and heads of business service departments in London on climate change, homelessness, and disadvantaged young people, with a view to developing our programmes in these areas.

London-focused people survey

In April 2008, the London office took part in an in-depth survey of employee engagement in the UK legal profession developed by YouGov. Eleven firms took part in the survey which was open to lawyers and non-lawyers. Freshfields was the only leading international law firm to do so and we had a 55 per cent take-up, representing a cross-section of lawyers and business services. The results of the surveys were presented to our people in London at a series of meetings.

The result of this research showed a need to build on the work of our associate engagement group, particularly in terms of career progression, work allocation, and flexible work for lawyers and non-lawyers. We also need to improve on work/life balance, and communication within the business, and to work harder at building a better sense of community between lawyers and business services people – the London Festival in February 2009 was, in part, a response to this.

The findings of the YouGov survey have influenced the development of our HR policy for 2009.

We want to continue to widen and deepen our dialogue with our stakeholders, especially the people who work here, our clients, our suppliers and wider society. We plan to undertake further surveys in 2009.

Community and pro bono volunteer surveys

In 2008 we undertook surveys of our volunteers on our community investment projects in our London office (where 36 per cent of people are actively engaged in our programme), in Paris, and in our offices in China in order to help determine where volunteers interests lie – this has influenced the development of our programmes in these offices.

We also seek to engage people in our CSR activities and listen to their views through open events. In London, our recent programme has included an evening showing of *An Inconvenient Truth*, a lecture on the impact of climate change on the world's oceans, a discussion on whether homelessness can be ended, as well as presentations organised by our diversity team on mentoring and gender. Firmwide, our Italian offices have hosted a talk from WWF; the Washington DC office launched its green team with a talk from the Urban Sustainability Planner at the DC office of Planning, and Hong Kong launched theirs with a lunchtime talk by a scientist. Our Barcelona office showed the film *Six Degrees Could Change the World*.

We continue to gain feedback from our CSR feedback box and our climate change blog.

Wider society

We contribute to the CSR agenda through our involvement in a number of organisations including the leadership groups on education, homelessness, climate change and international community engagement and volunteering at Business in the Community.

As part of this we support and participate in open events and discussions to raise awareness of issues and find solutions. For example in March 2009, our London office hosted: a debate on sustainability for Managing Partners' Forum members (professional service firms); a panel discussion on the impact of UK regulation and policy action on climate change; and a workshop with homeless organisations, job coaches and job placement hosts participating in the Ready for Work programme. The latter built on the findings of the Business Action on Homelessness/New Economic Foundation research into the financial and other barriers to employment for homeless people in the UK.

Also in the UK, we are a founding associate member of the Associate Parliamentary Corporate Responsibility Group.

5.7 Associate engagement group

Established in 2007, our London associate engagement group (AEG) has an ongoing and expanding role in the firm. Membership of the group has grown to six partners and 18 associates, who are responsible for consulting in their departments on the issues that associates have identified as important to them. The AEG has also become a go-to entity for management, enabling them to consult with and seek the views of a representative body of associates.

We held a second London Associates' Forum in June 2008. The event attracted more than twice the number of associates who attended the inaugural event in 2007, reflecting the huge enthusiasm within the firm for this initiative. The objective of the Forum was to provide associates with an opportunity to discuss key topics and related ideas with partners and associates from other departments, to see how they could best be involved in decisions and play a wider role in the London office in future.

Shaping the development of the firm

Since 2007, the AEG's recommendations have led to tangible changes. Associates wanted a more uniform approach to issues such as how they are appraised and how their contribution to business development is recognised and valued, and they wanted greater involvement in London-wide communications. As a result, a new standardised appraisal form has been rolled out in London; new business development charge codes have been introduced; communications on the bonus process have been made more transparent; and the AEG now meets on a monthly basis with Tim Jones, chair of the London Management Group, to ensure a regular dialogue between the associate population and management.

The group has also continued to examine the longer-term issues of career path and work/life balance.

Additionally, and in consultation with the AEG, a senior associates' development programme was run for the first time in London in April 2007, a paper clarifying the role of Counsel has been published and we plan to communicate soon a comprehensive firmwide career path for our lawyers.

Similar developments have been introduced in many of our offices, adapting the style and format to local cultures (for example in China).

The firm's three China offices are among the first outside London to conduct a similar engagement initiative. The China Engagement Group has already delivered some valuable enhancements to the firm's management processes and improved the effectiveness of internal planning and communications. Over the coming year, the Group expects to replicate and build on the success achieved by the London office.

5.8 Supply chain management

As we believe sustainability is now a central factor in supply chain management we have, in the past year, actively engaged a number of key suppliers on topics such as compliance with labour laws, fair trade, sustainable fishing, forest stewardship, quality and sustainability of recycled products, organic produce and food miles. Our engagement activities included site visits.

Our IT team has a target of working with key suppliers who share a similar approach to CSR, and our HR team has embarked on a series of briefings

for recruitment agencies incorporating a presentation from our CSR team, to raise awareness of its importance here.

We are also trying to ensure that our purchasing policy reflects our CSR and diversity principles, as well as environmental and sustainability, and community and pro bono policies.

This is an ongoing process as we work towards verifying our supply chain by developing questionnaires for suppliers and a toolkit for substantiating their claims. The process is in its early stages and, given our geographical spread and the number of local suppliers involved, it will be a challenge to develop and implement firmwide supply chain policies

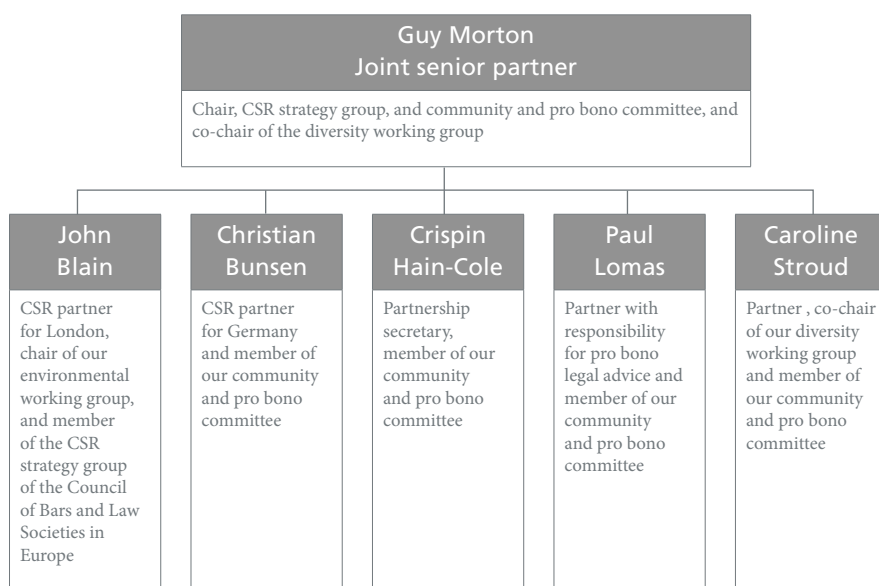
5.9 CSR structure

In 2008 we developed a new CSR strategy group to drive forward our CSR policies, with direction from our senior partners, Konstantin Mettenheimer and Guy Morton, and chief executive Ted Burke.

During 2009, five partners with particular responsibility for CSR will be working with the CSR team to develop the firm's global strategy in association with the CSR partners representing each of our offices.

The CSR partners are responsible for developing and implementing our CSR strategy and commitments, ensuring they reflect the various cultures and sizes of our offices, and the needs of the communities in which they work. In the coming months we expect to see the respective CSR partners in our offices become increasingly involved in shaping our future programme.

The CSR strategy group is chaired by Guy Morton, our joint senior partner, who also chairs the community and pro bono committee and co-chairs the diversity working group.



5.10 Community and pro bono co-ordinators

The people responsible for implementing our community and pro bono activities in our offices include:

London	James Daffurn, community investment manager Claire Everest, pro bono co-ordinator Bea Malleson, head of CSR and community investment Clarissa O'Callaghan, head of pro bono Paul Yates, pro bono manager
Mainland Europe	
Amsterdam	Charlotte van Gelder, business development executive
Barcelona and Madrid	Nerea de Antonio, HR Spain Carole Cargill, office manager (Barcelona) Alison Rourke, office manager (Spain)
Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg and Munich	Karina Fletcher, CSR and pro bono co-ordinator Nicole Lieb, CSR project co-ordinator
Bratislava	This office is now closed
Brussels	Britta Loxham, HR manager
Milan	Carla Negri, marketing executive
Moscow	Olga Chislova, associate, finance
Paris	Molly Slaughter, CSR co-ordinator
Rome	Laura Pronio, office manager
Vienna	Katrin Stadler, office manager Jacqueline Viduya, secretary Katharina Zechner, associate, corporate
Asia and Middle East	
Abu Dhabi, Bahrain, Dubai	Dina Nassif, paralegal
Beijing, Hong Kong, Shanghai	Thai MacDonald, practice development and CSR manager
Hanoi and Ho Chi Minh City	Tony Foster, partner, corporate
Tokyo	Verena Urbschat, marketing and operations manager
US	
New York	Viktoria Garber, HR benefits assistant
Washington, DC	Maria Velasco, office manager

5.11 Environmental co-ordinators

The people responsible for implementing environmental commitments in our offices include:

London	Jamie Ayers, energy manger Stacey Collins, health, safety and environment manager Bea Malleson, head of CSR
Mainland Europe	
Amsterdam	Jan-Paul van Herwijnen, finance director
Barcelona	Carole Cargill, office manager
Berlin	Beatrice Schmitt, office manager
Bratislava	Elena Schusterova, office manager
Brussels	Gwijde Demedts, operations manager Anne-Claire Ydo, office manager
Cologne	Birgit Dombrowski, office manager
Düsseldorf	Wendy Munshi, office manager
Frankfurt	Sandra Bernascheck, office manager
German offices	Karina Fletcher, CSR and pro bono co-ordinator
Hamburg	Antje Baumann, principal associate, dispute resolution
Madrid	Alison Rourke, office manager, Spain
Milan	Andrea Corbetta, administration and finance manager
Moscow	Alexandra Golovkina, office manager
Munich	Hakon Cramer, IT systems supervisor
Paris	Molly Slaughter, CSR co-ordinator
Rome	Natalie Mennella, secretary Georgia Pilato, billing assistant Laura Pronio, office manager Fabrizio Salimbeni, office assistant
Vienna	Susanne Henschel, office manager
Asia and Middle East	
Abu Dhabi, Bahrain, Dubai	Dina Nassif, paralegal
Beijing, Hong Kong, Shanghai	Thai MacDonald, practice development and CSR manager
Hanoi and Ho Chi Minh City	Tony Foster, partner, corporate
Tokyo	Kaya Ito, bookkeeper
US	
New York	Constance Fiore, office manager
Washington, DC	Maria Velasco, office manager

Our heads of CSR and community investment, diversity, and pro bono provide specialist advice, while our community and pro bono committee and environmental and diversity working groups agree the strategic direction for different elements of our programme. Konstantin and Guy also chair our strategic advisory group, from which we obtain external perspectives on CSR issues.

6. CSR reporting

Our CSR action plans

The targets and commitments made in our first CSR report were focused on our London office. In our 2006/2007 CSR report we outlined our targets and commitments on an international scale with the hope of attaining them by the end of our financial year 2008/2009. Overall, we are on track to meet many, but not all, of the targets we have set in our previous reports.

Our CSR report for the financial year 2007/2008 is international in scope and covers those issues we believe are material to the firm and our stakeholders. For future years, we will look to deepen our reporting.

Many people are involved in preparing our CSR report. Our thanks in particular go to our environmental, and community and pro bono coordinators; our CSR partners, working group and team; the community and pro bono committee, diversity and environmental working groups.

We look forward to reporting on our progress more fully at the end of 2009 in our next assured report.

6.1 Integrating CSR and CSR reporting

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Reporting	<p>This is our third CSR report. It is international in scope and reports on our progress in the 2007/2008 financial year, as well as covering activities since then.</p> <p>In 2005 we were the first law firm to produce an externally reviewed CSR report.</p> <p>Our 2006/2007 report was the first assured international CSR report by a major law firm.</p>	<p>Continue to report annually on our progress with an externally assured international report for 2009/2010.</p> <p>Continue to use recognised external benchmarks in our reporting.</p>
Data collection	<p>Our 2007/2008 CSR report contains extensive updates in the following sections: our people and diversity; environment and climate change; and community and pro bono.</p>	<p>Continue to update our data on an annual basis and report on key initiatives and activities.</p> <p>Continue to improve data collection systems for more consistent performance data across the firm.</p>

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Raise awareness of CSR among our people	<p>Over 2,200 members of staff voted on carbon offset programmes and our first environmental charity of the year.</p> <p>We began a new series of presentations about our CSR activities to departments in London. And our pro bono partner presented the new pro bono campaign at meetings in several offices.</p> <p>We also began an occasional series of debates with external speakers on various topics including human rights and CSR, homelessness, and the impact of climate change on the world's oceans.</p> <p>We encouraged people to give their views about our programme during the London Festival and held interactive sessions during the 2008 partnership conference.</p> <p>Community Challenge – our new firmwide team challenge month – was a huge success and engaged many people in the programme. It also helped several of our offices to start new community partnerships.</p> <p>Our CSR team continues to communicate our activities internally via regular e-bulletins, and to participate in inductions for all new members of staff in our London office.</p> <p>The 2006/2007 and 2007/8 CSR reports were emailed to everyone in the firm.</p> <p>Our intranet pages are regularly updated and people are encouraged to visit them with various internal announcements.</p>	<p>Continue to find ways of raising awareness of CSR among our staff.</p> <p>In 2009 we are holding internal 'seeing is believing' events on our homelessness, young people and climate change activities for partners, senior associates and heads of departments in London.</p>

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Integrating CSR	<p>We established a CSR strategy group to drive forward our CSR programme.</p> <p>Established new CSR principles, setting out our commitment to be a responsible business.</p> <p>We are delighted that departments such as our flexible benefits and events teams have produced their own green initiatives.</p>	<p>Continue to integrate CSR within the firm.</p> <p>Assess whether we are achieving our values: integrity; excellence; understanding of our clients and our communities; teamwork; and imagination.</p> <p>In 2009 we joined the United Nations Global Compact (a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 principles in the areas of human rights, labour, environment and anti-corruption.)</p>
Stakeholder engagement	<p>We have reported on the progress made through our associate engagement forums.</p> <p>The associate engagement group plays an ongoing and expanding role in the firm, meeting the London management group on a monthly basis. Similar groups have been established in many of our offices throughout the network.</p> <p>Conducted a YouGov survey among people in our London office.</p> <p>Continued to undertake pro bono and community volunteer surveys.</p> <p>Continued to receive requests for information from our clients and customers.</p> <p>We emailed our 2006/2007 CSR report to our people firmwide, to clients, and to many of our suppliers and the community organisations with which we work.</p> <p>We continue to get some feedback via our CSR feedback box, but this is limited.</p> <p>We continue to obtain external perspectives on CSR issues from the strategic advisory group.</p>	<p>Continue to encourage genuine dialogue with our stakeholders on how we conduct our business so that we can improve our professional services, our stewardship of the environment and our contribution to communities (in particular, our clients, our partners and people, future joiners, community groups and suppliers).</p>

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Advocacy and engagement	Our leadership in aspects of CSR has been recognised by several awards, and reinforced by our active engagement in several Business in the Community (BITC) leadership groups, and the CSR strategy group of the Council of Bars and Law Societies in Europe.	
Supply chain management	Made plans to pilot a supply chain management process incorporating our various CSR policies and principles with key suppliers.	Begin our supply chain management process. Incorporate our environmental policy into all our purchasing decisions.

6.2 Our people and diversity

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Management	<p>Appointed new head of diversity, new diversity executive, three partners responsible for diversity in London and one in Germany. Developed a set of diversity principles setting out our commitments in this area. Promoting greater diversity and inclusion is part of our new global people strategy.</p> <p>Our diversity working group continues to meet to develop our strategy.</p>	<p>In 2009 we have begun to appoint diversity directors in other regions; and set up a global diversity group.</p> <p>Look at ways of further embedding diversity/ inclusivity into the firm.</p> <p>Make more effective use of our memberships of organisations such as Employers' Forum on Disability, Opportunity Now, Race for Opportunity, and Stonewall Diversity Champions.</p> <p>Review and internationalise our diversity training.</p>
Diversity in recruitment	<p>Saw a significant increase in the proportion of existing and prospective minority ethnic trainee solicitors – 20 per cent of our current trainees (up from 10 per cent in 2006/07).</p> <p>In 2008 we participated in several initiatives including: Sutton Trust's Pathways to Law (provided five work placements); the City Solicitors' Educational Trust Summer School; and Sponsorship for Educational Opportunities (provided three work placements). This was in addition to our usual support for homeless people and for organisations such as Pure Potential, Legal Chances and the National Autistic Society, and our placement programmes with schools in Hackney.</p> <p>Our Lesbian, Gay, Bisexual, Transgender (LGBT) group was also involved in trainee recruitment activities in the UK in 2008.</p>	<p>Continue to support schemes encouraging applicants from all backgrounds.</p>
Mentoring, employee networks and affinity groups	<p>An associate working group is looking at ways to improve our peer mentoring scheme for new partners and other aspects of our diversity programme.</p> <p>We expect to report on a wider range of activities in our 2008/2009 report.</p>	<p>Continue to review opportunities for other networks or affinity groups to address issues facing particular groups who are under-represented, either across the firm or at certain levels within it.</p> <p>Our alumni network is being launched in 2009.</p>

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Work/life balance	We expect to report on a wider range of activities in our 2008/2009 report.	Report in more depth on such issues as flexible working, work/life balance, mentoring, work allocation and stress management.
Reporting	<p>We aim to have more information on demographic profiles of our various offices in our next CSR report.</p> <p>Our 2008 YouGov survey in London was a significant step in helping us to monitor the perceptions of our people, as is our growing network of associate engagement groups.</p>	<p>Our London office received an 'outstanding' rating in the 2009 Best Companies to work for accreditation. The Best Companies accreditation is an acknowledgement of excellence in the workplace.</p> <p>Look at ways of encouraging more people to participate in our monitoring so we can report more accurately on the profile of the people who work here.</p> <p>Improve reporting at various stages in people's careers, eg selection, recruitment, training and development, promotion, appraisal and pay, and departure.</p>
Health and safety	<p>Our health and safety data still only covers our London offices.</p> <p>We achieved our target of an accident rate of fewer than one per hundred in our London offices.</p>	<p>Monitor the perceptions of our people towards our approach to diversity.</p> <p>Continue to maintain an accident rate of fewer than one per 100.</p> <p>Reduce injuries lasting over three days to 1.5 per 1,000.</p> <p>Report firmwide data and activities.</p>

6.3 Climate change and the environment

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Climate change	<p>We achieved a 4.6 per cent reduction in our carbon emissions (per person) largely as a result of reduced electricity usage firmwide. This is short of our target of a 10 per cent reduction by April 2008, due mainly to the increase in business travel as a result of our growing business in Africa, Asia, and South America, and the establishment of two new offices in the Middle East.</p> <p>We were again certified CarbonNeutral® and are supporting offset projects in Germany, India, the Netherlands and Turkey. The German and Turkish projects were chosen via a firmwide staff vote – over 2,600 people participated in the 2008 vote.</p> <p>We have appointed a new energy manager in our London office.</p> <p>Several offices have undertaken energy audits, and our new office in Tokyo has been equipped with eco-efficiency in mind.</p>	<p>Continue to reduce our carbon emissions and set further targets. (We are revising our 10 per cent target in the light of the changes to carbon reporting guidelines by the Department for Environment, Food and Rural Affairs (Defra)).</p> <p>Continue to introduce energy-efficient schemes and look at ways of optimising building energy performance.</p>
Resource use	<p>Reduced electricity usage by over 2m kilowatts over 2007/2008.</p> <p>Our offices in Brussels, Milan and Rome switched to low-carbon energy supplies in 2008. In London, 85 per cent of our electricity supply comes from renewable sources (and has done since 2004).</p> <p>Our offices in Belgium, Germany, the UK and the US all encourage people to use recycled paper.</p>	<p>Continue to reduce our electricity use.</p> <p>Continue to reduce the amount of paper we use and change our paper sources to recycled paper.</p> <p>Conduct a review of our water usage and see how we can reduce waste across our offices.</p>
Business travel	<p>Our business travel increased as a result of our growing international business.</p> <p>We have seen increased use in web conferencing and continue to encourage people to use our video conferencing services.</p> <p>Our events teams are working to change the way we organise our external and internal conferences to help us achieve our aims.</p>	<p>Continue to increase the use of video and telephone conferencing.</p> <p>Reduce non-essential air travel.</p> <p>We will be strengthening our existing travel policy in 2009.</p>

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Management systems	<p>Prioritisation of our carbon reduction commitment meant that we did not make much progress on the introduction of an ISO (International Organization for Standardization) programme for London. We expect to pilot this in our London office in 2009.</p>	<p>Implement an ISO environment programme for each office, starting with London.</p>
Advocacy and engagement	<p>Became founding members of Legal Sector Alliance on sustainability and climate change.</p> <p>Participated in BITC's May Day Network – a group of companies committed to tackling climate change.</p> <p>Staff voted to elect an environmental charity to support during 2007/2008. This resulted in £40,000 being raised for WaterAid's work in Mozambique.</p> <p>Several offices supported activities around UN World Environment Day.</p> <p>We continue to produce regular e-bulletins, and work with business departments and our green teams, looking at ways to reduce our impact.</p> <p>We now have green guides in Italy, Spain and Vietnam, in addition to London.</p>	<p>Continue to engage in industry and multi-stakeholder initiatives to tackle climate change</p> <p>Continue to engage our employees in fundraising for an environmental charity as part of our firmwide e-card.</p>

6.4 Community and pro bono legal advice

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
Community involvement and pro bono	<p>Community Challenge – our first firmwide community initiative – took place in 2007. This resulted in a firmwide increase in participation in our community and pro bono volunteering activities: from 24 per cent and 24,000 hours (in 2006/2007) to 29 per cent and over 30,000 hours in 2007/2008.</p> <p>Our 2008 team challenge month involved nearly 700 people from 22 of our offices.</p> <p>Most offices have developed new community and pro bono relationships, increasing our positive impact on local communities and beyond.</p> <p>Rolled out our international pro bono campaign, designed to increase the amount of time contributed to providing free legal advice to individuals in need and to our community partners.</p> <p>Launch of our matched funding initiative for charity fundraisers within the firm.</p> <p>We also seek to encourage participation through our firmwide e-bulletins and are planning internal ‘seeing is believing’ visits for our partners, senior associates and heads of departments in London during 2009.</p>	<p>Double pro bono hours firmwide by 2011.</p> <p>In our 2006/7 report we set a target of increasing the level of participation in our community and pro bono programme across the firm to 30 per cent by 2008/2009.</p> <p>Achieve a more consistent spread of involvement across our offices, practice groups and business services.</p>
Management	<p>Continued to use the London Benchmarking Model to measure and report on our community giving. The London Benchmarking Group (LBG) is used by many businesses to assess and report on the value and achievements of their corporate community investment programmes.</p>	<p>Measure the benefits to society, and wider impact of our programme, in a more systematic way.</p>
Advocacy and engagement	<p>We are involved in Business in the Community’s leadership groups on education, homelessness, and international volunteering. As a result in 2008:</p>	<p>Continue to be actively engaged in sharing best practice, and encouraging and enabling more employers to develop community programmes.</p>

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
	<ul style="list-style-type: none"> <li data-bbox="603 439 1018 712">□ we commissioned research and led a campaign to encourage more business people to fill the 40,000 vacancies in school governing bodies in the UK. The research was presented to the Department for Children, Schools and Families. <li data-bbox="603 730 1018 1615">□ we researched and presented to various Members of the European Parliament and European Commission, CSR Europe and the European Alliance for CSR, our recommendations and toolkit to encourage and enable more businesses to support employee volunteering activities across the European Union. The aim of the work was to demonstrate how volunteering can improve the skills of disadvantaged people so they can gain and sustain employment. Several of our projects were showcased, including our job coaching scheme in Frankfurt; work placements for homeless people in London; Number Partners, which aims to improve maths skills among schoolchildren in the UK; and the discovery day for disadvantaged young people from Paris. <li data-bbox="603 1632 1018 1980">□ we supported and participated in research commissioned from the New Economics Foundation. The research investigated the financial and other barriers to employment for homeless people in the UK, to establish what financial incentives would be required to motivate people back to work and deliver an overall net gain to government. 	

Topic	Progress in 2007/2008	Targets & commitments 2009/2010
	<p>In addition, our continuing support for Shelter enabled the charity to launch the Children's Legal Service unit in the UK, as part of our shared efforts to end child homelessness.</p> <p>Our job coaching scheme in Germany has expanded to include our offices in Berlin, Cologne, Frankfurt and Hamburg.</p> <p>We also supported initiatives with the Department of Innovation, Universities and Skills in the UK and the Ministry of Education in France.</p> <p>In the UK we are working on a website to encourage more employers to encourage and enable their staff to be Number Partners – to improve maths skills around the country.</p>	

6.5 Methodology and assurance

For us, CSR is an umbrella term covering our impact on society and the environment in its widest sense: our pro bono legal advice and community projects; our impact on the environment; our diversity record; our behaviour as an employer, as a purchaser of goods and services, and as a provider of legal advice; the suppliers we use; our corporate governance policies; our relationships with our stakeholders; and the shared values that guide our firm.

We believe that having strong CSR credentials will help us attract and retain the best people and have a positive impact on how our clients view us, and that it is key to our continued success as a business.

Assurance

We have used the Global Reporting Initiative (GRI) guidelines and AA1000 international assurance standard as a reference point for this report, to ensure we provide information on our social and environmental impact in a systematic way.

Not all the indicators are material to a professional law firm, so we have focused on the issues we believe to be relevant to us. The Corporate Citizenship Company assured our 2006/2007 report using the GRI guidelines and AA1000 standard, and has reviewed our 2007/2008 report. The community and pro bono data in this report has been reviewed by the London Benchmarking Group and our carbon footprint by the Edinburgh Centre for Carbon Management.

6.6 External assurance statement and commentary: introduction

Freshfields Bruckhaus Deringer corporate social responsibility update 2007/08: external commentary by Corporate Citizenship

Introduction

Freshfields Bruckhaus Deringer (Freshfields) commissioned Corporate Citizenship to provide external commentary on the 2007/08 update to its full Corporate Social Responsibility Report 2006/07. For this commentary, our work has not extended to assurance or audit.

Our full assurance statement on the 06/07 report is available [here](#).

Freshfields' goal is to lead its sector on corporate social responsibility reporting and performance. The firm recently became the first major international law firm to join the United Nations Global Compact and has participated in numerous initiatives which help to drive forward the corporate social responsibility agenda in its sector.

The updates provided by Freshfields demonstrate continued progress by the firm on many areas of performance and in how it manages and reports on its commitments.

The firm has strengthened its management approach with a set of corporate social responsibility principles, a new working group with representation from across the firm and new leadership and strategy for the 'people' element of its programme.

Of particular note, we see evidence of a steady growth in responsible business activity across the international network of offices as well as performance improvements in a number of areas, including the 4.6 per cent reduction in greenhouse gas emissions and an increase in the number of employees engaging in pro bono and voluntary activity. The report also highlights the outcomes of its engagement with employees through the Associate Engagement Forums and shows how this has already influenced the firm's management of important topics such as personal development.

As well as highlighting successes, the report is frank about identifying and discussing challenges such as missing the 10 per cent greenhouse gas emissions reduction target.

Looking ahead

The firm is making good progress towards its commitments. At the same time, from our review work, we believe a number of topics warrant further development in future reports.

The report should provide evidence of how the firm engages with all its stakeholders and uses this feedback to shape its decision-making. While Freshfields has a strong programme for employee engagement in the London office, more evidence of wider engagement internally and externally would strengthen the report.

Freshfields should continue to develop the performance measures, data and systems that underpin its commitments to corporate social responsibility, so that there is greater consistency and comparability across international offices.

We believe the firm should also demonstrate in more detail how it ensures that new client work is always consistent with the firm's values and principles.

As the firm continues to expand internationally, new corporate responsibility issues will arise which Freshfields will need to explore and report on, in addition to the continued focus on issues identified in our assurance statement of 2006/07.

Corporate Citizenship

20 March 2009

www.corporate-citizenship.com

6.7 GRI guidelines index

In putting together this corporate social responsibility report, we were guided by the G3 Sustainability Reporting Guidelines (GRI G3) prepared by the Global Reporting Initiative (GRI).

In this report, we have concentrated on those GRI indicators we have identified as material to our business. We have provided both information in narrative format and qualitative data where it is available. This table provides a guide on the extent of our reporting against the GRI G3. After taking advice from our assurers, we have not included indicators within GRI G3 that we feel are not relevant to a professional firm. For future reports, we will look to supplement GRI indicators with additional measures where these are appropriate and material to our business.

Our work	www.freshfields.com/aboutus/ourwork/
Our clients	www.freshfields.com/aboutus/ourclients/
Our practice groups	www.freshfields.com/practices/
Our industry groups	www.freshfields.com/industries/
Our offices around the world	www.freshfields.com/locations/
Our people	www.freshfields.com/people/
Our beliefs	www.freshfields.com/careers/ourbeliefs/
Our culture	www.freshfields.com/csr/diversity/ourculture/
The values that guide us	www.freshfields.com/aboutus/ourvalues/

Strategy and analysis

1.1	Statement from the CEO about the relevance of sustainability to the organisation	Senior partners' statement (see section 2)
1.2	Key impacts, risks and opportunities	Senior partners' statement (see section 2)

Organisational profile

2.1	Name	Our firm at a glance (see section 4.1)
2.2	Major brands, products and services	Our firm at a glance (see section 4.1) Practices and industries (see www.freshfields.com/practices/ and www.freshfields.com/industries/)
2.3	Operational structure	Management structure (see section 4.3) Our firm at a glance (see section 4.1)
2.4	Location of headquarters	Management structure (see section 4.3) Organisational change and review (see section 4.4)

2.5	Countries in which located	Our firm at a glance (see section 4.1) Locations (see www.freshfields.com/locations/)
2.6	Nature of ownership	Management structure (see section 4.3) Organisational change and review (see section 4.4)
2.7	Nature of markets served	Our firm at a glance (see section 4.1)
2.8	Scale of reporting organisation	Our firm at a glance (see section 4.1)
2.9	Major decisions during the reporting period	Organisational change and review (see section 4.4) Our firm at a glance (see section 4.1) Our offices (see section 4.2)
2.10	Awards received	Highlights (see section 1) CSR awards (see sections 1.5 and 1.6) General awards (see www.freshfields.com/news/awards/)

Report parameters

Report profile

3.1	Reporting period	CSR reporting (see section 6)
3.2	Date of most recent report	CSR reporting (see section 6)
3.3	Reporting cycle	CSR reporting (see section 6)
3.4	Contact point	Our CSR partners and contacts (see inside pages)

Report scope and boundary

3.5	Process for defining content	Integrating CSR: CSR reporting (see section 5.4) Defining our stakeholders (see section 5.5)
3.6	Boundary of report	CSR reporting (see section 5.4) Our firm at a glance (see section 4.1)
3.7	Specific limitations on scope	Our firm at a glance (see section 4.1)
3.8	Basis for reporting on joint ventures, partially owned subsidiaries, leased facilities, outsourced operations	Organisational change and review (see section 4.4) Our firm at a glance (see section 4.1)
3.9	Data measurement techniques	Our people (see section 8) Climate change and the environment (see section 9) What we give (see section 10.2)
3.10	Explanation of the nature and effect of any re-statements	Not applicable

3.11	Significant changes in measurement methods	CSR reporting (see section 6)
<i>GRI content index</i>		
3.12	Table identifying standard disclosures	GRI Guidelines Index (see section 6.7)
<i>Assurance</i>		
3.13	Assurance	Methodology and assurance (see section 6.5) External commentary (see section 6.6) External assurance statement and commentary 2006/2007 (see www.freshfields.com/csr)
Governance, commitments and engagement		
<i>Governance</i>		
4.1	Governance structure	Management structure (see section 4.3)
4.2	Indicate if the Chair of the highest governance body is an executive officer	Management structure (see section 4.3)
4.3	Members of the highest governance body that are independent and/or non-executive members	Management structure (see section 4.3)
4.4	Mechanisms for shareholders and employees to provide recommendations or direction	Engaging our stakeholders (see section 5.6)
4.5	Linkage between compensation and the organisation's performance for members of the highest governance body	Management structure (see section 4.3)
4.6	Processes of the highest governance body to ensure conflicts of interest are avoided	Conflicts of interest and confidential information (see section 7)
4.7	Process for determining required qualifications of the highest governance body	Management structure (see section 4.3)
4.8	Internally developed mission and values statements, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	Our CSR principles (see section 5.2) Law and ethics (see section 7)
4.9	Identification and management of economic, environmental and social performance	CSR structure (see section 5.9) Law and ethics (see section 7) Integrating CSR (see section 5)
4.10	Processes for evaluating the performance of the highest governance body	Management structure (see section 4.3)
4.11	Explanation of whether and how the precautionary approach or principle is addressed	Law and ethics (see section 7)
4.12	Externally developed, voluntary economic, environmental, and social charters	Our CSR principles (see section 5.2) Climate change and the environment (see section 9) What we give (see section 10.2)

4.13	Significant memberships in associations	Community and pro bono: our approach (see section 10) Climate change and the environment (memberships) (see section 9) What we give (see section 10.2)
4.14	List of stakeholder groups engaged by the organisation	Defining our stakeholders (see section 5.5) Engaging our stakeholders (see section 5.6)
4.15	Basis for identification and selection of stakeholders	Defining our stakeholders (see section 5.5) Engaging our stakeholders (see section 5.6)
4.16	Approaches to stakeholder engagement	Engaging our stakeholders (see section 5.6)
4.17	Issues raised through stakeholder engagement	Engaging our stakeholders (see section 5.6)

Economic performance indicators

Economic performance

EC1	Economic value generated and distributed (core)	What we give (see section 10.2) Our firm at a glance (see section 4.1)
EC2	Financial implications of climate change (core)	Climate change and the environment (our clients) (see section 9)

Market presence

EC7	Procedures for local hiring, and proportion of senior management in locations of significant operation from the local community (core)	Diversity: developing and reaching new talent (see section 8.6)
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Indirect economic impacts

EC8	Description of infrastructure investments and services supported that provide public benefit (core)	Community and pro bono legal advice (see section 10)
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Environmental performance indicators

Energy

EN3	Direct energy consumption broken down by primary energy source (core)	Climate change and the environment (see section 9) Climate change: our impact (see section 9.4) Greenhouse Gas Protocol (see section 9.5)
EN4	Indirect energy consumption broken down by primary source (core)	Greenhouse Gas Protocol (see section 9.5) Climate change and the environment: measurement (see section 9.6)

EN5	Energy saved (additional)	Our environmental priorities (see section 9.2) Environmental activities in London; energy saving (see section 9.10) IT and the environment (see section 9.7))
EN7	Indirect energy efficiency initiatives (additional)	Our environmental priorities (electricity and air travel) (see section 9.2) Environmental activities in London (energy saving) (see section 9.10) IT and the environment (see section 9.7)
Emissions, effluents and waste		
EN16	Greenhouse gas emissions (core)	Our environmental priorities (see section 9.2) Climate change: our impact (see section 9.4) Greenhouse Gas Protocol (see section 9.5)
EN17	Other relevant indirect greenhouse gas emissions	Climate change: our impact (see section 9.4) Greenhouse Gas Protocol (see section 9.5)
EN18	Initiatives to reduce greenhouse gas emissions (additional)	Our environmental priorities (see section 9.2) Engaging our people (see section 9.3) Environmental activities in London (energy saving) (see section 9.10) Measurement (see section 9.6) IT and the environment (see section 9.7)
Social performance: labour practices and decent work performance indicators		
Employment		
LA1	Breakdown of total workforce by employment type and by region (core)	Our people around the world (see section 8.3) Our firm at a glance (see section 4.1) Our offices (see section 4.2)
LA2	Total number and rate of employee turnover broken down by age group and gender (core)	Our people around the world (see section 8.3) Our firm at a glance (see section 4.1)
Occupational health and safety		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities (core)	Health and safety (see section 8.13)
Training and education		
LA11	Skills management and lifelong learning (additional)	Developing our people (see section 8.8)
Diversity and equal opportunity		
LA12	Employee review process	Developing our people (see section 8.8)

LA13	Composition of governance bodies (core)	Management structure (see section 4.3) Our people around the world (see section 8.3) Our firm at a glance (see section 4.1)
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Social performance: human rights

HR3	Training on human rights (additional)	Developing our people (see section 8.8)
HR 4	Incidents of discrimination (core)	Our people and diversity (see section 8)

Social performance society

SO3	Extent of training to prevent corruption (core)	Law and ethics (see section 7)
SO5	Public policy development and lobbying (core)	Anti-money laundering (see section 7.2)

7. Law and ethics

As an international law firm, we are subject to a variety of developing regulatory, statutory and ethical requirements. As leaders in our profession, we have a responsibility to maintain the high standards expected not only by clients but also by society at large in all the jurisdictions in which we practise.

Our approach to managing risks in this environment reflects these expectations and our high demands on ourselves. We have global risk management personnel, including a partner in every office and an internal risk and compliance team that continually monitors the risks we face (eg money laundering, conflicts of interest, insider dealing and economic sanctions). We have in place policies, procedures and guidance notes to assist all our lawyers in giving independent advice of the highest quality.

Does our commitment to being socially and environmentally responsible affect the advice we give and the clients we work for? The firm has policies and practices in place to ensure thorough and appropriate verification is conducted before accepting a client. The firm considers such processes to be rigorous. We do not have any standing procedures, however, instructing us not to act for clients in a particular industry or sector. Each new client is assessed on an individual basis. We ensure we are the right firm for any matter and that the right people in the firm work on any given matter. We do not work with organisations that might result in a threat to the safety of the people who work here.

All new clients must be approved by the relevant sector group leader through an integrated IT client acceptance system. Where there is any doubt about whether a client should be taken on by the firm or whether the firm should act on a particular matter, this may be escalated to the chief executive or senior partners for consideration. They would consider the potential client or instruction in the light of a non-exhaustive set of factors, such as the safety or health of our people; sanctions imposed by nations or non-governmental organisations; other reputational issues for our firm, including the effect on other clients' views of us; the effect on our own people's views of us; and our suitability to act. We frequently turn down new work because we consider it unsuitable for some reason.

Whistle-blowing

We have a policy in place whereby personnel can report any perceived departure from the ethical and compliance standards we set ourselves as a firm. This policy is only to deal with any serious wrongdoing and not to undermine the trust we have in each other.



7.1 Conflicts of interest and confidential information

Because we work in many different jurisdictions and have many different clients, the potential for issues involving client-confidential information and conflicts of interest is high. Each of the countries in which we operate has its own rules and accepted practice for dealing with these issues.

Our risk and compliance department has a team responsible for maintaining a computerised system for identifying issues involving conflicts of interest and client-confidential information, which we are constantly updating and improving.

We have a strong team of conflicts lawyers dedicated to identifying and analysing conflicts and confidentiality issues. This team actively monitors the acceptance of new clients and the opening of new matters. It ensures the firm complies with the latest rules on client engagement and works closely with partners and sector group leaders across the firm to ensure there is a consistent and compliance-focused approach to mandate acceptance. This includes considering reputational risk issues to prevent the acceptance of clients or mandates that might damage our standing in the community.

7.2 Anti-money laundering

We are committed to denying terrorists and criminals access to the world's financial systems.

We operate a stringent client verification process and have invested in people and technology to help us achieve these goals. A team of lawyers and compliance experts led by the director of risk and compliance is dedicated to the process of accepting new business and we have bespoke online procedures to ensure we comply with the relevant regulations wherever we operate.

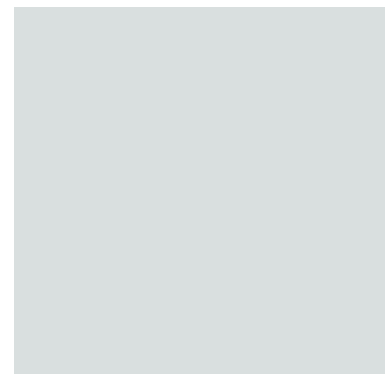
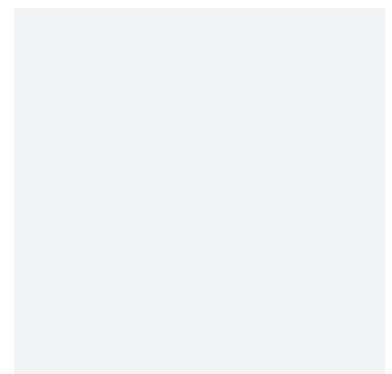
We contribute to anti-money laundering initiatives on behalf of the legal profession. We have collaborated with other firms to create a training application on the UK regulatory regime that has become an industry standard. We have also provided training for the Serious Organised Crime Agency on the role of law firms in society and the nature of activities that City and international law firms undertake.

We provide regular in-house training sessions on the provisions of the Money Laundering Regulations 2007, the Proceeds of Crime Act 2002 and the Terrorism Act 2000 to all relevant people within the firm and during these sessions focus on suspicious transaction typologies. In the UK and other jurisdictions in which we operate, we speak regularly to relevant industry bodies and regulators. We are involved in lobbying on behalf of the International Bar Association.

Client complaints

Our complaints procedure follows the requirements laid down by the UK Solicitors Regulation Authority. We are committed to investigating any complaint fully and fairly, as quickly as possible, and providing a written explanation to the client of the findings of our investigation and any potential action proposed.

We participated in the Law Society's consultation process regarding its proposal to publish complaints lodged against solicitors.





7.3 CSR and our role as lawyers

The rule of law


Every person and organisation, from the ordinary citizen to the government, must act within the confines of the law. Over and above that, by virtue of their professional obligations, lawyers are required to uphold the rule of law and the proper administration of justice. The adherence to the rule of law and the pursuit of just resolutions underpins the effective economic, social and political functioning of society. This enforcing of the moral values that societies consider important enables individuals to interact in a fair and predictable way, to the mutual benefit of all.

Traditionally, lawyers have assisted in ensuring this overarching duty has been adhered to in a number of ways. First, lawyers explain and interpret the law for their clients and, therefore, ensure their clients comply with the regulatory obligations imposed upon them. Second, if a person or an organisation breaches their legal obligations, a lawyer may assist in seeking to redress any wrongs that may occur as a result.

Commercial law

In the commercial context in which our firm largely operates, by upholding the rule of law and the proper administration of justice lawyers set judicial precedents and enforce a system of rules and regulations that in turn creates a degree of predictability and increased transparency in the operation of the market. This provides market players with the confidence necessary for engaging in commercial transactions and, therefore, supporting the economic development and competitiveness of the societies in which they operate. In facilitating effective dispute resolution, moreover, lawyers ensure economic activity is not prejudiced by undue conflict and delay.

In recent years, the traditional function of lawyers has undergone substantial change, largely driven by the increasingly challenging and complex environment in which their clients operate. The modern regulatory framework affects every aspect of companies' lives, including their internal operations, their interaction with other market players and, increasingly, their role within the wider community. Thus, internally, every company is bound by rules concerning the powers of its directors, the treatment of its employees, and the recording and disclosure of information.



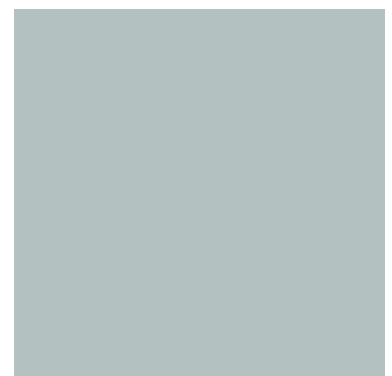
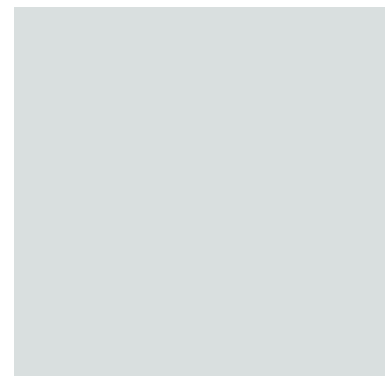
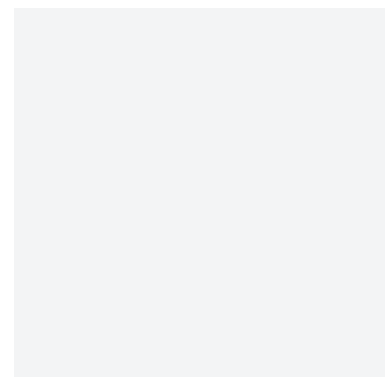
Increasingly complex, increasingly global

Within the broader market, interactions between companies are also regulated to ensure a level playing field between all participants. Significantly, the role companies play within wider society is also coming under increasing scrutiny, through both regulation and soft law (such as codes of practice and voluntary commitments); companies' environmental, human rights and ethical records are being viewed as increasingly important indicators of their regulatory compliance and reputational standing. Lawyers must guide companies through this increasingly complex arena in a way that helps them achieve lawfully their desired goals and objectives and takes into consideration their impact on wider society.

Social and environmental responsibilities

Throughout our long history, we have developed an in-depth understanding of the multiple levels and different sources of regulation applying to our clients and, as a result, have been able to guide our clients through the maze of regulation, ensuring compliance with their obligations and enabling them to take full advantage of the rights and opportunities created by regulatory frameworks.

The law reflects the morals and values of its society. As these values may shift from time to time, so the interpretation of the law changes to mirror that shift. Accordingly, lawyers have a responsibility that is more than simply advising on the letter of the law. Our role must be to assist clients in choosing the appropriate course in light of all the relevant circumstances, by emphasising the relevant issues that relate to a matter, including both the technical application of the law but also the wider factors beyond mere legal compliance. This includes taking account of environmental and reputational issues. Although the ultimate course of action is a commercial matter for a client, lawyers should seek to interpret the legal issues facing that client in the light of the prevailing (and changing) societal circumstances.



7.4 Charter of core principles of the European legal profession

We have adopted the charter of core principles of the European legal profession as drawn up by the Council of Bars and Law Societies of Europe (CCBE), and our CSR partner John Blain is part of the organisation's working group.

‘In a society founded on respect for the rule of law the lawyer fulfils a special role. The lawyer's duties do not begin and end with the faithful performance of what he or she is instructed to do so far as the law permits. A lawyer must serve the interests of justice as well as those whose rights and liberties he or she is trusted to assert and defend and it is the lawyer's duty not only to plead the client's cause but to be the client's adviser. Respect for the lawyer's professional function is an essential condition for the rule of law and democracy in Society.’ **CCBE Code of Conduct for European Lawyers, article 1.1**

The core principles underlie the various national and international codes which govern the conduct of lawyers. European lawyers are committed to these principles, which are essential for the proper administration of justice, access to justice and the right to a fair trial, as required under the European Convention of Human Rights. Bars and law societies, courts, legislators, governments and international organisations should seek to uphold and protect the core principles in the public interest. The core principles are, in particular:

- the independence of the lawyer, and the freedom of the lawyer to pursue the client's case;
- the right and duty of the lawyer to keep clients' matters confidential and to respect professional secrecy;
- avoidance of conflicts of interest, whether between different clients or between the client and the lawyer;
- the dignity and honour of the legal profession, and the integrity and good repute of the individual lawyer;
- loyalty to the client;
- fair treatment of clients in relation to fees;
- the lawyer's professional competence;
- respect towards professional colleagues;
- respect for the rule of law and the fair administration of justice; and
- the self-regulation of the legal profession.

8. Our people and diversity

‘To attract and keep as large a share as possible of the best people, we should explore ways of enhancing diversity, flexibility in career planning and ways of working.’ **Caroline Stroud, global HR partner, member of our diversity leadership team, CSR strategy group, and community and pro bono committee**

Our people are our most valuable asset and key to our ability to provide outstanding client service. There are many good reasons to take diversity seriously and broadening the diversity of our people is important to the success of our firm, since we recognise that diversity of cultures, backgrounds, nationalities and ideas improves the quality of our work and enriches our working experience.

We want our firm to attract, develop and retain a representative range of people in terms of ethnicity, gender, sexual orientation, religion and belief, age and disability. We are an international firm working for international clients and would like the people who work here to reflect and reinforce this diversity.

To this end, we work hard to ensure we recruit and advance people solely on their ability, to promote equal opportunities and to avoid discrimination and harassment of any kind. Central to this is our commitment to promote equality and diversity in our policies, practices and procedures.

We operate in a competitive environment where the demand for talent is higher than ever. We recognise that we must look for and nurture the best talent and we want to recruit from the widest possible pool to ensure we continue to provide outstanding service to our clients.

We also believe a diverse and inclusive workplace is enjoyable, stimulating and more likely to produce imaginative solutions to problems, both legal and practical.

Diversity training

Training is important to our diversity strategy, beginning with the induction of all new staff. Equal opportunities training is provided to all London staff, in addition to training for new partners, appraisers, interviewers and members of our human resources team. Two-thirds of our partners and other employees in London have completed diversity training. We plan to review our diversity training and introduce it to other offices over the coming months.

Setting our strategy

We have a new head of diversity and a new diversity executive. They are responsible for developing our diversity strategy within the framework of our diversity principles, in association with our global diversity committee, diversity partners in each jurisdiction, and London diversity working



group chaired by our joint senior partner, and three London partners with responsibility for diversity.

8.1 Our diversity principles

The partners and the firm are committed to creating and maintaining an environment of mutual respect and esteem for all our people, where everyone feels included regardless of gender, ethnicity, national origin, sexual orientation, gender, religion or belief, culture, impairment, background or life experiences. We wish to reflect the diversity of our clients and society at large.

The firm acknowledges that its aspirations and ambitions can only be achieved through a proactive and positive approach to diversity and inclusion, which is understood and promoted by our people internally and externally.

To deliver the best experience for our people and the best service to our clients we must recruit from the widest talent pools, ensure that all feel at ease in the workplace, and that all are able to achieve their maximum potential through appropriate development and support. We must do all we can to retain our top talent.


We will consult externally with clients, with other organisations in the legal sector and with diversity organisations who can help us identify best practice, what our priorities should be in the short term, and how we can become a market leader in diversity initiatives in our sector in the longer term.

We will set challenging yet realistic goals, measure our progress towards them, and be open about the results.

The Law Society Diversity and Inclusion Charter

We are founding signatories of the Law Society of England and Wales's Diversity and Inclusion Charter, initiated by the Society of Asian Lawyers and BT. The Charter commits us to developing and implementing best practice in equality, diversity and inclusion - as employers, as providers of legal services, as purchasers of goods and services and in our wider role in society.

8.2 Our culture



'People here come from a wide range of backgrounds. They relish the new and the different. And no matter how busy they are, their doors are always open. So whatever the problem, there's always someone who can help you solve it.' **Farah Ispahani, corporate partner**

We try to create a friendly, inclusive and supportive environment in which making time for each other is important and everyone's contribution is valued.

We prize the individuality of the people who work here and are committed to sustaining a culture that nurtures talent and enables individuals to thrive. We also strive to engender a culture of trust, outstanding teamwork and excellence. Central to this is a working environment that attracts a diverse range of people and enables them to flourish. It also means investing in communities to help develop people's potential and encouraging talented people, whatever their background, to consider working for a firm like ours.

Memberships

We are members of the Employers' Forum on Disability, Opportunity Now (an organisation representing employers who want to transform the workplace by ensuring inclusiveness for women), Race for Opportunity, and Stonewall Diversity Champions (a programme operated by Stonewall to promote gay, lesbian, and bisexual equality in the workplace).

We aim to use these memberships more effectively during 2009 so we can benefit from their knowledge and experience. In particular, given the number of female trainees we recruit each year, we recognise that we need to review our working practices and environment to determine whether changes can be made to encourage women lawyers to stay longer with the firm in general and, in particular, become eligible for partnership selection. To this end, our associate engagement group continues to explore the issues around flexible working and alternative career paths, and its recommendations will be considered by the diversity working group.

Underpinning our firm, our work and our commitment to be socially and environmentally responsible, is a set of values and behaviours we strive towards: integrity; excellence; understanding of our clients and our communities; teamwork; and imagination

Find out more about our firm at www.freshfields.com.

Our work	www.freshfields.com/aboutus/ourwork/
Our clients	www.freshfields.com/aboutus/ourclients/
Our practice groups	www.freshfields.com/practices/
Our industry groups	www.freshfields.com/industries/
Our offices around the world	www.freshfields.com/locations/
Our people	www.freshfields.com/people/
Our beliefs	www.freshfields.com/careers/ourbeliefs/
Our culture	www.freshfields.com/csr/diversity/ourculture/
The values that guide us	www.freshfields.com/aboutus/ourvalues/

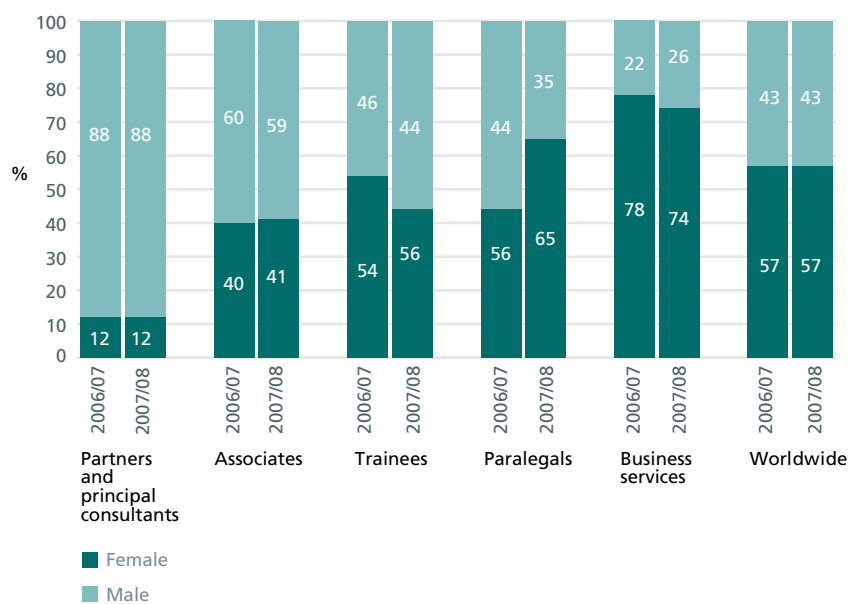
8.3 Our people around the world

‘One issue is how to retain our women lawyers as they become more senior. We are looking at ways of how we can address this issue.’ **Caroline Stroud, global HR partner, member of our diversity leadership team, CSR strategy group and community and pro bono committee**

We seek to attract, develop and retain outstanding individuals from around the world, with all kinds of backgrounds, skills and experiences.

Overall, there has been little change in the profile of our firm since our first CSR report for 2004/2005. Fifty-seven per cent of our people worldwide are female, although a majority of the lawyers are male. Demographic changes take time: we aspire to greater diversity at all levels within the firm and are supporting and exploring initiatives to help us achieve this. These include mentoring, flexible work schemes, networks and affinity groups, and diversity training.

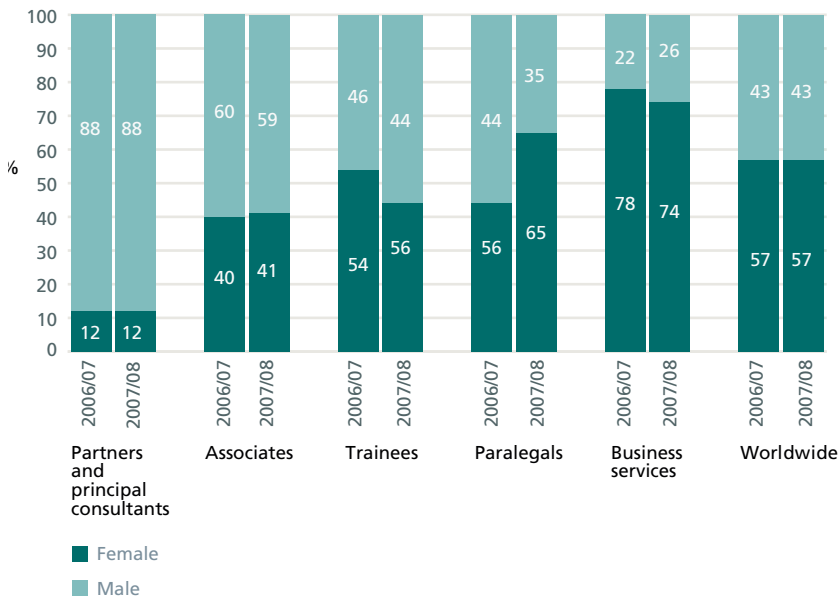
Worldwide gender profile by practice area – percentage split 2006/07 – 2007/08



Our efforts to encourage and promote greater diversity are wide-ranging, although the retention and promotion of women is a particular issue given the high number of women we recruit at trainee level. We are working to improve our understanding of what practices and cultures can be changed to encourage female lawyers to stay longer at the firm and to increase the proportion of female partners through our diversity working group, our network of CSR partners, and our associate engagement group.



Our people: gender by region – percentage split 2006/07 – 2007/08



Through our membership of Opportunity Now and participation in Network for Knowledge, we also hope to learn from the experiences of the many other businesses that, like us, are keen to have more women in senior positions.

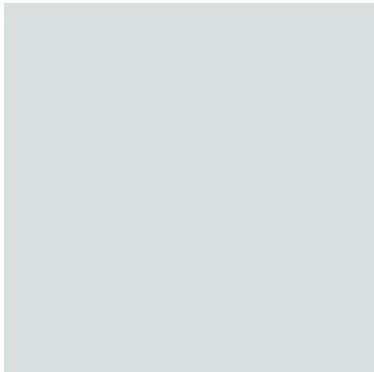
Greater diversity

We are pleased to see that 20 per cent of our current trainees and 27 per cent of our future trainees are from black and minority ethnic backgrounds. This reflects the efforts of our trainee recruitment team to encourage ‘non-traditional’ applications. We hope that, in time, this will help to improve the diversity of our firm at all levels.

There has been little change in the overall age profile of the people who work here since our first report and the majority of our people worldwide are under the age of 40. Given this demographic, we find that some of our people – perhaps because they are not near family or long-standing support networks, or are starting new families – can be subject to pressures and strains. As a result, we believe that mentoring and appraisal should be geared towards acknowledging wider issues such as these and that managers should be encouraged to find solutions that suit the individual concerned.

Currently, we have more information about the people who work in our London office than we have about our other offices. In future, we will benefit from the introduction of a global human resources system that will enable us to gather more information about the people who work in all our offices.

Find more information about our lawyers in the about us section (section 4) of this report and from www.freshfields.com/people.



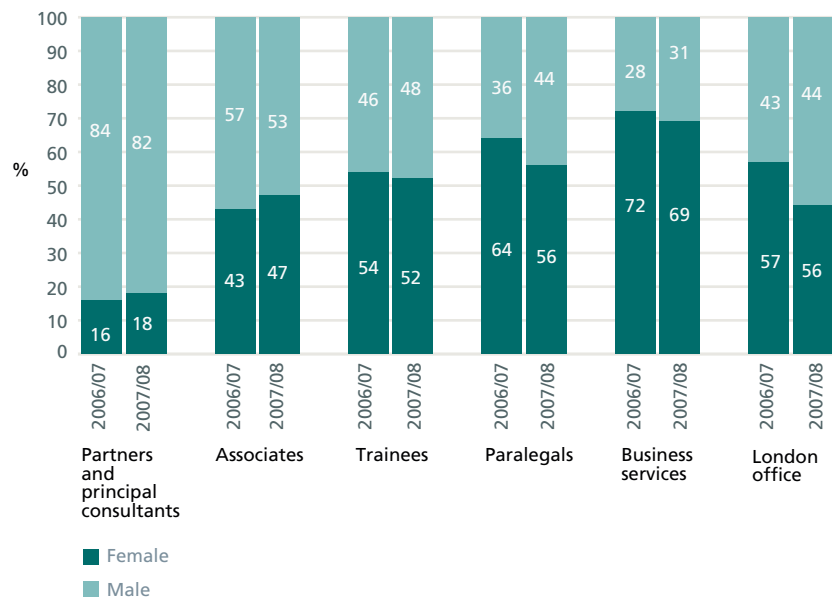
8.4 Our people in London

Our London office has received an 'outstanding rating in the 2009 Best Companies to work for accreditation. The Best Companies accreditation is an acknowledgement of excellence in the workplace.

Our diversity figures in London are updated on our website on a regular basis. Providing this information to the firm is voluntary and not every individual chooses to do so – however, we are pleased to see that there has been an increase in the number that have done this. Our diversity working group is looking at ways to encourage people to complete this information and how best to gather it internationally, taking into consideration local practices.

8.4.1 Gender 2006/7

Gender: partners and employees in our London office – percentage split 2006/07 – 2007/08

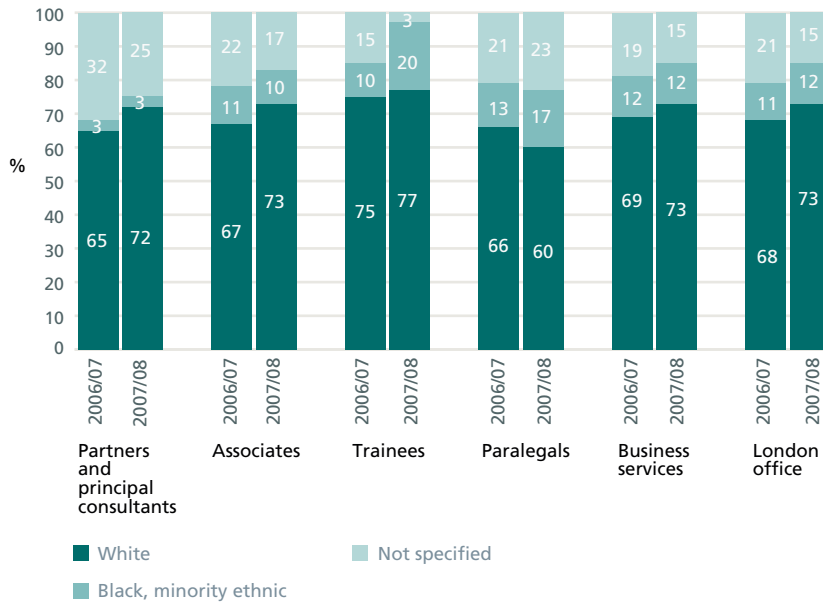


In London, 18 per cent of partners are female – a higher percentage than the average of 12 per cent for the firm as a whole. However, given the number of women we recruit as trainee lawyers each year we would hope to see more women becoming partners in the near future.

Our efforts to deal with the gender imbalance in our firm are outlined elsewhere within this report, see Our people around the world (see section 8.3). We are members of Opportunity Now – a membership organisation for employers who are committed to creating an inclusive workplace for women.

8.4.2 Ethnicity 2006/7

Ethnicity: partners and employees in our London office – percentage split 2006/07 – 2007/08

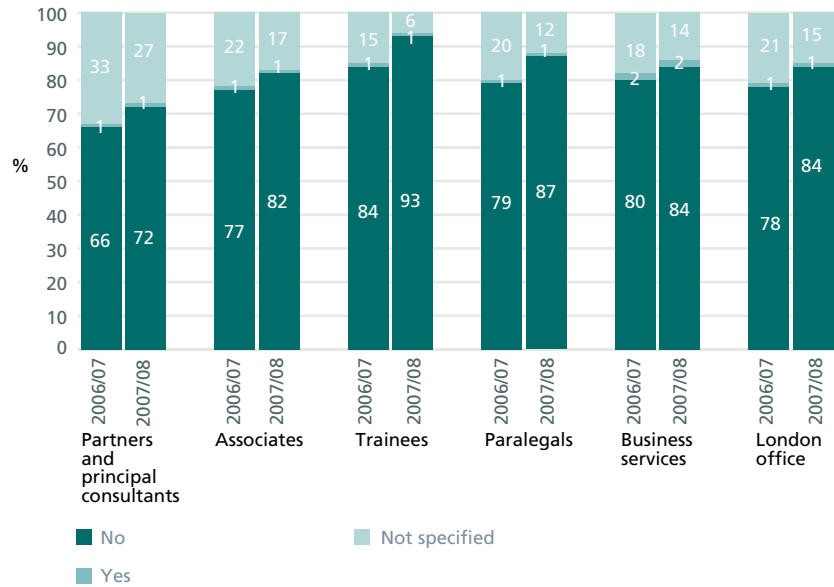


In October 2008, 20 per cent of our trainee lawyers and 27 per cent of those recruited in the 2007/2008 season (to start in 2010/2011) were of minority ethnic origin – the Law Society’s target is 10 per cent. We are pleased to see an increase in the proportion of non-white trainee lawyers and hope this will continue and make our firm more reflective of the communities in which we operate.

We are members of Race for Opportunity – a Business in the Community workplace programme that focuses on race equality.

8.4.3 Disability 2006/7

Disability: partners and employees in our London office – percentage split 2006/07 – 2007/08

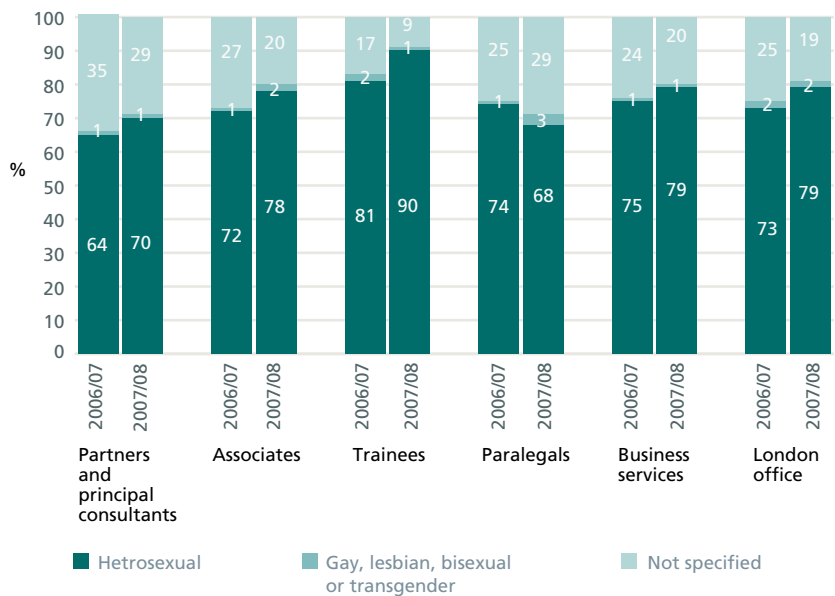


We participate in the City Together forums on disability access and sustainable planning and development, and completed nearly £350,000 of modifications to the London office in 2006, providing easier access for employees and visitors and bringing us into line with the requirements of the Disability Discrimination Act.

We are members of the Employers' Forum on Disability – the employers' organisation focused on disability as it affects business.

8.4.4 Sexual orientation 2006/7

Sexual orientation: partners and employees in our London office – percentage split 2006/07 - 2007/08



Our lesbian, gay, bisexual and transgender (LGBT) group was formalised in summer 2007, although the group had been meeting regularly since 2000. The group meets socially, providing an informal support network for lesbian, gay, bisexual and transgendered people who work here, and also meets with similar groups from other law firms. The group is also represented in our diversity working group and gives guidance on policy, graduate recruitment and other initiatives to promote an inclusive culture.

In 2008, our LGBT group organised recruitment events at Oxford and Cambridge universities, the first City law firm to do so. More events are planned for other universities in 2009. Our LGBT group also advertised in *Starting Out*, Stonewall's graduate recruitment guide, and co-sponsored a discussion forum at the Law Society discussing LGBT issues in an international context.

Our diversity working group is committed to promoting lesbian, gay, bisexual and transgender equality in the workplace and to ensuring our workplace policies meet best practice in this regard.

We are members of Stonewall Diversity Champions – Britain's good practice forum in which employers can work with Stonewall, and each other, to promote lesbian, gay and bisexual equality in the workplace.

Pro bono legal advice

As part of our human rights pro bono work, in 2007 and 2008 we successfully acted on two discrimination cases involving transgender



people. **Patrick Doris**, the senior associate working on the first case, said it was very satisfying instruction:

‘It was the most satisfying case I’ve done as a lawyer. My client had been treated very shoddily by the government, who effectively insisted on treating him as a woman despite the fact that he’d lived his whole life as a man, had all his gender reassignment therapy and got his gender recognition certificate. This victory made a real difference to his life (and that of his wife, also transgender), primarily because of the affirmation by the tribunal of the reality of my client’s identity, and the rejection of the government’s denial of it. There have been several piggy-back cases since, so we’ve helped the law evolve for the better, in a way which has brought two people (and more) towards a fuller and freer enjoyment of their own humanity. It’s not every case that feels so worthwhile.’

8.5 Diversity: our trainees


One reason I like Freshfields is because they take pro bono as seriously as their other work. And that’s important because it’s not just clients who gain from it. We gain so much from it, too. I help out at one of the free legal clinics supported by Freshfields. In some respects, I feel I’m ahead of people who haven’t had the opportunity to do pro bono because it’s given me such a variety of experience and learning opportunities, which is one of the reasons I’d encourage people to do it.’ **Matthew Atkinson (now an associate), speaking as a trainee**

Our trainee lawyers are the partners of the future – and it is vital that we invest in developing them. Many of our offices recruit trainees but the largest group is based in our office in London.

Community and pro bono involvement

In London, we encourage our trainees to get involved in our community and pro bono programme from the moment they arrive. Trainees usually participate in a community challenge during their first few weeks, as well as in our various community initiatives – the schemes at our partner primary and secondary schools are particularly popular.

Trainees are also encouraged to participate in the Tower Hamlets Legal Advice Centre, where we have been giving pro bono legal advice since 1973. Our senior partner, Guy Morton, volunteered here when he first joined the firm and we estimate some 40 per cent of our current partners in London have been involved with the centre at some time during their career here – mainly when they were trainees.



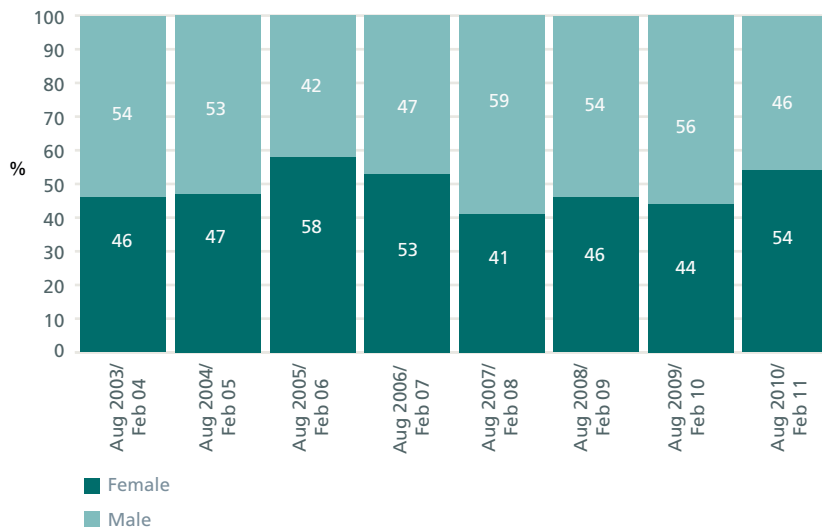
Many also join our other legal advice centres or choose to take on pro bono case work within our human rights and access to justice programmes. Each year four trainees have the opportunity to take up a secondment with Liberty, the British civil liberties organisation, and two with the Free Representation Unit. In 2009 we are sending two trainees for a three-month secondment to Oxfam UK.

We also offer support to those of our future trainees who opt to spend six months working for Reprive, an organisation that supports prisoners on Death Row in the US.

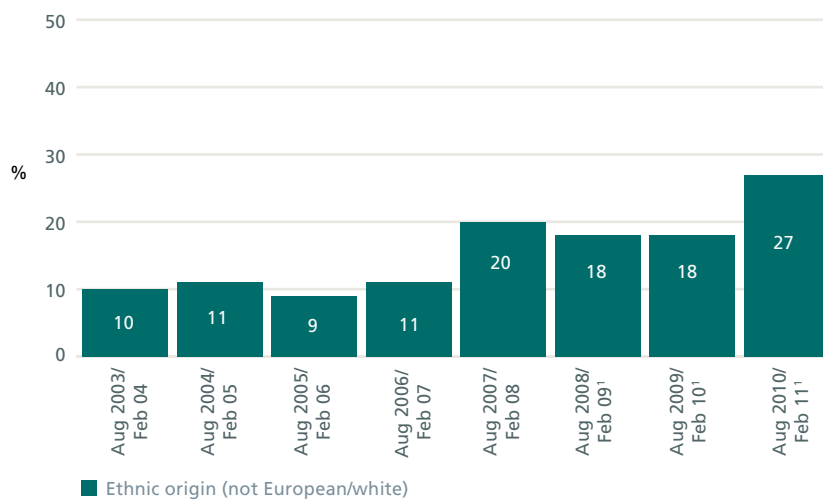
Promoting diversity

In the last few years, graduates from over 60 universities worldwide have started training contracts in our London office. We welcome applications from talented non-law graduates and those changing career. Our aim is to recruit trainees who will continue their careers with us on qualification.

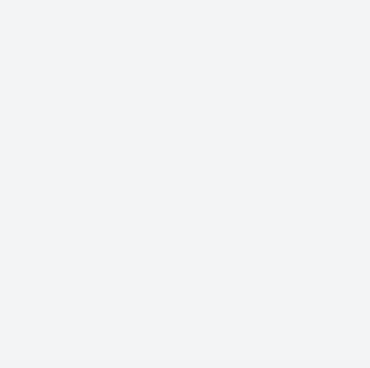
Gender: trainee solicitors in our London office – percentage split



Ethnicity: trainee solicitors in our London office – percentage split



¹Where ethnic origin has been declared



We are pleased to see that we have exceeded the Law Society's target of 10 per cent for trainees and future trainees (people who have accepted training contracts for our firm) from black and minority ethnic backgrounds.

Equal opportunities

We are an equal opportunity employer. We adopt an open-minded approach to recruitment and continuously try to improve our ability to spot talent that has not yet shown through in academic grades. We read all CVs sent to us and ask potential trainees to make a personal statement that helps us put their academic results in a broader context.

Find out more about trainees at www.freshfields.com/people/trainees/ and about careers at www.freshfields.com/careers/.


8.6 Diversity: developing and reaching new talent

'Investing in the next generation is vital to sustaining our own success, and the success of other businesses and the societies in which we live and work. That is why we believe we have a responsibility to help young people from all backgrounds to improve their skills and develop their potential. In a fast-changing world, where demand for talented people and imaginative solutions is high, we have a particular responsibility to our own profession to ensure a wider range of people take up commercial law.'

Barry O'Brien, member of the diversity leadership team in London, member of our community and pro bono committee, and Business in the Community's Education Leadership Team

We recruit from around the world. We also invest time and effort in attracting and developing future talent in our London office, where the majority of our people are based.

Encouraging more black and minority ethnic people, and people from a range of backgrounds, into our law firm



In London, we are involved with a variety of organisations and programmes that are designed to develop potential candidates, break down misconceptions about professional services firms and attract applicants from a range of backgrounds. We support initiatives such as Target Chances and Sponsorship for Educational Opportunity, designed to help people from black and minority ethnic groups to enter the legal profession, and Pure Potential and the Sutton Trust's Pathways to Law scheme, for those from 'non-traditional' backgrounds. We supported the first City Solicitors' Education Trust summer school and were the first City firm to support the Diversity in Law scheme, through which we have recruited two trainee solicitors.

We promote ourselves in publications aimed at black and minority ethnic people and are pleased that we have seen an increase in the proportion of black and minority ethnic people joining us as trainee solicitor recruits.

Making the commercial legal profession more diverse

In 2008, we started supporting the Sutton Trust's Pathways to Law initiative. The initiative aims to attract fresh talent to the legal profession by targeting state school students who will be the first in their family to attend university and whose parents are in non-professional occupations. We provided work experience to five people through this scheme in 2008 and three in 2009.

In 2008, we supported the first City Solicitors' Education Trust's Summer School, which aims to recruit a wider range of people into the commercial legal profession.

In the same vein, in 2008 we provided three places on our summer vacation scheme to undergraduates involved in the Sponsorship for Educational Opportunities scheme, which is particularly aimed at black and minority ethnic people.

We have worked with Pure Potential and Legal Chances for many years. Both these schemes are designed to increase opportunities for those from minority ethnic and 'non-traditional' backgrounds in City law firms.

8.7 Working with schools and work experience

One of the main themes of our community investment programme is improving the skills, and raising the aspirations and motivation of young people from disadvantaged backgrounds. We believe this will have a positive effect on the lives of these young people as well as benefiting our own firm and other employers in both London and the other cities where we are located.

In London, we work closely with Haggerston School for Girls, the sixth form at Cardinal Pole RC School in Hackney, Career Academies UK and Redlands Primary School in Tower Hamlets.

Work experience

Providing work experience is also an important part of our community and diversity programmes in London, as it helps to improve young people's understanding of the world of work, and our profession in particular. Each year, we host work placements for 20 homeless people and for around 10 students from local schools in Hackney and from the UK Career Academy Foundation.

In 2008, we provided work experience for three people through the Teach First scheme. These students, from Cardinal Pole School, were specifically interested in law. We have also provided pre-Oxbridge interview practice to pupils at the school and an introduction to law session.

We expanded our placement programme in 2007 to include individuals from the National Autistic Society's Prospects Employment and Training Service, to teachers on the Teach First programme, and to a community affairs trainee from Tower Hamlets. We continue to support these

initiatives and have just recruited our second teacher from the Teach First scheme as a future trainee solicitor.

Additionally, in 2008, our CSR team began working with people on our placement schemes to create two intranets with online training: one for people on work experience and the other for the people who manage them on a day-to-day basis. We want to ensure these schemes are beneficial for the newcomers, and for the supervisors in terms of management experience. This, in turn, will feed into internal management training and development initiatives.

‘It’s a challenge, it makes you realise your potential. It boosts your confidence that a firm like this is prepared to give you an opportunity. It builds your confidence and makes you aim higher.’ **Ivy Van-Yeboah (student, Career Academy UK)**

Working with universities

In seeking to attract a diverse range of the most talented students, our trainee recruitment department sponsors a variety of university and college law society and careers department events. It also sends speakers and staff to address groups of students, runs workshops and hosts open days.

In addition, we offer material support to several major universities to support IT systems, sponsor students on exchange years or help with other aspects of university law/careers department services.

8.8 Developing our people

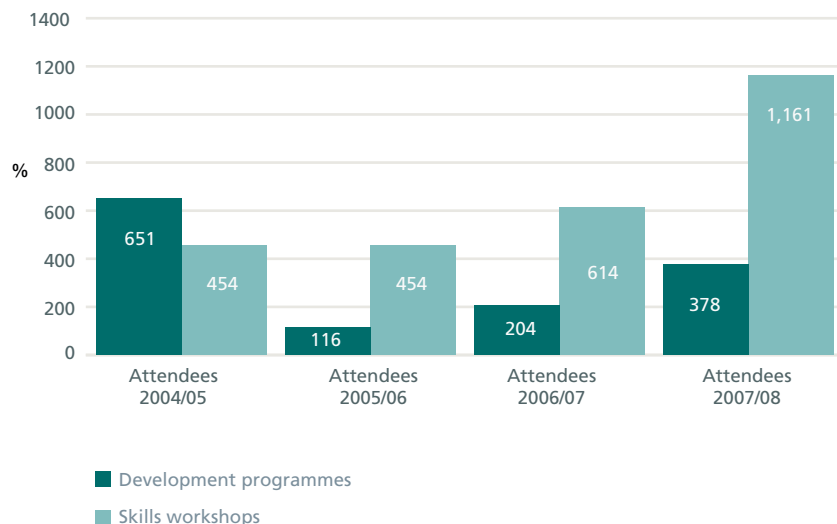
We are committed to becoming one of the leading international professional services organisations in developing people’s capabilities. One of the reasons behind our success is that we were one of the first law firms to recognise the need for ongoing training throughout an individual’s career. The only way to maintain our excellence in all we do is constantly to invest in the legal and professional skills of our people.

We aim to recruit people with an appetite for personal development and we continue to invest in many formal development opportunities. Everyone who works here has equal access to training and other career development appropriate to their role.

Our learning and development team provides a range of professional skills and language courses, including focused workshops, longer personal development programmes and online ‘skills at your fingertips’ training. The team also designs tailored projects to support an individual practice group’s development objectives and business services departmental training.

Associates attend three international development programmes at key stages in their careers.

London learning and development attendees 2004/05 – 2007/08



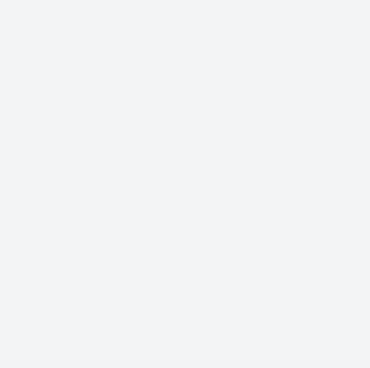
We adapt our learning and development interventions to meet the needs of our people. Examples of our innovative programmes are the senior associates’ programme in London and the principal associates’ residential programme in Germany at St Gallen University. Our award-winning ‘Real Deal’ and ‘Virtual Office’ programmes pioneered the combination of technical and development training. We invest in creating development interventions that are enjoyable and challenging. We even develop programmes for our future lawyers that we run alongside the Legal Practice Course.

We provide development and coaching for partners and staff who are promoted so that they can successfully fulfil their new duties and responsibilities. For the first year of partnership we run a development initiative designed to manage the ‘transition into partnership’. This offers virtual skills sessions and intensive workshops on four key dimensions: self management; client management; team leadership; and business management. Each new partner is also given 1:1 support and challenges by an external business coach as part of this transition year.

We have provided business development, knowledge-sharing and soft skills training to the newly integrated knowledge management and business development (KBD) teams, providing them with the requisite skills for their new roles. We will be implementing a structured development programme for KBD at key stages in their careers, akin to the associates’ programmes, to ensure we attract and retain the best KBD talent.

Legal training and knowledge management

The firm is a market leader in its investment in knowledge management and legal training. Every department and team provides extensive technical legal training in its particular specialisation, as well as knowledge



management resources (eg precedents, standard forms, survival guides, practice notes and current awareness) and support, ensuring our professionals work as effectively and efficiently as possible.

A number of departments fund associates who wish to pursue postgraduate study in a relevant field, but most development occurs on the job: how to provide effective day-to-day feedback is therefore a common theme throughout our development courses.

Appraisals

All employees have a formal appraisal at least once a year. In response to feedback from the associate engagement group, a new appraisal form was introduced in 2008. Partners and senior managers are encouraged to participate in 360-degree feedback programmes, promoting greater self-awareness and providing opportunities for change. Each partner develops a personal business plan annually. Our appraisal system is currently the focus of an associate working group.

Secondments


Secondments provide lawyers with the opportunity to experience clients' businesses first-hand, or to broaden their cultural awareness by working in an international office, or with an organisation such as the human rights group Liberty. We take a broad view of our professional responsibilities and contribute to the legal, business and regulatory community in many ways.

Find out more at www.freshfields.com/careers/learning

8.9 Reward

We recognise the link between performance and reward. Reward is dealt with as a local issue and we aim to be at the top of the market in the countries in which we employ people. Pay for most lawyers includes a seniority-based salary, together with a performance-related bonus. For other people, pay depends on the role and quality of performance.

In 2008, there was a greater use of individual performance bonuses for both associates and business services staff, to reflect high performance. We also took steps to ensure our basic pay rates were among the market leaders in all our jurisdictions. We provide generous holiday entitlements, often including time off in lieu (at the discretion of the relevant partner) following periods of intensive work.



In London, senior associates are eligible for a four-week paid sabbatical after three years' employment. Trainees are able to take up to four weeks' unpaid leave on qualification. Other benefits include a contributory pension scheme, a full range of insurance benefits, and enhanced maternity and paternity pay. Recent developments include offering home computing and childcare voucher schemes.

8.10 Support and well-being

We are keenly interested in the well-being of the people who work here and support our people in a variety of ways.

Well-being

We are committed to helping all employees achieve the right balance between their professional and personal lives. We recognise that performing the services we offer our clients, to the level we do, requires a great deal of commitment from our people. Many of our people take great pride in this but we recognise there are other priorities in life too and it is this balance we must get right.

We have long had practices in place to ensure workloads are managed properly. For each department or group, an individual is responsible for monitoring workloads to ensure they do not become excessive. Partners discuss workloads and capacity with associates and their departments regularly, and follow up with individuals who may need further help and attention, either in reducing their volumes of work or obtaining different types of work more appropriate to their level of qualification or their interests.

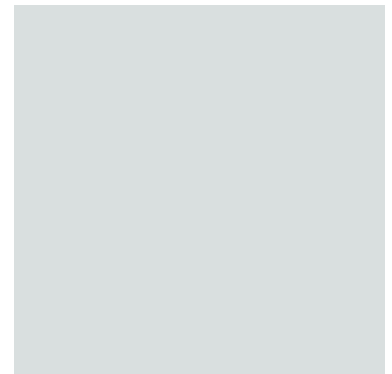
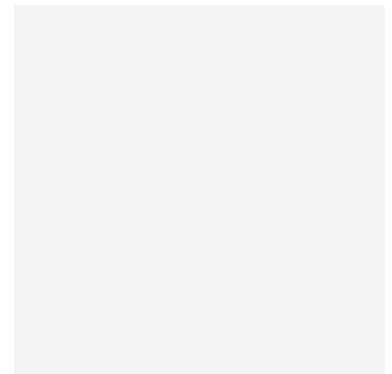
In London, we run 'performance under pressure' or stress management courses and provide online guidance for staff. Our associate engagement group continues to look at the issue of work/life balance (which we recognise as a key issue for the long-term happiness of our people) and at work allocation.

In London, we have an onsite occupational health adviser, who aims to help protect and promote physical and psychological well-being in the workplace. We provide free private healthcare for all our permanent employees. We have a doctor and a nurse onsite and an in-house dental service. We provide a free gym through which we offer a variety of services, including a masseur, a physiotherapist, exercise classes and fitness trainers. We offer advice and promote good nutrition through our subsidised staff restaurant.

Different arrangements are provided in our offices firmwide, with several offering free gym membership. In Germany, occupational doctors (*Betriebsärzte*) visit the offices regularly and are available to everyone.

Flexible working

We have a formal policy on flexible working. Options include part-time working, fixed hours and home-working, with some people combining a number of options to find a solution that best suits their needs. We provide home workers with computing equipment to enable them to work effectively. Each request for flexible working is assessed against a number of factors, including the effect on client service.



Currently, over 7 per cent of our people in London have flexible working arrangements. Most people who have flexible and/or part-time work arrangements are either paralegals or in business services. We expect to see an increase in flexible working, given the increased ability to work remotely. We expect this policy to help more women return to work after having children.

For many years we have matched time off for people who observe religious holidays on days when the office is open, and our London office has a contemplation room for people of all religions and faiths to use.

Mentoring

In London, our mentoring programme, in which senior colleagues mentor a number of employees, has developed over the years to reflect the different needs and approaches of our practice groups. Our associate engagement group continues to look at ways to make mentoring more effective. For the last three years, we have also run a peer-mentoring scheme for new partners, and a number of departments are piloting mentoring programmes whereby partners are responsible for the training, career and pastoral development of a small group of associates.

8.11 Networks and affinity groups

In London we have an active Parents' Network with a regular programme of activities to support working parents.

Our London lesbian, gay, bisexual and transgender (LGBT) group was formalised in summer 2007 and aims to meet on a regular basis. The group meets socially and aims to provide a support network for lesbian, gay, bisexual and transgender people on the basis that LGBT people perform better when able to be themselves at work. Representatives are also part of the diversity working group, and participate in graduate recruitment events, the InterLaw Forum for LGBT Networks and Stonewall's Diversity Champions programme – a programme operated by Stonewall to promote gay, lesbian and bisexual equality in the workplace.

Partner Sarah Parkes is an active member of Goldman Sachs Network for Knowledge. This is a network for female professionals from investment banks and law firms that is designed to share experiences and ideas in order to tackle the career path challenges that arise for women within these fields.

Our diversity working group is looking into whether we should set up any other networks to address issues facing particular groups who are under-represented, either across the firm or at certain levels within it.

Social activities

We believe it is important for employees to continue with their interests and to get involved in new activities; this is also a great opportunity to meet other people from the firm. In our London office we have 28 clubs and societies, ranging from art classes to water polo. We match-holiday for those who attend team tours.

8.12 Equality

Clients

We aim to accommodate any specific client needs arising from gender, race, disability, religion or belief, age or sexual orientation. We will not refuse to act for a client for discriminatory reasons.

Our dealings with others

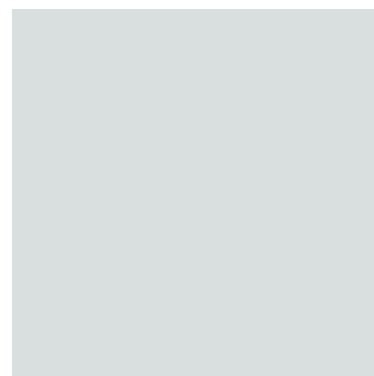
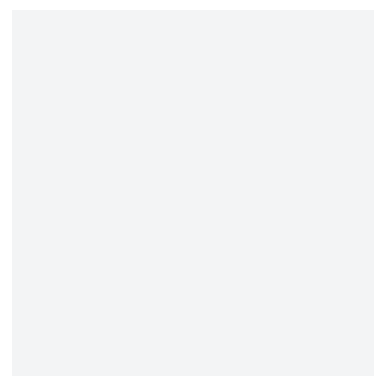
We are committed to promoting equality and diversity in those areas in which we have influence. In our dealings with third parties, including those with other members of the legal profession and suppliers, we will seek to promote the principles of equality and diversity. Acts of discrimination or harassment by those acting on our behalf will lead to appropriate steps being taken, including termination of services where appropriate.

Local compliance

We are committed to complying with the regulations in force in each country in which we are located. Individual offices may, therefore, implement their own equal opportunities policies. As far as possible, these should be consistent with our overall policy. In the event of conflict, the local policy and the requirements of local regulation will override the provisions of this policy.

Responsibility

All our people are expected to observe our policy in this area. Ultimate responsibility rests with the partners of the firm and the global HR partner. The global HR director is responsible for its day-to-day operation. We will take any allegations of discrimination or harassment seriously and will take appropriate action. Clients or third parties with questions should contact a partner.



8.13 Health and diversity

We advise businesses on health and safety law and practice, and therefore have a responsibility to match the advice we give to clients with our own performance. To that end, we have a formal health and safety policy, signed by the chief executive, demonstrating our commitment to maintaining a healthy and safe workplace.

We are committed to training all our people in the key risks affecting their health and safety at work – manual handling, use of display screen equipment, first aid, fire and emergencies.

Health and safety in London

In London, our health and safety committee includes representatives from each practice group and from business services, and operates an online consultation service. The committee consults on anything the firm does that affects health and safety. We investigate all accidents to identify trends and prevent recurrences.

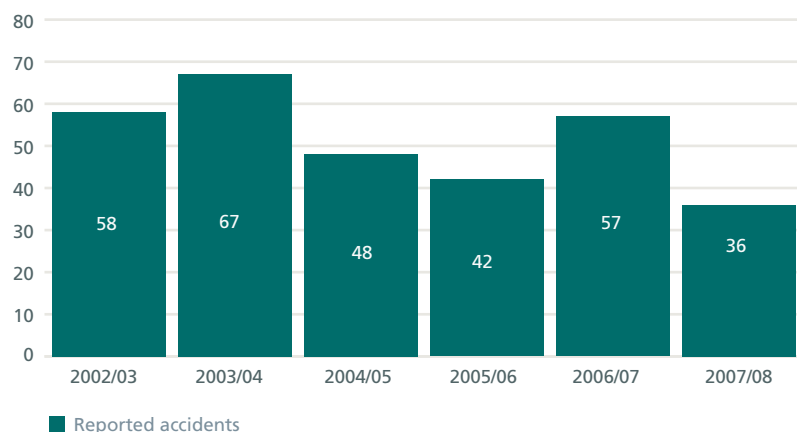
We also have three full-time health and safety professionals with experience and qualifications in all aspects of health and safety risk management. This includes supervising internal construction projects and carrying out risk assessments and audits on a range of topics, including the most recent requirements for assessing fire precautions and working at normal height.

Accident trends

We are looking to establish a process that will enable us to gather consistent data on accidents and other aspects of health and safety from all our offices.

In London, the number of reported incidents has reduced since 2006/2007 and we hope to see this trend continue.

Accident trend in London 2002/03 – 2007/08



8.14 Diversity working group

Our London-based diversity working group was launched in 2007. Its aim is to assess and improve our performance on diversity, and learn from our own experiences and those of other organisations.

Senior partner Guy Morton co-heads the group, with support from the three partners with responsibility for developing and leading our diversity strategy (Kathleen Healy, Chris Howard and Barry O'Brien), as well as from our HR partners in each office. The diversity working group aims to take forward our commitment to promote diversity and to develop strategies for delivering our policy of encouraging and promoting greater diversity within our firm.

In London, the diversity working group works closely with our Parents' Network; our LGBT group for lesbian, gay, bisexual and transgender people group; and the associate engagement group.

The diversity working group consists of a representative sample of people from the London office who have indicated an interest in being involved in the development of the firm's diversity and inclusion strategy and initiatives.

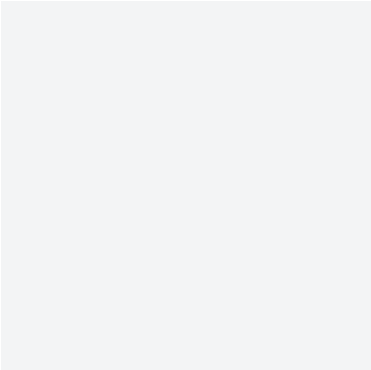
The remit of the group is to consider – in co-operation with the global HR partner, diversity leadership team and head of diversity – all aspects of diversity and inclusion within the London office and in particular to:

- contribute to the development of the firm's diversity strategy, related policies and documentation;
- review the success and impact of diversity initiatives in London;
- provide at least one member of the working sub-groups for each strand of diversity;
- seek and provide feedback from stakeholders in the London office as appropriate; and
- make suggestions for ways of improving diversity and inclusion in the firm generally.

This group is supported by a team of HR specialists, our head of diversity and trainee recruitment, Deborah Dalgleish, our new diversity executive, Andy Dent and Bea Malleon, head of CSR.

Participants include:

- Tania Ayers, team supervisor;
- Annette Byron, real estate partner;
- Alex Carver, finance partner;
- Gail Farahani, head of London administration;
- Andrea Gomes da Silva, antitrust, competition and trade partner;
- Amanda-Jane Harrison, head of IT customer services;
- Kathleen Healy, employment, pensions and benefits partner;

- 
- Paul Joseph, IP/IT senior associate;
 - Vanessa Knapp, corporate principal consultant;
 - Jon Lawrence, dispute resolution partner;
 - Leroy Lendor, evening postal and courier services supervisor;
 - Angus McGregor, head of conflicts management;
 - Laurie McFadden, corporate partner;
 - Alicia Millar, learning and development executive;
 - Sharon Parish, revenue control manager;
 - Daniel Pereira, reconciliations cashier;
 - Sue Porter, tax partner;
 - Rob Wills, senior personal assistant;
 - Rajesh Singh, dispute resolution senior associate; and
 - Sheena Singla, corporate senior associate.

We are also in the process of establishing a global diversity committee, which the diversity working group will feed into. This committee will be responsible for:

- promoting greater inclusivity and diversity within the firm;
- developing initiatives designed to address issues facing particular groups who are either under-represented across the firm, or at certain levels within it;
- delivering the firm's commitments to diversity;
- keeping abreast of best practice in this area;
- assessing what the diversity and inclusivity issues are for the firm and developing and implementing a strategy for managing these;
- instigating any research and training; and
- ensuring monitoring is done effectively.

9. Climate change and the environment

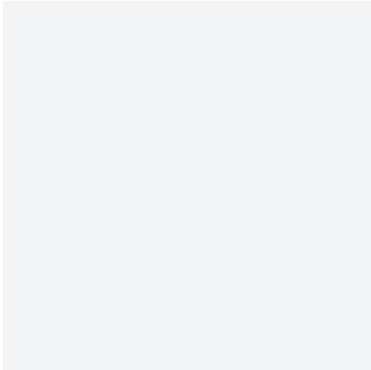
‘Climate change is one of the most important issues facing humankind today. We aim to reduce our impact on the environment on an ongoing basis and mitigate our contribution to climate change; we also seek to support initiatives that will help us all to adapt to climate change, such as carbon capture and storage. Reducing our impact is not easy – much of it requires changes in the way we work and this takes time as well as management and changes in policy. As such, reducing our firm’s greenhouse gas emissions is challenging but rewarding and – we believe – essential in the light of the worrying problems being caused by climate change.’ **John Blain, chair of our environmental working group, member of our CSR strategy group, and member of the CSR strategy group of the Council of Bars and Law Societies in Europe**

We have taken a firmwide approach to what we recognise to be an important global issue and are committed to minimising our impact on the environment. This requires measuring our greenhouse gas emissions, setting reduction action plans for each of our offices with the Edinburgh Centre for Carbon Management and – this is more difficult – changing and adapting working practices. The latter means cutting down on paper use, reducing our air travel, using video and telephone conferencing wherever possible, and increasing our waste recycling.

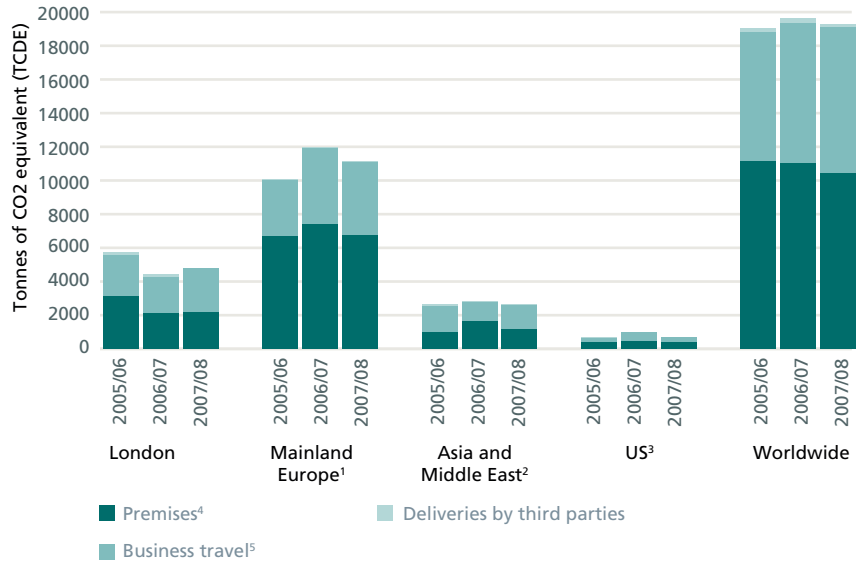
Although there has been little change in terms of our total greenhouse emissions, since 2005/2006 we have seen a reduction of around 4.6 per cent per person in greenhouse gas emissions – we hope this trend will continue

We have seen some success in reducing our electricity usage firmwide by over 2m kilowatts in the past year, but business travel has proved more difficult to reduce. There are several reasons for this: we have seen significant business growth in parts of Africa, Asia, eastern Europe and South America; we have established new offices in the Middle East; we are an international business with offices and clients around the world; and our legal work often requires face-to-face meetings when gathering evidence or at lengthy meetings with multiple parties lasting several days, so making video conferencing impractical.

To help tackle this we are strengthening our travel policy and have increased our investment in video conferencing and are working to reduce the number of internal conferences and make them more environmentally friendly.



Our environmental impact 2005/06 – 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna

²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo

³New York, Washington

⁴Premises includes electricity, gas, heating oil and district heating consumption, back-up generator fuel use, refrigerant gas loss, fire extinguishers and waste disposal

⁵Business travel includes hire cars, employee-owned cars, taxis, air, rail and hotel night stays

To minimise our impact on the environment, we are certified CarbonNeutral® across all our offices which means we offset or neutralise our greenhouse gas emissions.

Our clients

Climate change presents risks, opportunities and an increase in regulation – for us and for our clients. We have a carbon economy team which was established to help businesses prepare for a low-carbon international economy.

Memberships

We are founding members of the Legal Sector Alliance on sustainability and climate change (together with Business in the Community (BITC) and the Law Society). Along with other members of the Alliance, we have used our experience of collecting international data on greenhouse gas emissions to help develop a carbon footprinting tool for the legal sector.

We are part of BITC’s May Day Network, a group of companies committed to taking action on climate change. Both groups encourage businesses to share their experiences in tackling the issue and to engage suppliers, customers and sector peers to do the same. Our head of CSR is also on the Managing Partners’ Forum Sustainability Panel.



We are on the 2008 Managing Partners' Forum Carbon Verified List, and have provided information and advice for a series of new briefing notes by the Law Society aimed at helping firms adapt to climate change.

9.1 Neutralising our carbon emissions

We have been certified CarbonNeutral® by The CarbonNeutral Company and are offsetting our 2007/2008 greenhouse gas emissions by supporting the construction of wind turbines at two sites in Turkey – an initiative that was chosen by a firmwide vote in which over 2,600 people participated. We also support a German coalmine methane capture project (voted for in 2007); a renewable energy project in India which uses bagasse (a by-product from the local sugar cane farms) to power a factory; and a Dutch biogas project which uses animal manure to power five farms.

WaterAid

To reinforce our commitment to tackling climate change and the problems it can cause, and to help raise awareness of environmental activities among our people, we held our first firmwide vote for a charity to receive a donation as part of our 2008 international festive e-card (another first). Over 2,200 people voted and WaterAid was the decisive winner.

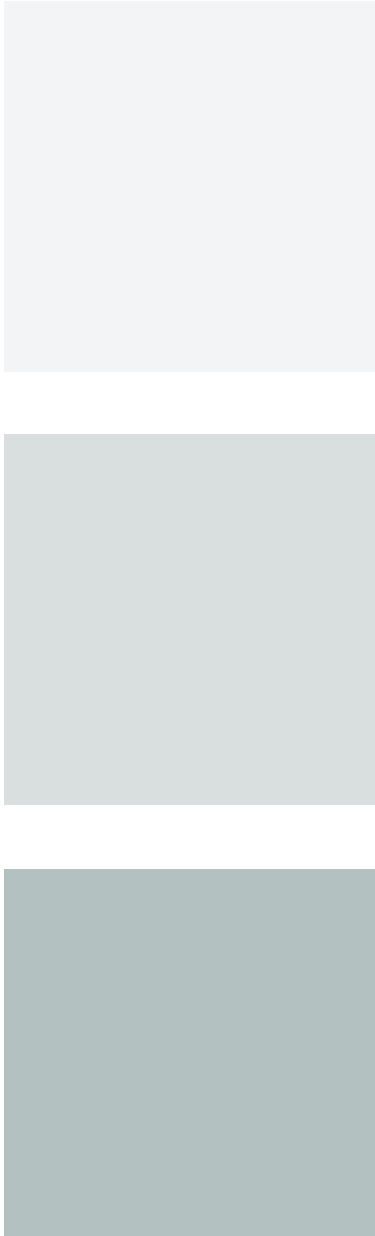
As a result, a £40,000 donation was made towards WaterAid's work in Mozambique, helping to provide some of the poorest communities in the world with a supply of safe water, effective sanitation and hygiene education. In Mozambique, over 60 per cent of people do not have safe water to drink and 73 per cent do not have access to effective sanitation; life expectancy is 42 years. Urbanisation and climate change are intensifying these problems.

Other fundraising activities are planned for the charity and our pro bono legal advice team is exploring opportunities too. Our support is also part of our contribution to achieving the Millennium Development Goals – eight targets to be achieved by 2015 focused on reducing poverty, improving the quality of lives, ensuring environmental sustainability, and building partnerships to ensure that globalisation becomes a more positive force for all the world's people.

9.2 Our environmental priorities

In December 2006, we decided we should become carbon-neutral across all our offices from the following May, in order to minimise our impact on the environment. We then began to collect the data to enable us to do so and to help us reduce our impact in terms of greenhouse gas emissions – these are the gases that contribute to climate change.

The CarbonNeutral Company and the Edinburgh Centre for Carbon Management estimate that since our first data collection for 2005/2006, we have seen a decrease of 4.6 per cent per person in greenhouse gas emissions when normalised by the number of people who work here. Our



aim is that this trend will continue and we are concentrating our efforts on continuing to reduce electricity usage, and decreasing air travel.

Electricity and air travel

The Edinburgh Centre for Carbon Management has recommended that air travel and electricity are where we need to make the most significant reductions, as they currently contribute 37 per cent and 28 per cent to our greenhouse gas emissions respectively.

We have reduced our electricity use across the firm by over 2m kilowatts in the past year and expect greater reductions in the financial year 2007/2008: from the introduction of our new PC power management software system, Verdiem, which enables all desktop PCs to utilise significantly less electricity when not in use; and as we develop our knowledge of building energy.

However, reducing air travel is a difficult issue. There are several reasons for this: we have seen significant business growth in parts of Africa, Asia, eastern Europe and South America, much of which is undertaken by people based in Europe; and we have established new offices in the Middle East to add to our widespread international network of offices. As we are an international business with offices and clients around the world, our legal work often requires face-to-face meetings when gathering evidence or at lengthy meetings with multiple parties lasting several days, so making video conferencing impractical. All of this has led to an increase in business travel, particularly by air.

We intend to work towards solving this by increased use of video conferencing facilities and by strengthening our existing travel policy. Additionally, our offices are looking at ways of improving local sourcing.

Travel policy

Our travel policy states that air travel should be used only when there is a clear business and/or client need and recommends the consideration of video and telephone conferencing facilities. Our travel agents have been asked to ensure that people travel between London, Brussels and Paris by train. We have also introduced green guidelines for internal conferences in line with BS8901 and are working on other ways of reducing travel for internal business purposes.

We encourage our people to use travel calculators, and our benefits team have introduced a Cycle to Work and a personal carbon offsetting element to our new flexible Benefits Plus scheme for people based in our office in London. However, we recognise that greater efforts are required to change the way we work and this will often need to be worked through in conjunction with our clients if we are going to reduce our business travel in a significant way.

Commitments in 2009

In 2009 we are embarking on a review of our water usage and how we can reduce waste across our offices.

We are also in the process of implementing an International Organization for Standardization (ISO14001) environmental management system for each office. We anticipate that this will first be piloted in London in 2009.

9.3 Engaging our people

Involving our people is essential to reducing our impact on the environment, as it is the key to adapting and changing working practices.

Green teams

Our network of green teams in offices, practice groups and business service areas helps us to come up with ideas on how to reduce our impact on the environment. They give us feedback on what we are doing and could be doing; help us ensure environmental considerations are taken into account in purchasing decisions; and pilot initiatives such as the 'powersave' project for our PCs firmwide.

Many departments have come up with ways of helping us to reduce our impact on the environment, most recently the greener conference guide, the personal carbon offsetting and Cycle to Work scheme from our flexible benefits team, and the office green guides in Italy, London, Spain and Vietnam.

Raising awareness

Various open events have proved popular. In London, our 2007/2008 programme included the showing of *An Inconvenient Truth* and a lecture on the impact of climate change on the world's oceans. Our Italian offices hosted a talk from WWF; our New York office organised various activities around its sponsorship of a green architectural installation with the Museum of Modern Art; and our Hong Kong, Spanish and Washington DC offices have also supported initiatives.

Our offices in Italy, London, New York, Paris and Spain all held team-orientated environmental activities around the 2008 UN World Environment Day, and we hope more will get involved in 2009.

We have engaged our people in votes on how we should offset our greenhouse gas emissions, and on the choice of our first firmwide charity. Over 2,200 people participated in these votes.

We sustain awareness of our activities and try to encourage more action through our firmwide e-newsletters and our internal environmental blog.

Helping to create change

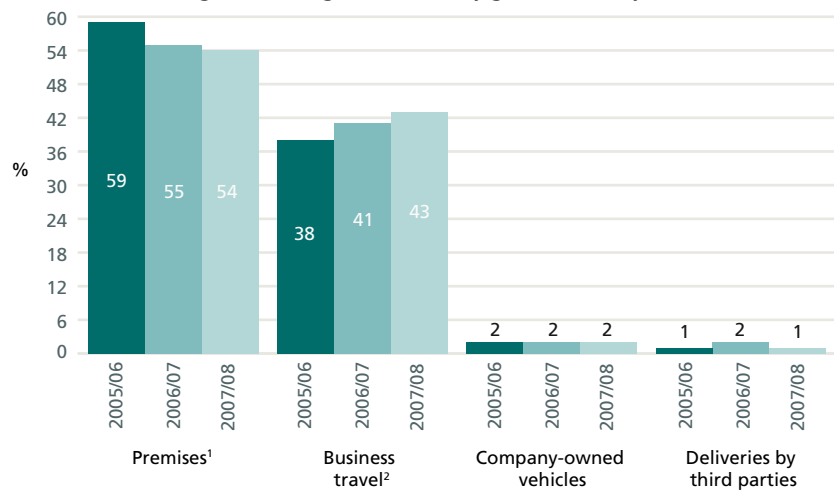
Our people continue to work with other businesses to effect change, most notably our London office through the Legal Sector Alliance – an

inclusive movement of law firms and organisations committed to working collaboratively to take action on climate change by reducing their carbon footprint and adopting environmentally sustainable practices. We are a founder member and have contributed to the development of a set of principles that act as a framework for individual and collective action. We have also hosted open debates on sustainability and the impact of UK regulation and policy on voluntary action on climate change.

Our Frankfurt office is part of a working group centred on environmental responsibilities with our German travel agents and other companies, following the presentation of our environmental and sustainability policy to 60 German companies.

9.4 Climate change: our impact

Breakdown of total greenhouse gas emissions by general activity 2005/06 – 2007/08

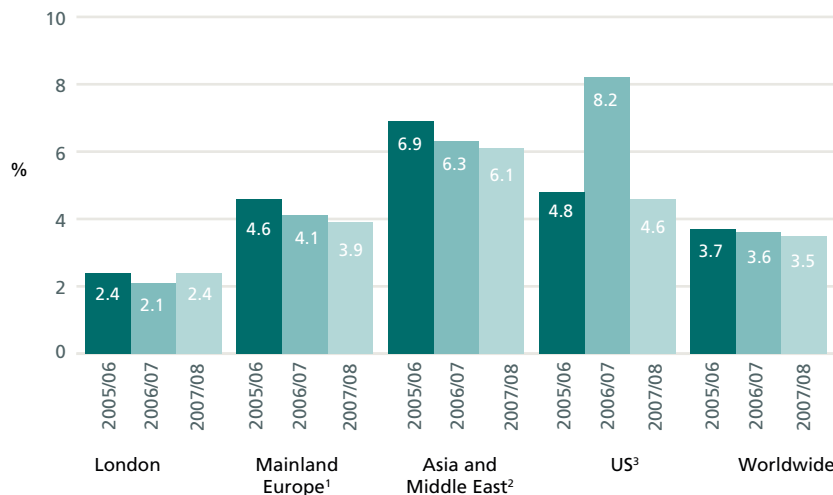


¹Electricity, gas, heating oil and district heating consumption, back-up generator fuel use, refrigerant gas loss, fire extinguishers and waste disposal

²Including hire cars, employee owned cars, taxis, air, rail and hotel night stays



Breakdown of emissions by region and employee – tonnes of CO2 equivalent per year 2005/06 – 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna
²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo
³New York, Washington

The increase in emissions per employee in our London office is primarily due to the increase in business in parts of Africa, Asia, eastern Europe and South America, and the creation of new offices in the Middle East. These developments have involved moving people from our offices in London as well as the freighting of equipment from Europe.

The changes in the US figures are largely due to fluctuations in air travel, and the use of electricity and gas. Overall, we have seen a decline in electricity and gas usage, and an increase in business travel in the three years.

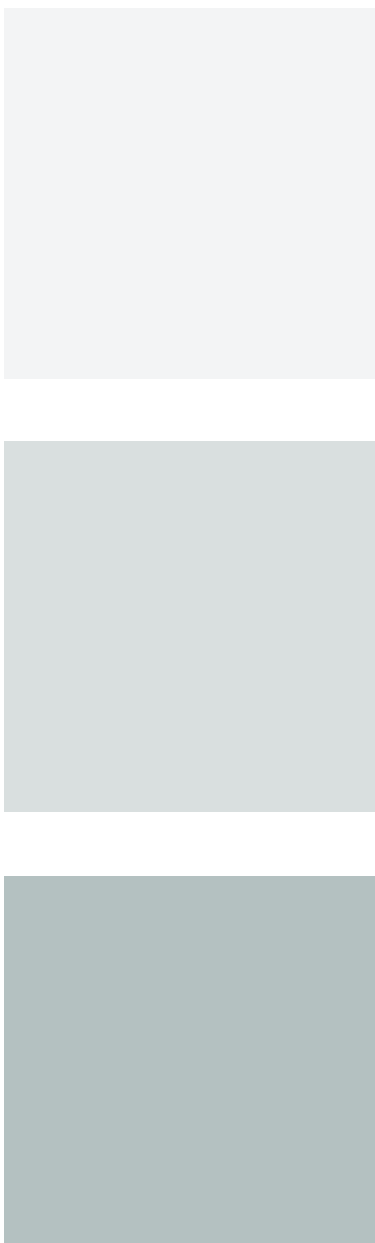
9.5 Greenhouse Gas Protocol

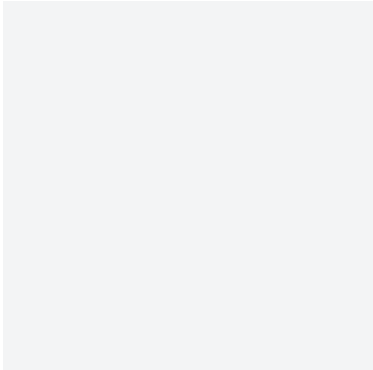
Our approach to CSR reporting is to present data using commonly accepted standards where these exist. In the field of carbon management, the Greenhouse Gas Protocol Accounting and Reporting Standard (GHG Protocol Corporate Standard) has become for many the adopted standard for greenhouse gas accounting and reporting systems.

We have used it to develop our GHG inventory to define the scope of business activities relating to GHG emissions and provide the foundation for managing our GHG risks and identifying reduction opportunities. The Corporate Standard separates emissions into three scopes, shown below.

Scope 1 direct GHG emissions

GHG emissions from sources owned or controlled.





Our **Scope 1 emissions** arise from:

- premises – gas, heating oil, fuel oil used by back-up generators, refrigerants and fire extinguishers; and
- company owned vehicles – petrol.

Scope 2 indirect GHG emissions arise from the generation of electricity purchased by the reporting company and consumed in equipment or operations owned or controlled by it.

Our **Scope 2 emissions** arise from:

- premises – electricity and district heating.

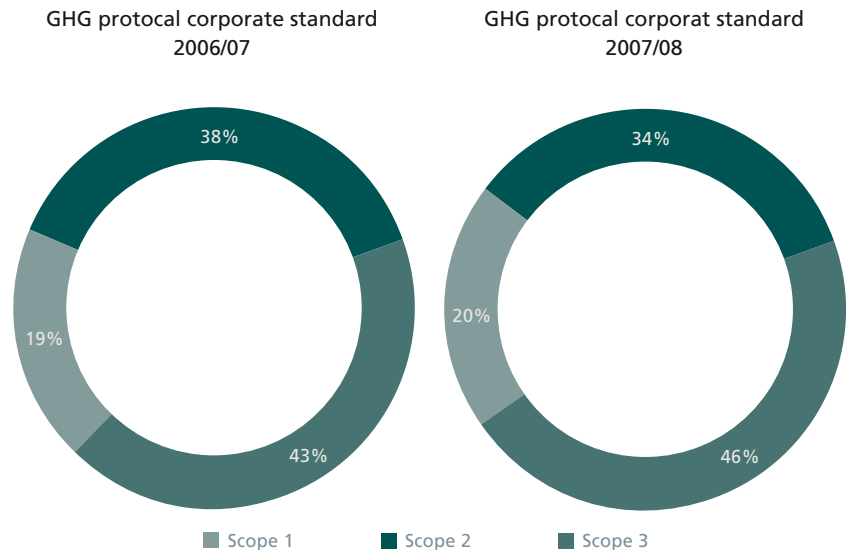
Scope 3 indirect GHG emissions

Indirect emissions from sources not owned or controlled but arising as a consequence of the reporting company's business activities. Under the Corporate Standard, the reporting of Scope 3 emissions is optional.

The **Scope 3 emissions** we have included are:

- business travel – petrol and diesel hire cars, employee owned vehicles used for business purposes, taxis, air and rail travel, and hotel stays;
- deliveries – by air, rail or road; and
- premises – waste.

Based on this analysis the breakdown of our GHG emissions by the three scopes is:



9.6 Measurement

To establish the tonnes of CO₂ equivalent emitted by offices, the Edinburgh Centre for Carbon Management (ECCM) used a full set of geographically relevant and up-to-date emissions factors, including The Greenhouse Gas Protocol published by the World Business Council for Sustainable Development (2004); Environmental Reporting: Guidelines for Company Reporting on Greenhouse Gas Emissions published by the UK government (Department for Environment, Farming and Rural Affairs, 2005, 2007 and 2008); and guidelines by the Intergovernmental Panel on Climate Change (1996 and 2006).

Setting targets

Since we first gathered data on our greenhouse gas emissions in 2005/2006, we have achieved a 4.6 per cent reduction per person in our emissions across the firm. However, our target was to reduce emissions by 10 per cent by 2007/2008.

We have not achieved our target: partly because of a growth in business in parts of Asia, Africa, eastern Europe and South America, and the establishment of new offices in the Middle East; and partly because of the international nature of our business and the need for face-to-face meetings when gathering evidence or at lengthy meetings with multiple parties lasting several days. The target was deliberately ambitious as we believe tough targets are helpful in effecting change.

We are now in the process of setting a new reduction target – overall and for individual offices. However, in the UK, a change in guidance from the Department for Environment, Food and Rural Affairs (Defra) on carbon reporting means we are unlikely to continue to count our purchase of renewable energy as a carbon reduction. This change in policy is disappointing. Before setting a new target we wish to see the outcome of Defra's review in terms of green tariff electricity and any impact it might have on the European position on green electricity. This is important to us as our original target, ambitious as it was, was in part predicated on an increase in the use of green tariff electricity in our offices.

Since 2004, 85 per cent of our electricity supply in London has come from renewable sources. Our offices in Brussels, Milan and Rome switched in 2008 to low-carbon energy supplies.

We believe we should continue to favour green tariff electricity where possible, look at ways of using more renewable (and other low-carbon) energy and, most importantly, work to continue to reduce our use of electricity. However, we recognise the proposed change in carbon footprint reporting will mean we will report an increase in our carbon footprint in the next financial year, despite using less electricity.

The difference in reporting methods can be seen in our carbon footprint for 2007/2008. Using the Legal Sector Alliance's carbon calculator (which

takes into account the new guidelines), which we helped to develop in London, we emitted 16,270 tonnes of greenhouse gases and 6.2 tonnes per employee; and using ECCM's methodology for the financial year 2007/2008 we generated 4,795 tonnes of greenhouse gases and 2.4 tonnes per employee.

9.7 IT and the environment

'IT can provide many solutions to climate change. It is our challenge to use it effectively, in a way that enhances our client services, is cost-effective, and sustains teamwork and the firm's sense of community.'

Paul Dornick, Chief Information Officer

We continue to spend around £25m annually on information technology (IT) products and services worldwide and regard IT as an important means of reducing our impact on the environment. One of our largest projects in 2008 was the introduction of our new PC power management software system – Verdiem – which automatically enables all desktop PCs to significantly reduce electricity use when idle. We estimate that in the first 12 months we will reduce electricity consumption by almost a megawatt of power (over 5,600+ computers globally) and make a cost saving of almost £85,000.

Our IT procurement has been centralised in London and Germany, enabling us to have a more controlled supplier selection process, as we prefer to work with suppliers who share similar values with regard to social and environmental responsibility. So, of our 10 key suppliers, eight have formal corporate social responsibility reports or departments. Our target is to work with the remaining key suppliers and all smaller, new suppliers to ensure they are as committed to social and environmental responsibility as we are. We aim to adopt a more formal approach to this in 2009 through developing a supply chain management process.

Reducing travel

A variety of tools and services is being piloted in the firm with a view to increasing efficiency, reducing travel, enhancing home-working and reducing the amount of paper we use in the near future.

We are replacing our video conferencing equipment with the latest high-definition systems to make video meetings more lifelike and popular. We are also working towards increasing the number of systems in our offices to make video conferencing more widely accessible. Additionally, we aim to offer desktop video conferencing for people who need to attend meetings at their desktops, from home, or out of office locations.

We make significant use of telephone conferencing and continue to improve and promote this technology. Collaborative working through the use of web conferencing to allow remote sharing of applications with multiple parties over the internet is another technology being piloted, and is already gaining popularity for online meetings.

Reducing our impact on the environment

Other recent innovations include the following:

- server consolidation: we have reduced the number of servers by accommodating some 470 virtual servers on to 28 machines. This has reduced the amount of electricity we use;
- back-up tape storage consolidation: by purchasing a new tape library system, we have reduced the number of tapes we store from 12,000 to 3,000. A further initiative is under way to store our backed-up data on disk at our remote disaster recovery site, replicated over a network link, further reducing the requirement for physical tape management. This should reduce the daily tape pickups to monthly or bi-monthly;
- general network infrastructure consolidation: we have replaced our old cabling system with a single CAT6T system, reducing significantly the amount of copper wiring we use every day. We have gone from using 15 drums (each containing 400m of copper cable) to two drums a year; and
- printer consolidation: we have begun to consolidate our many local printers into fewer networked printers, which also saves electricity and enables better use of toners. Our target is to reduce the number of printers used in our offices by improving the ratio of networked printers to local ones.

9.8 Looking to the future

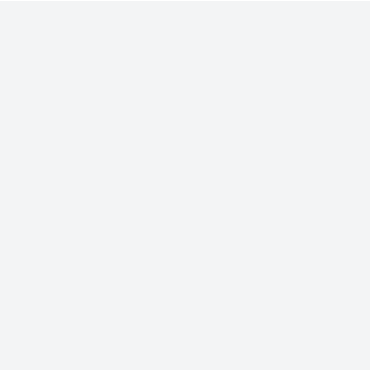
Carbon capture and storage

‘We are delighted to be supporting the Carbon Capture Legal Programme as part of our commitment to taking a responsible approach to climate change. We are dedicated to reducing our own impact on the environment by cutting carbon emissions firmwide, and by offsetting those emissions we are still producing. We hope that by supporting the development of this website, we will help ensure that the complex nature of the law surrounding carbon capture and storage does not act as a barrier to the development of this technology, which has the potential to make a significant reduction to carbon emissions around the world. We also hope that it will stimulate further debate around the use of this technology.’

Guy Morton, senior partner

Carbon capture and storage (CCS) is assuming increasing importance as a significant response to climate change and the need for new approaches to energy delivery. The 2006 Stern Report and the Intergovernmental Panel on Climate Change recognised its significance as a method for mitigating the continued use of fossil fuels for global energy generation by cleaning up the process and capturing the greenhouse gas emissions.

WWF, Greenpeace, many power companies, financiers and academics also see it as an important solution in the fight against climate change, because fossil fuel still contributes so much of the world’s electricity.




The law surrounding CCS is complex and could potentially act as a barrier to its development. To help deal with this, we are providing financial support to the Carbon Capture Legal Programme (CCLP), a website developed by the University College London (UCL) Centre for Law and the Environment to provide an authoritative, independent and objective source of up-to-date legal information on CCS. Through the website and a programme of seminars and conferences, UCL's Centre for Law and the Environment also hopes to promote informed discussion within industry, government, the legal profession, non-governmental organisations and all those with an interest in CCS legal issues. Other sponsors include Rio Tinto, RPS Group and RWE npower. Representatives from all the donors contribute to the programme's advisory panel.

At its inception in December 2006, this two-year programme was endorsed by the UK's Department for Business, Enterprise and Regulatory Reform and the Department for the Environment, Farming and Rural Affairs.

In 2008 the International Energy Agency, in collaboration with the CCLP and the Carbon Sequestration Leadership Forum, launched an international network of CCS regulators. The network has been well received by the international CCS community and has already held three web-based seminars examining critical legal issues. The Programme is also working closely on the project with the University of Oslo's Research Group in Natural Resources Law. This group has worked with legal issues related to CCS since 2003 and the university is the key institution in this field in Norway (which, in turn, is the leading European country testing the practicalities of sub-seabed CCS).

As the CCLP website explains, 'carbon capture and storage in its simplest form, involves capturing the CO₂ from various industrial installations and storing it underground in natural reservoirs, such as depleted oil and gas fields or saline aquifers. Industry is confident that they can both capture carbon dioxide and store it safely underground, using various new and previously tested methods.' See the website at www.ucl.ac.uk/cclp.

The Sullivan Access to Environmental Justice Project



Partner James Kennedy's pro bono contribution to the working group on Access to Environmental Justice (chaired by Mr Justice Sullivan), culminated in a 2008 report which made a variety of recommendations. These included reducing the barriers to access to justice in environmental matters in the context of the Aarhus Convention (a Convention that establishes a number of rights of the public (individuals and their associations) with regard to the environment), and ensuring that public interest is recognised in securing compliance with environmental law in England and Wales.

The United Nations Environment Programme Finance Initiative

Our early approach to CSR reporting was shaped by our pro bono legal advice in relation to environmental initiatives. In 2005, we were instructed by the United Nations Environment Programme Finance Initiative (UNEP FI), which works closely with financial institutions to develop and promote linkages between the environment, sustainability and financial performance. UNEP FI asked us to produce a legal memorandum focusing on the extent to which the law in various jurisdictions permits, encourages or hampers the integration of ethical, social or corporate governance considerations into investment decision-making.

In October 2005, the completed report was presented to 500 members of the fund management industry at UNEP FI's Global Roundtable in New York.

Today over 160 financial institutions, including banks, insurers and fund managers, work with UNEP to understand the impacts of environmental and social considerations on financial performance.

9.9 Environmental and sustainability policy

We are committed to minimising our impact on the environment and promoting sustainability and environmental awareness at all levels of decision-making, and to achieving continuous improvement in our environmental performance in all business areas. We are also committed to making year-on-year reductions in our greenhouse gas emissions. To achieve our goals, we aim to:

- comply with all environmental, legislative and regulatory requirements applicable to our business operations;
- manage our waste effectively and seek to reduce, reuse and recycle wherever practicable;
- monitor and manage our use of natural resources and reduce this where practicable;
- evaluate our use of information technology, consumables, office materials and furniture in line with our environmental objectives;
- ensure that the people who work here are aware of the environmental impact of their work activity and are working to reduce this impact;
- adopt a purchasing policy that complements our commitment to minimise our environmental impact and encourage our suppliers to reduce the environmental impact of their products and services through active engagement, responsible purchasing and effective contract management;
- ensure that environmental considerations are taken into account in relation to transport, property and facilities management, as well as our energy use;
- encourage and promote environmental awareness and the use of best environmental practice to our clients, our people and the local

community; and

- develop effective management programmes with structured objectives and targets against which our environmental performance will be measured, and publicly report on our progress towards these goals.

Responsibility for implementation of this environmental policy rests with the environmental working group, with specific responsibilities delegated to dedicated teams throughout our network.

9.10 Environmental activities in London

Our London office continues to seek ways to be more environmentally friendly. In 1995, we were one of the first firms to sign up to the UK Department of the Environment's 'Making a corporate commitment' campaign, which encourages businesses to reduce their environmental impact.

Our successive Clean City Awards which we have been awarded every year since 1999 show we have reduced our impact on the environment by reusing and recycling resources, minimising waste, using green energy and encouraging the use of public transport and cycling.

In 2008 we appointed an energy manager for our London office which we hope will help further reduce our impact on the environment.

Reducing fuel consumption

We encourage people not to use cars to get to our offices – we have replaced most of our car parking spaces with cycle parking, and hope to improve the facilities for cyclists so we can accommodate more in 2009. We use Radio Taxis, a CarbonNeutral taxi service, and recycle 150 litres of cooking oil each month to make bio-diesel for the taxi company.

Energy saving

As a result of our ongoing efforts to reduce our electricity use, we have seen a reduction of 1.7m kilowatts in the financial year 2007/2008.

Mugs, mineral water and composting

Instead of going to landfill, food waste from our kitchen areas goes to the East London Community Recycling Partnership, to make compost for local parks and charity projects.

We no longer buy in bottled mineral water, and have increased the amount of Fairtrade and organic food and wine available in our catering areas.

Recycling

We recycle 95 per cent of the toner cartridges we use and continue to recycle or donate to charities and schools the furniture and equipment we no longer use.

We recycle and recondition all our telephone handsets and BlackBerry personal digital assistants (PDAs) where possible. An average of 7 out of

10 are repaired; the rest are sent to a recycling depot that specialises in preventing landfill waste disposal.

We have signed a contract with a specialist waste disposal company to manage office waste. All office waste is separated at their materials recovery facility in Luton. We aim to achieve zero landfill in the next few years and, where possible, waste that cannot be recycled is sent to a biogas generator to generate electricity. We continue to reuse and recycle electronic equipment in accordance with the Waste Electrical and Electronic Equipment (WEEE) Directive.

Reducing paper

Since 2006 we have supported the Crisis Christmas Card initiative, making a donation to the charity for homeless people and using their e-card instead of paper cards. In 2008, in addition to supporting Crisis, we made a donation to WaterAid as part of our international festive e-card initiative.

Our used paper is now recycled and returned to us as new white office paper in association with our suppliers, Howard Smith Paper.

9.11 Environmental working group

John Blain, a partner in our environment, planning and regulatory practice, leads our environmental working group, with the aim of ensuring we meet our commitment to reduce our impact on the environment.

The group also works with the partners responsible for our corporate social responsibility strategy across the network, with our green teams and practice groups, and with The CarbonNeutral Company and Edinburgh Centre for Carbon Management. The working group includes:

- Stacey Collins, health, safety and environment manager;
- Crispin Hain-Cole, partnership secretary;
- Paul Domnick, Chief Information Officer
- Juliane Hilf, partner, environment, planning and regulatory, and responsible for our environmental strategy and activities in Germany
- Tim Jones, partner and chairman, London management group;
- Bea Malleon, head of CSR; and
- Carl Boeuf, trainee in our environmental practice group.

The group responds to all the suggestions about environmental improvements we receive from the people who work here.

John is also our CSR partner for London and a member of our CSR strategy group. He is also a member of the CSR strategy group of the Council of Bars and Law Societies in Europe.



10. Community and pro bono legal advice

‘We encourage everyone in the firm to take community engagement and pro bono activity seriously and to get involved in our volunteering programmes. We hope that everybody will spend one day a year on community team challenges, and encourage those with legal expertise to use their skills to the benefit of the wider community and to get involved in other community activities. We believe we are here not merely to make a living and attain our professional ambitions; but to achieve a wider vision, a sense of the needs of the world around us and a spirit of hope and achievement – and to this end we are greatly encouraged by the response of people at all levels in the firm to our community and pro bono initiatives.’ **Konstantin Mettenheimer and Guy Morton, senior partners**

Our community investment and pro bono legal advice programme is fundamental to our approach to being a socially responsible and sustainable business. We are, therefore, delighted to have seen an increase in participation in our volunteering activities across the firm from 24 per cent and 25,000+ hours in 2006/2007 to 29 per cent and 30,000+ hours in 2007/2008.


Our programme is designed to make a positive difference to the communities in which we have offices and, more broadly, to make a positive difference to some of the wider legal and social issues that concern so many of us today.

As a law firm, we believe we have a responsibility to promote human rights and improve access to justice for people in need. As an employer, we believe we have a responsibility to invest in the next generation; to improve the skills necessary to gain and sustain employment; to develop the potential of young people in schools and colleges; and to encourage a wider range of people from different backgrounds into commercial law firms such as ours. We also tackle important social issues such as homelessness and wider social exclusion. We recognise that this is important to our own sustainability as our continued success as a business is linked to a thriving economy and to the wider society.

In keeping with our values of integrity, excellence, understanding of our clients and our communities, teamwork and imagination, these activities also provide an opportunity for our people to work with other people within the firm; they can be fun; they enhance the volunteers’ own skills and development; and they are often personally rewarding as well.

Encouraging volunteering during working time

The involvement of our people is vital to the success of our community and pro bono programme. Everyone who works here is encouraged to contribute one working day each year to our team challenges, in addition to getting involved in our community and pro bono programme. In 2007, we held our first firmwide community initiative designed to enable even more people across the firm to participate in our programme. As a result,



over 600 people in 23 offices got involved in team challenges that year; in 2008 that figure increased to nearly 700.

Strengthening our pro bono programme

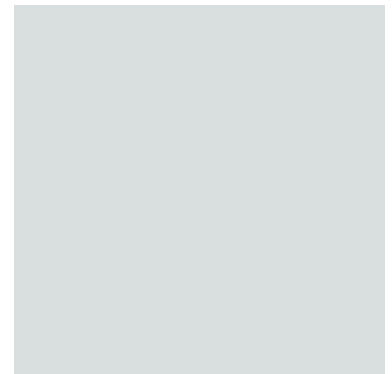
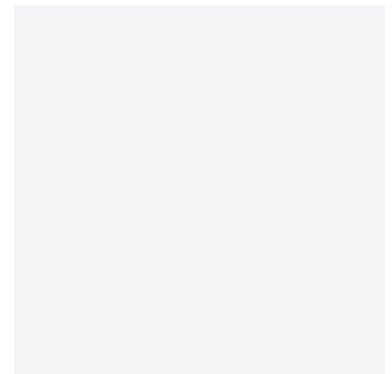
We aim to double our pro bono hours by 2011 and, to that end, in 2008 we rolled out measures across the firm to strengthen our pro bono programme and to encourage greater pro bono activity across all departments and all offices.

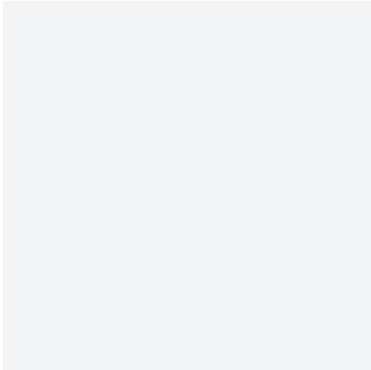
Matched funding

In 2008, people in our offices in China and Hong Kong raised funds in response to the Sichuan earthquake and the cyclone in Myanmar, which were matched by the firm. We have now launched a matched funding scheme for charity fundraisers in our office in London and other offices are planning to launch similar schemes.

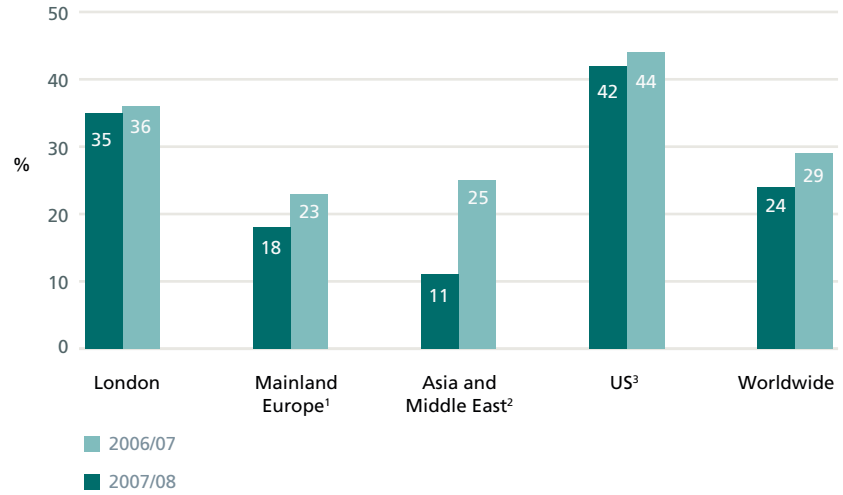
10.1 Our volunteers

‘We think it is important to promote volunteering around the world, not only in our offices but among other employers. We see the benefits it brings to our people and to those with whom they come into contact, for example, in schools, colleges, and organisations working with homeless people. For our volunteers it is personally rewarding, it improves their skills and confidence, and is a real opportunity to build relationships with other people in the firm. We are very proud of all our volunteers for putting so much time into this important aspect of our corporate social responsibility programme.’ **John Davies, ACT partner, member of community and pro bono committee, and member of Business in the Community/ENGAGE’s leadership group (a group that promotes volunteering around the world)**





Percentage of people involved 2006/07 – 2007/08



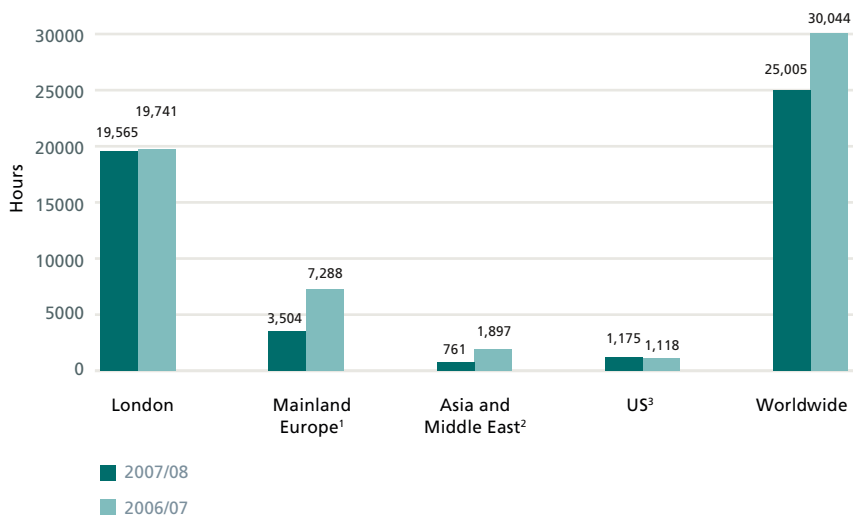
¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna
²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo
³New York, Washington

We are delighted to have seen a significant increase (from 24 per cent to 29 per cent) in participation in our community and pro bono volunteering activities across the firm, partly as a result of our first firmwide team challenge month – Community Challenge – in 2007.

In total, over 1,500 people worldwide were involved in our community and pro bono activities in 2007/2008, compared with 1,300+ in 2006/2007. Some of our offices and departments are more actively engaged in our community and pro bono programme than others, and we hope to see more consistent levels of activity over the coming year.

Participation varies for many reasons. Attitudes towards volunteering differ in each country, as does the approach to providing pro bono legal advice. For example, the US and UK have strong traditions of providing free legal advice, and in Brussels this is part of a lawyer’s training, whereas in Germany (until recently) pro bono work was difficult to undertake.

Hours contributed to community and pro bono work 2006/07 – 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna
²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo
³New York, Washington

Firmwide, 16,409 hours were contributed to pro bono advice and 13,635 to community investment activities in 2007/2008. This compares with 15,393 pro bono hours and 9,612 community investment hours in 2006/2007. 9. 1 Working with young people

Increasing pro bono work

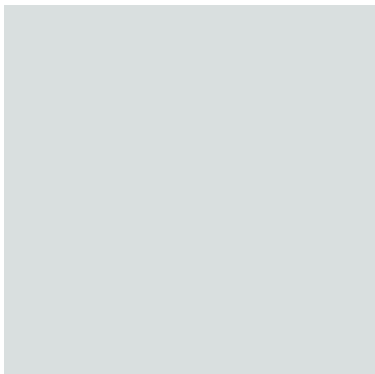
In 2008, we began our international pro bono campaign which aims to double pro bono hours by 2011. As part of this, pro bono partners have been appointed in each London practice group and CSR partners have taken on more responsibility for pro bono in each office – our Beijing and US offices now have partners with specific responsibility for pro bono. New departmental pro bono committees have also been formed to develop activities. Pro bono hours are now treated as client hours for internal reporting purposes; and we have strengthened the appraisal process to capture professional development gained through pro bono work.

In 2008, our head of pro bono took on more of a global responsibility to develop the international programme, and a new pro bono manager was created in London.

Our Brussels, Frankfurt, Hong Kong, Moscow and Paris offices are all active participants in the emerging pro bono roundtable movement.

10.2 What we give

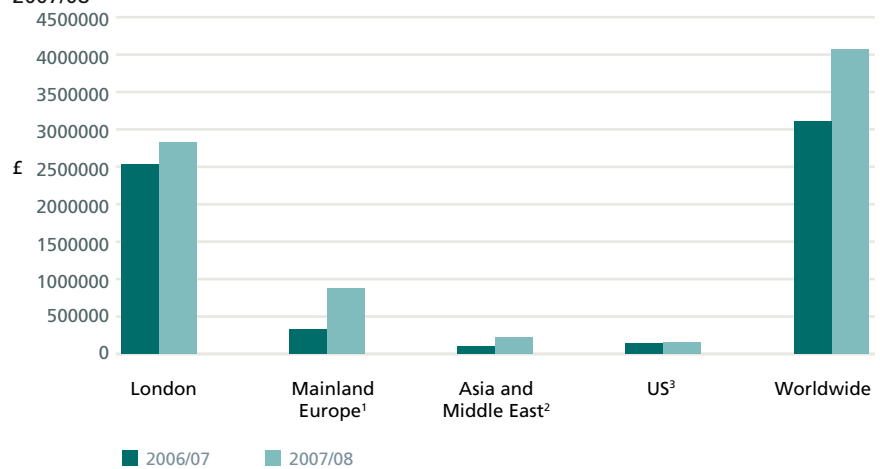
Since 2002/2003, we have used the London Benchmarking Group (LBG) model to measure our community contribution and benchmark our performance against other member companies. In 2006/2007, we used the model for the first time to calculate the monetary value of our



international community and pro bono legal advice programme. The value includes the amount of time invested in community and pro bono activities by our volunteers.

Overall, our total worldwide contribution for 2007/2008 was over £4.45m. This is an increase on the £3.48m contribution in 2006/2007 and represents 0.7 per cent of global pre-tax profits. This includes management costs.

The value of our programme (including cash, time, and in-kind contributions) 2006/07 – 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna

²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo

³New York, Washington

The exact figures for our 2007/2008 contribution are as follows: London, £2,822,636; mainland Europe, £880,040; Asia and Middle East, £217,743; and the US, £151,823. This gives a total of £4,072,242, excluding management costs.

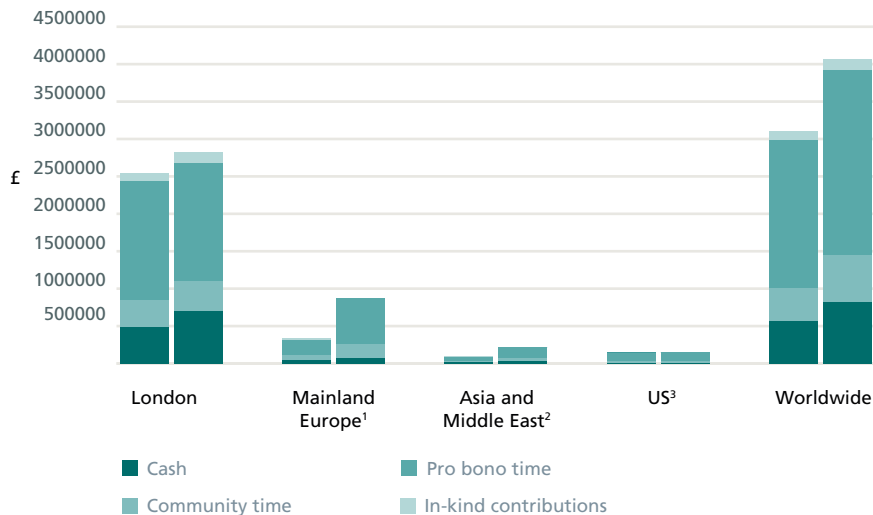
Using the LBG model our contribution can be broken down into:

- cash contributions to our community organisations;
- time spent by our volunteers giving pro bono legal advice (providing our professional legal services to people and organisations in need at no cost):
- time spent by our volunteers on community activities (including, for example, mentoring programmes, reading initiatives, work experience placements, charity trustees and team challenges); and
- in-kind giving including providing our design and prints services and office space to our community partners at no cost.

The LBG model values the provision of pro bono legal advice more highly than other forms of community activities as it is professional advice.



What we give: our firmwide community and pro bono contribution 2006/07 – 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna

²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo

³New York, Washington

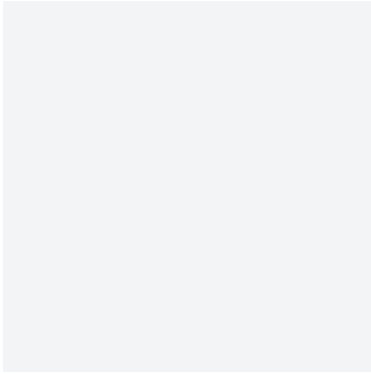
As a law firm our pro bono activities are focused on our lawyers providing legal advice. However, many other people within the firm contribute their expertise to community activities. For example, some of our legal secretaries in London volunteer at the South West London Law Centres; some of our IT people contribute time to the Renaissance website in aid of the Lavender Trust for Breast Cancer Care, and to Reprieve’s database; one of our internal communications team provides advice to the Clinton Foundation; and many of our managers host work experience placements at our offices in Germany, London, New York, and Paris. We aim to increase this in the future.

10.3 Four areas of focus

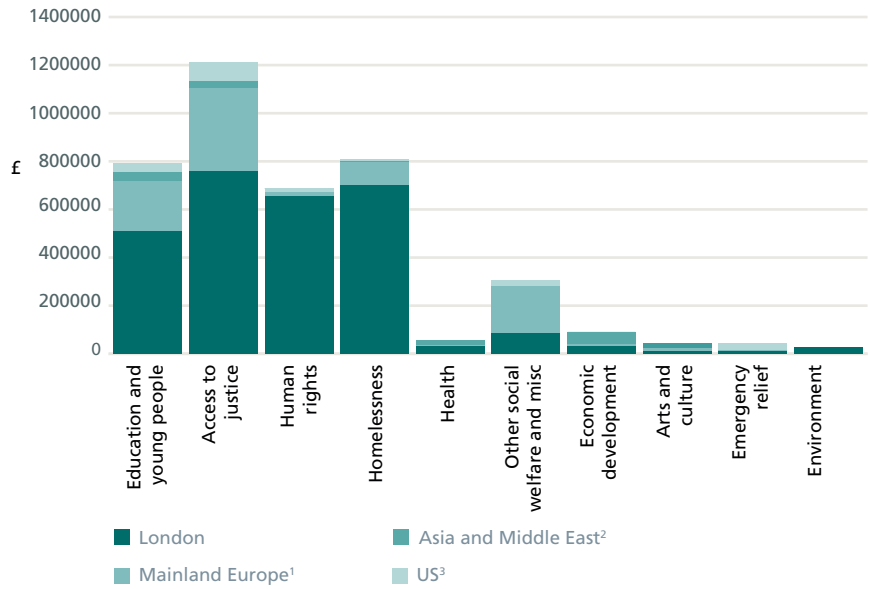
Most of our worldwide community investment and pro bono legal advice contribution is focused on four themes:

- improving access to justice for individuals and acting for not-for-profit organisations pro bono – 30 per cent;
- reducing homelessness and tackling wider social exclusion – 20 per cent;
- promoting human rights – 17 per cent; and
- raising the levels of achievement and aspirations of young people from disadvantaged backgrounds, and improving their skills – 20 per cent.

Each office, together with its community partners, interprets these themes in a way that is appropriate to its local community.



What we give to by subject focus: breakdown by region 2007/08



¹Amsterdam, Barcelona, Berlin, Bratislava, Brussels, Cologne, Düsseldorf, Frankfurt, Hamburg, Madrid, Milan, Moscow, Munich, Paris, Rome, Vienna
 ²Beijing, Dubai, Hanoi, Ho Chi Minh City, Hong Kong, Shanghai, Tokyo
 ³New York, Washington

10.4 Improving access to justice

‘We have a long history of providing pro bono legal advice in the local community through our support of legal advice centres and through advocacy initiatives, particularly in London. This is vital work and uses directly our legal skills and wider training. Our pro bono work at legal advice centres is not, and should never be, a substitute for legal aid provision: we do not advise those who may be eligible for legal aid and try to direct clients to the appropriate legal aid providers. Nevertheless, our experience over the past year at some legal advice centres indicates that it has been harder to locate appropriate legal aid providers in certain areas.’

Paul Lomas, partner with responsibility for our pro bono strategy, and member of our community and pro bono committee and CSR strategy group

We believe we have a responsibility as lawyers to provide representation to those who cannot afford to pay for it and where public funding is not available. We do this through legal advice centres and a network of specialist charities and community organisations.

To focus our activities we support charities and community organisations whose aims match our own by providing free legal advice on two levels. We support the charity’s main purpose through specific projects or advice aimed at tackling issues such as breaches of human rights, homelessness or child poverty. We also support the charities themselves by providing them

with access to our commercial expertise in areas such as contract law, IP/IT, competition law, property law, employment law, representation at VAT tribunals and litigation. Supporting our pro bono clients in doing what we do for our commercial clients – providing innovative solutions to complex issues – enables those charities to focus resources on their key priorities.

Although much of our work is still London based, we have seen a marked increase in the amount of pro bono work taken on by our offices around the world and we will continue to encourage this upward trend throughout 2009 and beyond. We are building relationships with charities that have a global reach to match ours. Half the Sky (a charity supporting orphans in China) is supported in our China, London and New York offices. Our offices in China, Germany, Hong Kong, London and Paris have all developed relationships with the international development agency Plan. The Clinton Foundation HIV/AIDS Initiative is supported by Amsterdam, London, New York and Paris. We are proud of the leadership shown in our offices to embrace pro bono work and actively to encourage pro bono participation in jurisdictions that do not have a long pro bono tradition.

10.5 London: providing pro bono legal advice in our local communities

Our access to justice programme is most active in London, where we support four legal advice centres, including the drop-in centre at Tower Hamlets Law Centre, which we have supported since 1973. We estimate some 40 per cent of our current partners in London have been involved in the centre at some time during their career here, including our senior partner Guy Morton. We strengthened our support for the Law Centre in 2008 when one of our partners (a former trainee adviser) was appointed to the Management Committee. We received the 2008 Exceptional Achievement Award from the Managing Partners' Forum in recognition of our support for our partnership – we think it is the longest running continuous such relationship among City law firms.

However we can trace our pro bono heritage back further – retired partners recall advising at Toynbee Hall in East London in the 1950s doing much the same thing that our trainees do today at Tower Hamlets Legal Advice Centre.

We also have a longstanding involvement with the Citizens Advice Bureau at the Royal Courts of Justice, where volunteers provide free legal advice for litigants in person and where one of our partners is on the management board.

Volunteers in London also represent clients from the Free Representation Unit appearing before tribunals on employment and social security cases. We recently began a relationship with Asylum Seekers Appeal Project which provides advocacy for asylum seekers who have had their benefits stopped and are faced with destitution.



10.6 Reducing homelessness

‘We all have our own image of “the homeless”, but spend some time talking to the clients of a hostel or day centre and you will discover that the great majority of people who lose the roof over their head do so as a result of a personal spiral that started in a place that any one of us could find ourselves. A big family row, maybe, or losing a job, too much drink, or depression or other mental illness. One way or another the wheels have fallen off, and it can be very difficult to get them back on again. The sense of exclusion and despair that comes from not having a home just intensifies the vicious circle. There is lots that can be done to help people avoid the ‘homelessness trap’, as well as helping those who have fallen into it to break out. There have been some great success stories, and we need more. The more examples that employers, authorities and homeless people themselves see of people finding their way back, the easier it will be to convince people that homeless doesn’t mean hopeless. And that is more than half the battle.’ **Philip Richards, partner, member of our community and pro bono committee, Business in the Community (BITC) / Business Action on Homelessness leadership group member**

We decided to target homelessness in 2000 because it was something that many of the people who work in our London and other offices saw on a daily basis on their way to and from work, and we recognised we could make a positive contribution to tackling it.

We have developed a multifaceted approach, supporting a variety of initiatives with the overall aim of making a lasting impact by helping to break the cycle of homelessness. To this end, we provide work experience and pro bono advice at drop-in centres, help build homes through fundraising and volunteer activities, support job coaching and informal support activities, and sponsor and contribute to the work of campaigning organisations, such as Shelter. We also support numerous team challenges at hostels and other centres for homeless people.

Local team challenges and housebuilding with vulnerably housed people

Many of our offices support team challenges for homeless people throughout the year – cleaning up hostels, serving food and helping with interview skills. We also send teams to help build homes with Habitat for Humanity – a charity which aims to tackle poverty housing in partnership with people in need of safe and decent housing. From 2001 to 2008, around 750 people from our offices have built 75 homes with the charity in Ghana, Poland, Romania, South Africa, Sri Lanka, Tanzania and London, and have raised over £700,000 for the charity.

Work experience, job coaching and legal advice in London

In London, we support a programme providing work experience, job coaching, informal support schemes and pro bono legal advice. Central

to the programme is Ready for Work. Through this scheme, 141 homeless people have gained work experience at the firm (in the years 2001 to 2008); 15 have gone on to take up permanent work here, and others have taken up positions elsewhere.

We also give pro bono legal advice to charities working with homeless people and, on a weekly basis, to homeless people at a drop-in legal advice centre.

Shelter's Children's Legal Service

In October 2007, we announced our £232,000, three-year sponsorship of Shelter's Keys to the Future initiative, which aims to end child homelessness in the UK. With our support, the charity has established the Children's Legal Service to fight for the rights of children and young people to have their housing needs met. We take on cases where the family is not eligible for legal aid and in 2008 worked on three cases with Shelter.

Our relationship with Shelter brings together all four strands of our community and pro bono programme, homelessness, human rights, access to justice and disadvantaged young people. We hope that it will have a big impact on the lives of young people and their families in the UK.

We also work with charities including Crisis, East Potential, Emmaus, The Passage, Providence Row, St Mungo's and Whitechapel Mission. In 2008 we helped to set up an IT social enterprise for Cricklewood Homeless Concern and in 2009 we started giving work experience to those homeless people who are being trained by the social enterprise to provide IT support.

In 2008, we were delighted to receive another BITC Big Tick award for our work with homeless people.

'I enjoyed and really got many things from this placement. It actually had a purifying function for me (please do not laugh at me! It was a step in my life.)' **Participant in Ready for Work.**

10.7 Human rights and supporting the rule of law

'As a leading international law firm, we believe that we have a responsibility to promote, protect and uphold the rule of law, and within it human rights. Our commitment is particularly reinforced through the pro bono work we take on. We feel this is important work in an ever-changing world where torture, repression and the denial of access to justice remain a threat to individual liberties.'

Paul Lomas, partner with responsibility for our pro bono strategy and member of our community and pro bono committee and CSR strategy group

We work with a number of human rights charities, including Amicus, Reprieve, Justice, Liberty, Fair Trials International and REDRESS, with an emphasis on supporting work that ensures people are given a fair trial, that



corrects a manifest injustice, and helps establish a legal right. As part of our trainee programme, we also provide a secondment to Liberty and we run a paralegal rota at Fair Trials International.

Our award-winning human rights programme is extensive and wide-ranging. We assist those facing the death penalty in the US and the Caribbean; we also undertake cases addressing key human rights issues.

In 2008, our London office helped Liberty and Justice with an intervention in the House of Lords case *EM (Lebanon) v Secretary of State for the Home Department*. The Appeal was successful – this is thought to be the first time in European legal history that a higher court has found that a future, foreign breach of a non-absolute human right would be sufficiently serious as to prohibit the victim's removal to the country where there is a real risk the breach would take place.

Focus on extraordinary rendition

In 2008, we began working on ways to tackle extraordinary rendition – the practice of transferring individuals to different jurisdictions outside of the judicial process for the purposes of indefinite detention and torture. Our work in this area evolved out of our collaboration on a number of events highlighting this issue over the past few years. In 2006 and 2007 we hosted both the London and European hearings of the International Commission of Jurists' eminent jurists panel on terrorism, counter-terrorism and human rights. In 2007, we also hosted a roundtable on extraordinary rendition involving MPs, MEPs, human rights organisations and lawyers acting for the detained. Our understanding of extraordinary rendition expanded as we reviewed the background of those detained in Guantánamo Bay through our Amicus Briefs in the case of *Hamdan v Rumsfeld and Boumediene v Bush*. In 2008 the US Supreme Court gave its judgment in the case of *Boumediene v Bush*, ruling that Guantánamo Bay detainees have the constitutional privilege of habeas corpus. We submitted an Amicus Brief in this case on behalf of 383 UK parliamentarians.

In 2008 we applied our knowledge of extraordinary rendition in a number of ways: for example, we began advising the All Party Parliamentary Group on Renditions, on issues arising from extraordinary rendition through UK jurisdiction. Our IT department helped the charity Reprieve develop its Renditions database. We also assisted Reprieve with the case of Binyam Mohamed, who was held in Guantánamo Bay from September 2004 to February 2009. Trainees from across practice groups in our London office reviewed documents that helped Reprieve prepare its various cases in relation to Mr Mohamed's rendition to Morocco, the evidence of his torture and his subsequent transfer to Guantánamo Bay.

We also acted for the charity REDRESS on an Amicus Brief before the US 2nd Circuit Court of Appeals on the right to redress for torture in the case of *Arar v []*, which concerned a Canadian citizen who was subject to extraordinary rendition to Syria. In September 2008, we hosted a

conference for REDRESS on Reintegration and Reparation for Victims of Rendition.

10.7.1 Examples of our human rights work

Death penalty

We are acting for several clients facing the death penalty in the Caribbean and the US. We represent Caribbean clients in their appeals to the Privy Council in London and assist local lawyers representing clients in the US with international law issues and factual investigation.

In 2008 we submitted an Amicus Brief before the US Supreme Court in the case of *Patrick Kennedy v Louisiana* which decided that the imposition of the death penalty for rape was unconstitutional. The Amicus Brief, on behalf of leading British law associations, scholars, Queen's Counsel and former Law Lords, was referred to in oral argument by the Supreme Court.

We were successful at the Privy Council in London in overturning a death sentence imposed on a Trinidad and Tobago citizen. Leslie Huggins now faces life imprisonment. We act before the Privy Council for another Trinidad and Tobago citizen, Ronald Tiwarie, who is currently facing the death penalty.

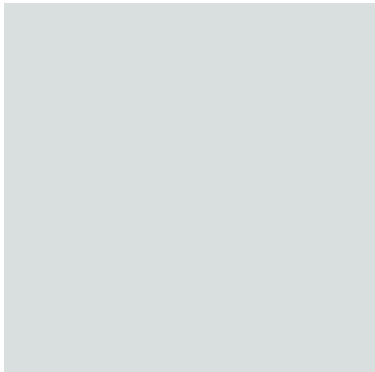
We also work closely with the charity Reprieve, established by the lawyer Clive Stafford Smith OBE. We provide the charity with office space and twice a year host joint Amicus and Reprieve training sessions for lawyers intending to spend time in the US volunteering on death penalty cases. We also hosted a Death Penalty Round Table in 2008, involving all the leading charities and lawyers involved in death penalty work.

Additionally, in 2008, six of our future trainee solicitors took the opportunity to spend time as Reprieve interns working on capital cases in the US before starting their training contracts.

In 2008 we represented one of our long-running pro bono clients, Krishna Maharaj (a former death row inmate), in the final stage of his clemency application before the Florida Clemency Board. Mr Maharaj is a British citizen who spent 15 years on Florida's death row before his sentence was overturned and he was given life imprisonment. The final application was sadly rejected by the Florida State Governor, despite a letter in support of the application from Foreign Secretary David Miliband, MP.

10.8 Working with young people

As a firm that is committed to being socially responsible we know it is important to invest in the next generation. As an international business whose success depends on recruiting and retaining outstandingly talented people from all walks of life, wherever we operate in the world, we recognise we have a vested interest in developing the potential of young people. This understanding helps to shape our approach to diversity and our volunteering initiatives with schools, colleges, universities and





community organisations near our offices.’

Barry O’Brien, partner, member of our community and pro bono committee, member of the Business in the Community (BITC) / Education Leadership Team, governor at our partner secondary school, Haggerston School for Girls, in Hackney

We recognise that investing in young people has important immediate and long-term benefits to business and society. Since 1999, we have been working in partnership with schools and community organisations to raise the aspirations and achievements of young people, especially those in disadvantaged circumstances, and to inspire and equip young people to successfully enter the world of work.

Volunteers in many of our offices participate in a range of schemes, from team challenges and mentoring, to job coaching and work experience. These are designed to broaden horizons and to improve confidence, motivation, communication and social skills, as well as develop specific skills such as reading, numeracy and languages. We hope this will increase each individual’s opportunities in life and help develop the entrepreneurs, employees and business leaders of the future.

We also participate in pro bono legal advice work that aims to protect the rights and improve the quality of life of disadvantaged young people, for example through our work with Shelter’s new Children’s Legal Advice Service, Plan UK, the Clinton Foundation HIV/AIDS Initiative, the National Children’s Bureau, and Africans Unite Against Child Abuse.

Job coaching in Germany

Volunteers from our offices in Berlin, Cologne and Frankfurt provide job coaching to 15-17-year-old adolescents from disadvantaged backgrounds with poor qualifications and a long history of discouraging experiences. Volunteers help with CVs and application letters, and practise interview skills with the students. This provides the students with a unique learning experience and access to successful role models and positive feedback; while our volunteers benefit from the opportunity to expand their own skills in addition to using their professional skills to the benefit of the young people.

Most of our offices in Germany are also involved in regular team challenges with schools and organisations working with young disadvantaged children, while volunteers from our Frankfurt and Berlin offices support reading programmes at local schools.

Initiatives in London

In 2008 we launched two new projects in London so that our volunteering activities now embrace young people from primary school through to university.

We are providing coaching and financial support for Youth at Risk’s new Inspiring Student Leaders programme. The scheme works with

participants to develop leadership skills, improve attainment, raise aspirations, decrease attrition rates and enhance social cohesion by strengthening their links with local communities. It works with students at Bedfordshire, London Metropolitan and Thames Valley universities, and is supported by the Department of Innovation, Universities and Skills.

Community and pro bono committee member Barry O'Brien helped to launch a campaign to fill 40,000 vacancies in school governing boards in the UK as part of our involvement in BITC's Education Leadership Team. The research we commissioned was presented to the Department for Children, Schools and Families; it was also used to encourage other law firms to support school governors during 2008 National Pro Bono Week, and was used internally to recruit more people to become school governors.

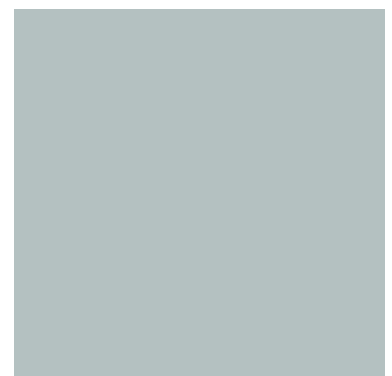
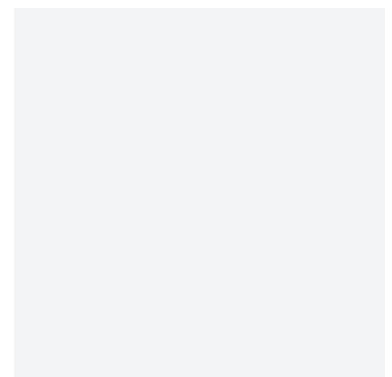
Teachers working in secondary schools in disadvantaged areas in the UK through the Teach First scheme, continue to help us to review our community programme during their summer placements.

Three of our key partnerships are nearly 10 years old - Redlands Primary School (10 years), Haggerston Secondary School (9 years) and Career Academies UK (8 years).

New activities in Amsterdam and Paris

In 2008, our Amsterdam office launched a new community project working alongside SAMAH, a foundation for young asylum seekers that helps them become more self-sufficient. And our Paris office hosted a scheme for disadvantaged young people to introduce them to the workplace. The scheme, which the office hosted in association with the Ministry of Education, was such a success that several of the school pupils went on to participate in summer work placements.

'I have developed skills that are useful in my own life, and at work, such as gaining an understanding of things like financial, personal, and strategic planning. Best of all there is a real sense of satisfaction gained through knowing that children are likely to benefit in a real and immediate way from my efforts.' **Mark Boyle, associate and school governor**





10.9 International activities

Community Challenge – our annual firmwide team challenge month

Nearly 700 people got involved in our 2008 Community Challenge. This was the second time we had supported this international community and pro bono event, which encourages all our offices to participate in team challenges with local community organisations.

Once again, volunteers came from all practice groups and business services areas, and helped make a real difference to homeless people and disadvantaged young people in our local communities.


In 2007 over 600 people (including both our senior partners) from 23 offices around the network participated in the Challenge and we will be supporting the initiative again in October 2009.

Team challenges throughout the year

Many of our offices also choose to support team challenges at other times of the year, tying in with initiatives such as UN World Environment Day.

Since 2001, around 750 people from a variety of offices have participated in our housebuilding project with Habitat for Humanity. They have raised over £700,000 for the charity, which aims to tackle poverty housing on a global scale in partnership with people in need of safe, decent housing. In 2008 alone, 100 volunteers from our offices in France, Germany, Italy, Spain and the UK helped to build houses in Ghana, while nearly 50 volunteers in London also volunteered at a housebuild supported by the charity in south London, as part of our Community Challenge initiative.

‘Our relationship with Freshfields has been a key catalyst to our development as a charity; helping us to broaden and deepen our impact as an agent of change at the heart of local communities – a means of raising awareness of the impact of poverty housing and homelessness and the grassroots solutions Habitat for Humanity provides. At the heart of local communities, volunteers do bring money, but far more importantly they work alongside future house-owners, and it is this more than anything that reminds people that they are not forgotten in their struggle for a roof over their heads.’ **Ian Walkden, National Director of Habitat for Humanity Great Britain**



‘Being part of an international housebuild group was key to the experience and reminds you of just how international the firm is, and how good it is to make connections throughout the network.’ **Habitat volunteer in 2008**

10.10 Working with international charities

As an international law firm we often work with international charities and community organisations, or work on comparative pieces of laws – usually within our four main areas of focus or reinforcing our diversity and climate change commitments. An early example of this included our pro bono work on child abduction with Parents and Children Together across member states of the EU.

Working with Oxfam, Médecins du Monde, One World Action, Plan and more

In 2008 we joined the pro bono panel of Oxfam UK and are helping the charity with a number of projects. In 2009 we are sending two trainees for a three-month secondment to Oxfam UK.

In 2008 we also began pro bono work with Plan UK on two innovative funding projects and will continue to develop that relationship throughout 2009. Our offices in China, Germany, Hong Kong and Paris have also developed relationships with Plan over the years, while Half the Sky is supported in our China, London and New York offices.

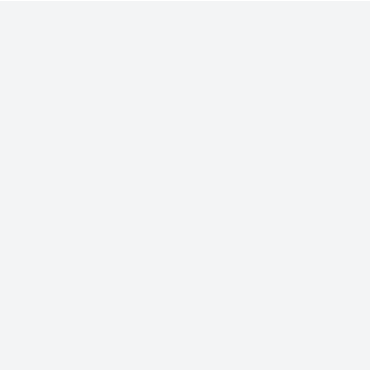
We are working with One World Action in supporting its development work overseas and recently hosted an event for Médecins du Monde to highlight its work across the world. We were also recently instructed by Save the Children UK.

HIV/AIDS and the Millennium Development Goals

We continue to provide pro bono advice to the Clinton Foundation HIV/AIDS Initiative in connection with its partnership with UNITAID to supply HIV/AIDS treatments (particularly for children) in 38 countries in Africa, Asia and the Caribbean. In 2008, lawyers from our Amsterdam, London, New York and Paris offices also began work on a joint Lawyers Without Borders and Save the Children project relating to property and inheritance rights for women and children in Africa in light of the HIV/AIDS pandemic.

Through our membership of Advocates for International Development we are advising the Fairtrade Foundation and the HIV Alliance.

Our contribution to achieving the Millennium Development Goals (eight targets to be achieved by 2015 focused on reducing poverty, improving the quality of lives, ensuring environmental sustainability, and building partnerships to ensure that globalisation becomes a more positive force for all the world's people) is centred on these initiatives, along with our activities in Africa, our firmwide efforts to combat climate change, and our involvement in WaterAid. Through this we aim to play a role in helping to



eradicate poverty and hunger, reduce child mortality, combat HIV/AIDS and ensure environmental sustainability.

We also have a well-established partnership with Habitat for Humanity: since 2001 our volunteers and fundraisers have contributed to housebuilding projects in Ghana, Poland, Romania South Africa, Sri Lanka, Tanzania and London, and to the recent establishment of the sustainability fund to help the charity develop more environmentally-friendly low-cost housing, reflecting local needs and traditions in its housebuilds around the world.

As our pro bono programme develops we anticipate more international pro bono work, but also a greater focus on local community investment activities – in line with our emphasis on providing volunteering opportunities for all our people, and our desire to make a positive impact on society. This also reflects the views of the people who work here, and is in keeping with our commitment to reduce air travel.

10.11 Focus on Africa

Like our client work, our pro bono programme often takes us beyond the jurisdictions in which we operate, although our community investment activities tend to be concentrated on the communities local to our offices.

We believe this is intrinsic to our role as an international law firm and to our commitment to be socially and environmentally responsible. It also reflects the commitment by those who join this profession to uphold, protect and develop the rule of law, and to support those who have made the same commitment in other countries.

In 2008 we were involved in a number of projects that support lawyers in African countries.

- Rachel Musoke, a Ugandan lawyer, worked in our corporate department for three months as part of our involvement in the International Lawyers for Africa programme.
- Three finance lawyers travelled to Tanzania as part of a legal training programme with the International Lawyers Project.
- We are exploring ways in which we can work with the Women's Legal Aid Centre in Tanzania through our support of One World Action.
- We are working with Lawyers without Borders on a Child Inheritance Project in Mozambique.
- Our donation to WaterAid is focused on the charity's activities in Mozambique, helping to provide some of the poorest communities in the world with a supply of safe water, effective sanitation and hygiene education. Other fundraising activities are planned for the charity and our pro bono legal advice team is exploring opportunities too.
- We are leading a collaborative project with Africans Unite Against

Child Abuse and other firms that looks at the issue of trafficking children for domestic servitude from Africa to the UK.

- Children in many African countries are benefiting from our pro bono work with the Clinton Foundation HIV/AIDS Initiative in relation to its funding agreements with UNITAID to supply HIV/AIDS treatment.
- Our head of pro bono worked in Nairobi for a week with the Kenyan Federation of Women Lawyers as part of a programme with Lawyers without Borders; we also provided pro bono advice to the Kenyan Project Partnership.
- We supported housebuilds and fundraising activities with Habitat for Humanity in South Africa for three years, and are now into our second year of activities in Ghana.

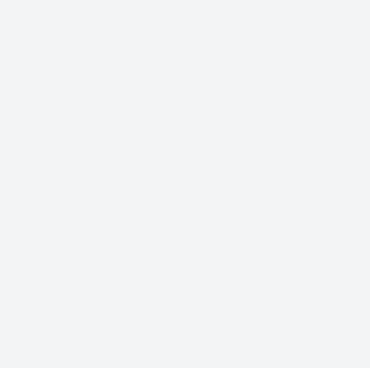

10.12 Activities in London

‘Our volunteering programme in London is designed to make a real difference to our local communities. Our office is situated in an extremely wealthy city, but homelessness is a problem. Poor skills and low aspirations are also common issues in the boroughs near our office. Poverty can also make access to justice difficult. These are some of the things we are trying to address through our programme.’ **Tim Jones, partner, chairman London Management Group, member of our community and pro bono committee, and member of Business in the Community (BITC)/ Business Action on Homelessness London and South East leadership team**

Our community and pro bono programme plays an important role in the life of our London office – 36 per cent of our people are actively engaged in activities that contribute over 11,300 hours to pro bono legal advice and over 8,300 to community activities. We have been active in our local community, particularly Tower Hamlets, for many years. We can trace our pro bono activities in the area back to the 1950s – this has given us a knowledge and experience of the area which has proved an excellent foundation for building our community investment programme.

Highlights in the past year include the following.

- Receiving the Exceptional Achievement 2008 Managing Partners’ Forum Award for our 35-year partnership with Tower Hamlets Legal Advice Centre in London. Some 40 per cent of our current partners in London have been involved in this centre at some point during their career.
- Being awarded a second BITC Big Tick in for our Ready for Work programme. This provides work experience placements to homeless people. In the years 2000 to 2008, 141 individuals have started placements at the firm: of these, 15 have taken up permanent jobs here and several others have gone on to work elsewhere.

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- Leadership in the campaign to fill 40,000 vacancies in school governing boards in the UK, as part of our involvement in BITC's Education Leadership Team. The research we commissioned was presented to the Department for Children, Schools and Families. It has also been used to encourage other law firms (and other employers) to support school governors during 2008 National Pro Bono Week, and led to an increase in the number of our people becoming school governors.
 - The launch of the Inspiring Student Leaders programme with Youth at Risk, enabling the charity to take its work into British universities for the first time. The scheme works with students at Bedfordshire, London Metropolitan and Thames Valley universities, and is supported by the Department of Innovation, Universities and Skills.
 - The launch of the Children's Legal Service unit, as a result of our three-year sponsorship of Shelter's campaign to end child homelessness.
 - Our support and participation in research by the New Economics Foundation investigating the financial and other barriers to employment for homeless people in the UK. The research, commissioned by Business Action on Homelessness, helped to establish what financial incentives would be required to motivate people back to work and deliver an overall net gain to government. It found that each homeless person on benefits who could be considered 'ready for work' costs the UK government approximately £26,000 per year and estimates that there are 20,000 people in this category; after meeting the costs of incentivising people into work, the government would save around £1.7bn over four years, with savings accruing in just over one year.
 - The start of our three-year commitment to the College of Law and Sutton Trust's new diversity scheme, Pathways to Law, designed to encourage more students from 'non-traditional' backgrounds to consider a career in law. In 2008 we provided five work experience placements to pupils from state schools who will be the first in their family to attend university and whose parents are in non-professional occupations. In 2009 we have hosted three.
 - Support for other initiatives designed to encourage a wider range of people into the commercial legal profession in the UK, including the first City Solicitors' Education Trust Summer School programme and Sponsorship for Educational Opportunities, which finds work placements for minority ethnic students – we provided three such placements in 2008.
 - The launch of our matched funding programme to encourage and recognise the many ways in which the people who work here raise money for charities and community organisations. This increased our contribution for the annual Jeans for Genes campaign to nearly £3,200
- 

and to the London Legal Aid Walk to over £10,000. Many people also make donations through our payroll giving scheme.

- We supported other charitable initiatives by our people including a photographic competition in aid of the Lavender Trust with Breast Cancer Care. We continue to provide regular pro bono legal advice to Cancer Research UK.
- As part of our second firmwide community and pro bono initiative, nearly 200 volunteers from the London office took part in a range of team challenges helping local communities. We supported other team challenge activities around UN World Environment Day and during the festive season. Additionally, all our trainees get involved in team challenges as part of their induction.

We are members of BITC leadership groups on education, homelessness and international volunteering, and have spearheaded activities for each of these groups in 2008. In 2009 we will be holding 'seeing is believing' visits with BITC for our partners, senior associates and heads of business services departments to develop our programme still further. We are also members of Heart of the City (which helps businesses in the City learn from one another how to develop voluntary and socially responsible programmes in the community) and of London First (a business membership organisation which promotes London as a city in which to do business).

10.12.1 Access to justice

'Since Freshfields joined us in 2006 we have been able to dramatically increase the number of clients that we can assist at the Morden Legal Advice Centre. Up until then, although we had a successful legal advice session at Morden, we were unable to meet the demand for free legal advice in the evenings as the demand way outstripped supply. The lawyers are professional and approachable and they have helped our clients with a wide variety of legal problems. Without their help some of our clients would have no other options than to go without advice, as most could not afford to pay for the advice of a private practice lawyer and other local advice agencies are too busy to get appointments in time to help them.'

Debbie Phelan, volunteer services manager, Wandsworth and Merton Law Centre, part of South West London Law Centres

In London, our access to justice programme includes volunteering in legal advice centres and advocacy initiatives with the Free Representation Unit, Royal Courts of Justice and Independent Panel for Special Education Advice.

Legal advice centres

Trainees and paralegals have been providing advice at the drop-in centre at Tower Hamlets, East London since 1973. Our senior partner, Guy Morton, volunteered at the centre when it was in Poplar in his early years at the firm, and we estimate some 40 per cent of our current partners in London

have been involved with the centre at some time during their career with us. We won the 2008 Award for Exceptional Achievement for this long-standing partnership.

Our lawyers have been giving advice at the Dellow Centre for homeless people for seven years, as part of our partnership with the charity, Providence Row.

Our lawyers also support a clinic in Morden, which concentrates on providing legal advice to help people with housing, employment, consumer law and debt problems. In its first year, the clinic saw 203 clients. As part of our efforts to create more pro bono opportunities for all departments and wider participation from non-fee earners on projects where they can use their skills, we have recently entered into a second partnership with South West London Law Centres to provide secretarial support, once a week, at their Tooting and Battersea Legal Advice Centres.

We are working with East Hackney LAW, a drop-in clinic for the residents of a Hackney housing estate.

We have a long-standing relationship with the Advice Bureau at the Royal Courts of Justice, where volunteers provide free legal advice at the drop-in centre for litigants who have cases in the High Court, especially in the Court of Appeal (often on the day they seek advice). A team of paralegals also prepares Court of Appeal bundles and a team of secretaries provides assistance when needed.

Advocacy

Volunteers represent clients from the Free Representation Unit appearing before tribunals on employment and social security cases.

Volunteers also work with the Independent Panel for Special Education Advice, providing advice and representation to families who are appealing against their Local Education Authority's decision about how their child's special educational needs should be met.

In 2009, we will take part in a pilot scheme sending volunteers to the Asylum Support Appeals Project in Croydon to provide free legal representation to people making appeals to the Asylum Support Tribunal. The National Asylum Support Service was established by the 1999 Immigration Act and provides housing and welfare support. A right of appeal at the Asylum Support Tribunal in Croydon was also created by this legislation, but with no corresponding funding for tribunal representation. As a result, most appellants make their appeals without legal assistance. The Asylum Support Appeals Project was launched in June 2005 by individuals from the Refugee Council, the Immigration Law Practitioners' Association, law centres and the Law Society, in response to the problem of destitution among asylum seekers and concern at the lack of public funding for representation.

We also act for individuals who have been referred to us via the Royal

Courts of Justice Citizens Advice Bureau. In May 2008, our largest ever team of walkers participated in the annual London Legal Sponsored Walk, raising over £10,000 for the Royal Courts of Justice Citizens Advice Bureau and South West London Law Centres. This is the most a law firm has ever raised in the history of the walk.

10.12.2 Working with homeless people

‘I found reconnecting with work, with people and with the world immensely rewarding. It opened up and restored opportunity. And when you are homeless, opportunity and choice are very rare commodities indeed.’ **Sam, our 100th Ready for Work placement. Sam was a homeless ex-Army sergeant who found himself living rough on the streets for five months. He was speaking at a Project Compass fundraising event attended by HRH the Prince of Wales.**

In London, since 2000, we have supported a programme designed to equip homeless people with the skills to gain and sustain employment, achieve independent living and break the cycle of homelessness. The programme does this by providing work experience, job coaching, informal support schemes and pro bono legal advice to individuals and to charities, at drop-in centres and with our charity partners such as Shelter and Crisis. Key to the programme is our Ready for Work initiative, which provides around 20 work placements to homeless people each year.

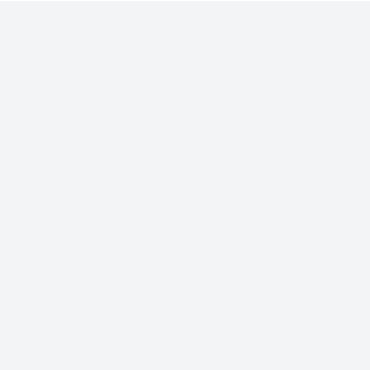
In 2008, we were awarded our second Business in the Community (BITC) Big Tick for our Ready for Work programme. In the years 2000 to 2008, 141 individuals have started placements at the firm, 15 of whom have taken up permanent jobs here. Others have gone on to work elsewhere. The Big Tick is given to companies that can demonstrate the positive impact of their responsible business behaviour on society, as well as on the company itself.

In 2009, we are continuing to support the scheme and have started a new project where our IT team host work placements from Cricklewood Homeless Concern – an IT social enterprise working with homeless people to provide IT support.

Sponsoring Shelter’s Children’s Legal Service

‘It is shocking that in this day and age there are over 100,000 homeless children in England. These children are an invisible group – all too often ignored and sidelined by the system. The Children’s Legal Service will be key to challenging unfair practice in court and create precedent in law which will pave the way for ending child homelessness for good. We are massively grateful for Freshfields’ support, both in terms of legal support and their unprecedented financial contribution to Shelter.’ **Adam Sampson, Shelter’s chief executive**

In 2008, we began our three-year sponsorship of Shelter’s new Children’s Legal Service as part of the charity’s Keys to the Future initiative, designed to end child homelessness. We are providing funds of over £232,000 over



the three years, as well as pro bono legal support to the Children's Legal Service, as we see this as an opportunity to make a real and lasting positive impact on people's lives.

We worked with Shelter on two homelessness cases in 2008 and assisted with a third. One case, involving a mother with two children, was settled in the client's favour on the eve of the court hearing. The other involved a sale and rent back scheme which went into administration, leaving a family one month to vacate the property they once owned. This progressed to a full hearing and we are waiting for judgment. We are currently acting on a case that involves a housing association's use of mandatory possession proceedings despite the fact that a mother with two children had an understandable reason for incurring rent arrears.

Additionally, in 2008, volunteers got involved in the Keys to the Future project in Newham, providing support to local children whose education has been disrupted by homelessness. Newham has one of the highest figures in the country of children living in temporary accommodation.

Shelter participated in one of our open events for people at the firm, and friends and family. Alongside another long-term community partner – the Whitechapel Mission – we debated the topic, 'can we end homelessness?'. We came to the conclusion, probably not, but we can do a lot to reduce it by building more affordable housing, opening up empty homes, intervening at an earlier stage – particularly by providing support to young people who are potentially vulnerable to becoming homeless (eg people in care), and by providing work experience.

Other activities

We also give pro bono advice to charities such as Crisis and Habitat for Humanity, and volunteers provide pro bono legal advice on a weekly basis at the Dellow Centre, a drop-in legal advice centre for homeless people hosted by the charity Providence Row.

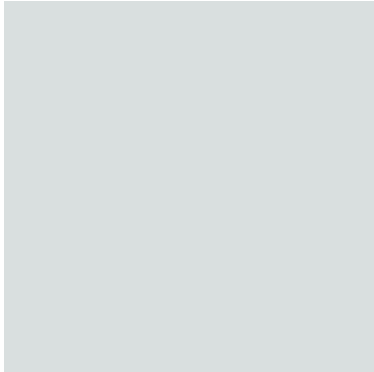
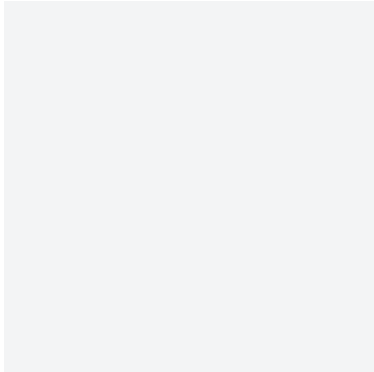
We support StreetShine, a social enterprise giving people who have been homeless an opportunity to break into the labour market and earn a regular income, and are involved in the Crisis Christmas e-card initiative.

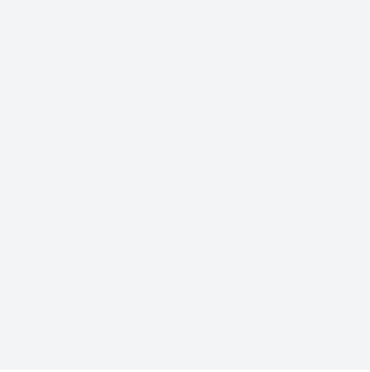
In 2007/2008, as part of our long-running support for Habitat for Humanity, volunteers participated in housebuilds in south London and Ghana, as well as fundraising activities for the charity.

Business Action on Homelessness

We seek to share our experience, learn from others and encourage other employers to work with homeless people through active participation in the national and London and South East leadership teams for Business in the Community's Business Action on Homelessness (BOAH). Partner Philip Richards, and partner and chairman of the London management committee, Tim Jones, represent us in these groups. In 2008, we contributed to research commissioned by BOAH from the New Economics

Foundation. The research looked into the financial and other barriers to employment for homeless people in the UK, to establish what financial incentives would be required to motivate people back to work and deliver an overall net gain to government.





The research found that each homeless person on benefits who could be considered 'ready for work' costs the UK government approximately £26,000 per year and estimates that there are 20,000 people in this category; after meeting the costs of incentivising people into work, the government would save around £1.7bn over four years, with savings accruing in just over one year. We hope the research findings will influence policy-makers, and encourage more businesses to support Ready for Work.

10.12.3 Human rights

Many of our lawyers in London take the opportunity to contribute to our human rights legal work, in particular providing legal assistance to those facing the death penalty in the US and the Caribbean. More recently, our lawyers have also undertaken cases addressing key human rights issues, such as Guantánamo Bay.

We work with a number of human rights charities, including Amicus, Reprieve, Justice, Liberty, Fair Trials International and REDRESS, with an emphasis on supporting work that ensures people are given a fair trial, corrects a manifest injustice and helps establish a legal right.

Our advice for Liberty on the length of pre-charge detention in a number of different jurisdictions was used in its recent campaign on the UK government's proposals to extend the time limit on pre-charge detention for those arrested for terrorist offences. Liberty's campaign proved successful and in 2008 the government dropped its plans to extend the length of such detention.

Building on our success in 2007, when, on behalf of a client, we persuaded the UK's Social Security Commissioner to set aside UK law on the grounds that it discriminates against transsexuals in breach of EU law, we are acting on another transsexual discrimination case based on similar facts.

10.12.4 Working with disadvantaged young people

‘Volunteers from Freshfields have been visiting our school since 1999. With their enthusiasm, help and encouragement many of our pupils have improved their literacy and numeracy and chess skills. Perhaps even more importantly, it has helped to motivate the children, improved their communication skills, given them new confidence and a different perspective on life which we hope they will carry with them as they move through school and into the world of work.’ **Ann O’Reilly, head teacher, Redlands Primary School**

‘The collaboration between Haggerston and Freshfields has been very important to the school. Our students benefit enormously and are grateful for all the assistance they receive. I hope that future students will continue to benefit as this collaboration continues in years to come.’ **Maggie Kalnins, head teacher, Haggerston Secondary School for Girls**

In London, we have two long-standing partner schools – Redlands Primary School in Tower Hamlets and Haggerston Secondary School for Girls in Hackney. We will be celebrating 10 years of working with Redlands in 2009, and with Haggerston in 2010. Three of our people are governors at Redlands, including the chair, who is our head of diversity and trainee recruitment, Deborah Dalglish. Barry O’Brien, a partner on our community and pro bono committee, is a governor at Haggerston. We support a number of popular volunteering activities with these schools including the following.

- Helping children at Redlands Primary School in Tower Hamlets with their reading and number skills – one of our partners has been a volunteer at the school since 2003. We also hold regular book sales to raise funds for books for the school. In 2009 we plan more activities around careers, music and the environment.
- Mentoring GCSE students at Haggerston School for Girls in Hackney. This includes practice interviews and CV help with support from Hackney Schools Mentoring Programme. Other volunteers aim to improve GCSE students’ French and Spanish language skills by participating in our Virtual Paris or Virtual Madrid events in the run-up to exams, or as Language Partners. In 2009 we hosted six work experience placements, launched a new scheme with the Citizenship Foundation to improve understanding of the law, and began piloting breakfast clubs. There may also be further opportunities as a result of our support for the Tate, Historic Royal Palaces, London Transport Museum and the National Portrait Gallery.

Another long-running partnership is with Career Academies UK. We provide work experience and host careers events including the annual introduction to law and IT days. In 2008, we supported our first Capital Experience day for schools outside London.



Work experience

Work experience is a key part of our programme to improve the skills and raise the aspirations of young people from disadvantaged backgrounds. Some of these schemes should also make City law firms such as ours more diverse. In 2009, we are providing work experience for pupils at Haggerston, Career Academies UK, Sutton Trust Pathways to Law, Sponsorship for Educational Opportunities, and for teachers on the Teach First scheme.

As part of our relationship with Teach First, we also give interview practice (and occasional work placements) to pupils at Cardinal Pole School in Hackney who are hoping to go to Oxford or Cambridge universities, and have participated in the Higher Education Access Programme for Schools.

In 2008, we built on the activities and commitment of our school governors, and our activities with Business in the Community's (BITC) Education Leadership Team, to commission some research which was used to launch an internal and external campaign to encourage more people to become school governors. The findings were presented to the Department for Children, Schools and Families. We will be holding network events for school governors at the firm in 2009, to help share best practice.

Another new project in 2008 was our support for the Inspiring Student Leaders programme with Youth at Risk and the Department of Innovation, Universities and Skills. This enabled the charity to take its work into British universities for the first time.

Our vacation students also like to get involved – in 2008 the spring and summer vacation students raised funds for the Prince's Trust, which was matched by the firm. The spring 2009 vacation students raised funds for Habitat for Humanity.

Our approach to working with young people is influenced by our commitment to promoting diversity and our belief that improving the skills of young people is fundamental to sustaining a dynamic economy.

BITC's Education Leadership Team

Partner Barry O'Brien leads our schools-based activities, representing us on BITC's Education Leadership Team. As active members of the National Number Partners Consortium we are looking at ways of encouraging and enabling more employers to work with schools to improve skills in maths and financial literacy. Partner Simon Hall is on the advisory board of Career Academies UK. Our activities are also shaped by our involvement with Tower Hamlets Education Business Partnership (EBP), Inspire (Hackney's EBP – where our head of client initiatives is a trustee), and East London Business Alliance.

'Although I have always been intent on pursuing a career in law, my visit to Freshfields made me even more enthusiastic. All the trainee solicitors we met were extremely friendly and approachable, offering huge amounts of advice and information to us all.' **Aspiring law student from Turin Grove**

School after her visit to Freshfields as part of the Higher Education Access Programme for Schools in collaboration with Teach First

‘Playing games and reading is more fun with a Reading Partner. They make my playtime brilliant!’ **Pupil at Redlands**

‘I have been involved with Career Academies UK since it started in 2001. The programme engages businesses with schools and sixth form colleges and has been a phenomenal success, raising the aspirations of young people, very often from challenged backgrounds, from schools and colleges in some of the most difficult areas of the country. Some 400 companies, including our own, are now supporting the programme in over 150 schools across the country, offering visits, six-week paid internships, mentoring support, guru lectures and advice. The difference we are making to the lives of these young people, in terms of creating confident individuals who are equipped to deal with sophisticated working environments and obtain and perform jobs at a level far beyond their original expectations, is truly inspiring.’ **Simon Hall, partner, and trustee and advisory board member of Career Academies UK**

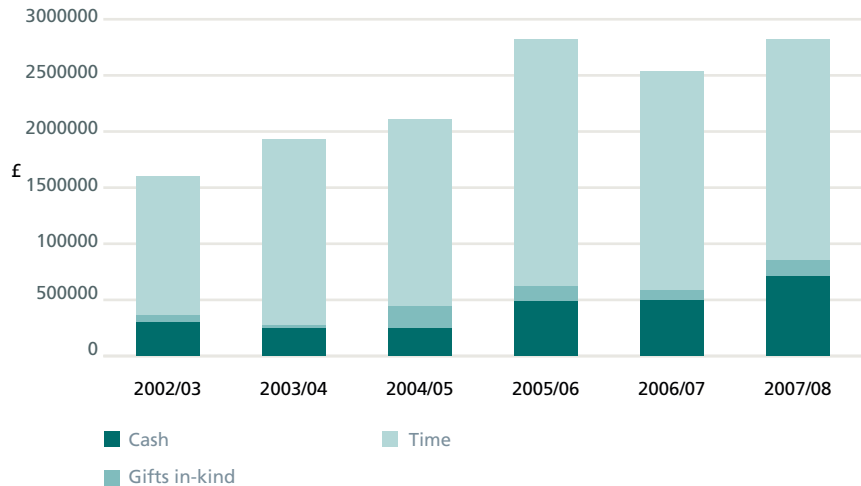
‘I believe strongly that the legal community should be encouraging its best and brightest to commit to being school governors. Not only will our schools benefit, but so will our businesses.’ **Partner Barry O’Brien in an article on school governors for *The Lawyer***

Find out more about what we are doing in developing and reaching new talent as part of our diversity programme.



10.12.5 What we give in London

What we give in London 2002/03 – 2007/08



Since we first started collecting data on our activities in London in 2002/2003 we have seen an increase in the value of our sponsorship from £1.6m in 2002/2003 to £2.8m in 2007/2008.

The high value of our programme in 2005/2006 reflects the pro bono advice we gave to: the United Nations Environment Programme; the London 2012 bid team (partly in recognition of its potential for regenerating a deprived area of London where we already had strong community partnerships); and emergency relief and pro bono work following the 2004 Tsunami.

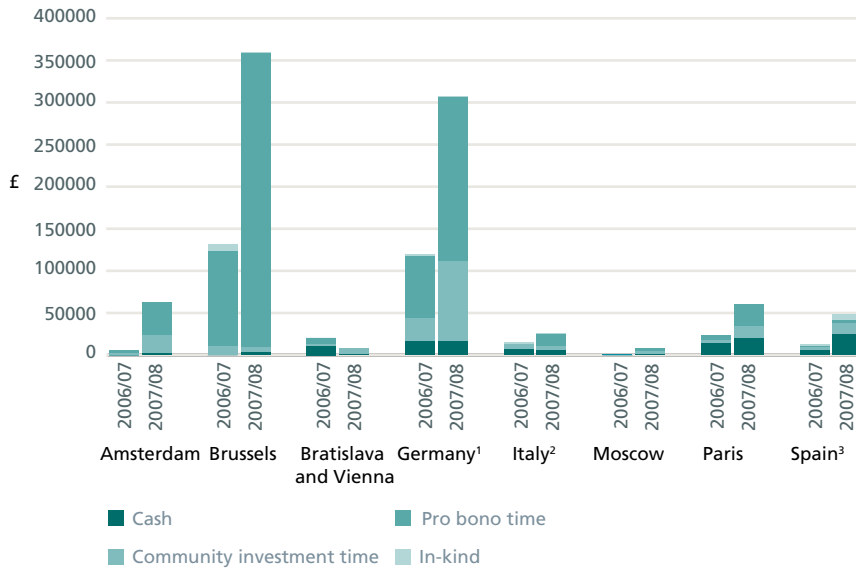
In February 2009, we were appointed as the official legal services provider to the 2012 Olympic and Paralympic Games, and we hope to be able to involve our community partners in the spirit of the Games and in London 2012.

In London, 36 per cent of our people are actively engaged in our community and pro bono programme (it has remained fairly consistently around 35 per cent since 2002/2003). Most of our volunteers now participate in more than one initiative, reflecting our aim of encouraging people to get involved in a team challenge once a year, as well as in other community and pro bono activities.

In terms of hours, there has been a small increase, with 19,741 hours contributed to volunteering activities in 2007/2008 compared with 19,565 in 2006/2007. In 2007/2008 we contributed 11,357 hours to pro bono work and 8,384 to community investment activities, compared with 12,397 pro bono hours and 7,168 community investment hours in 2006/2007. The apparent reduction in pro bono hours is due to changes we have made in where we record the hours. We now allocate the hours to the office(s) where the pro bono work was carried out as opposed to where the matter was opened.

10.13 Activities in mainland Europe

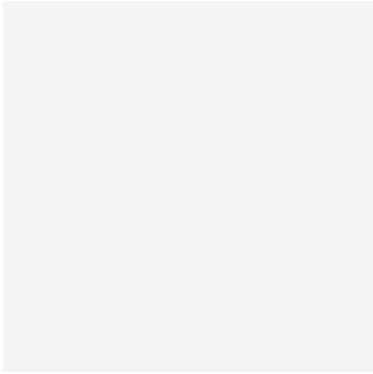
The value of our programme (including cash, time, and in-kind contributions) 2006/07 – 2007/08



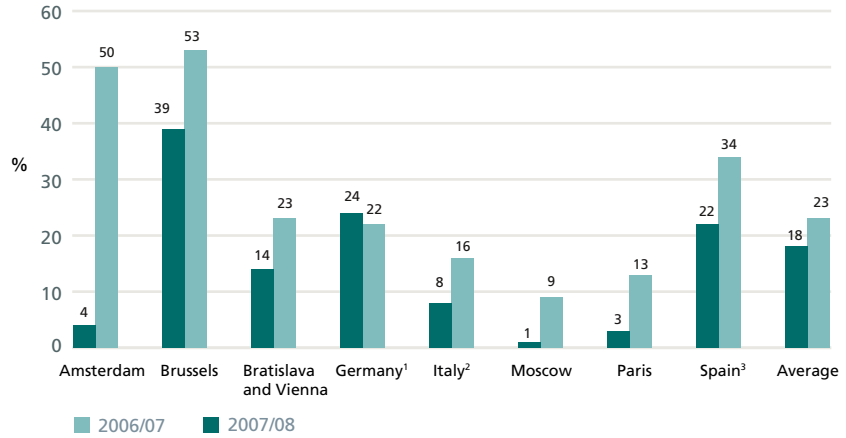
¹Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg and Munich
²Milan and Rome
³Barcelona and Madrid

In 2007/2008, 23 per cent of our people in our offices in mainland Europe participated in our community and pro bono activities, contributing over 7,200 hours – a significant increase on 18 per cent of people contributing over 3,500 hours in 2006/2007. Much of this increase is the result of our first Community Challenge month which has helped many offices (such as Amsterdam) to build relationships with community organisations.





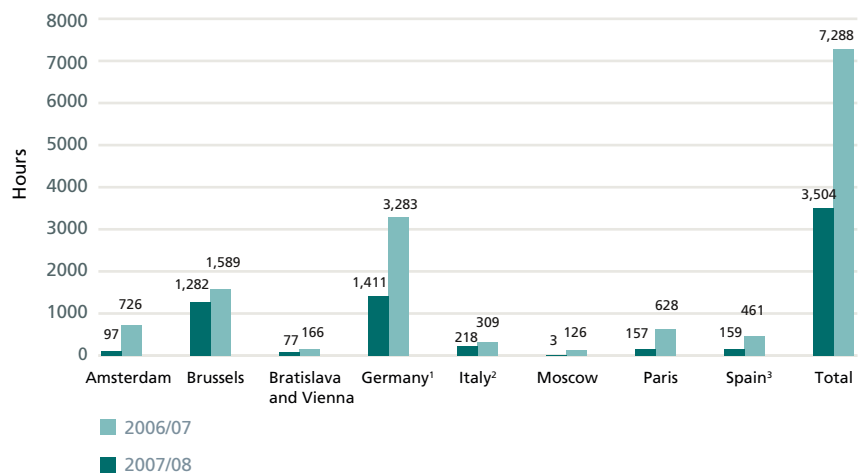
Percentage of people involved 2006/07 – 2007/08



¹Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg and Munich
²Milan and Rome
³Barcelona and Madrid

Levels of activity vary for many reasons: for example, whereas Belgium has a strong tradition of pro bono work, until very recently pro bono work has been difficult to undertake in Germany. This also affects the value of the programme, as under the London Benchmarking Group model, time contributed to pro bono legal advice is valued at significantly more than community investment time.

Hours contributed to community and pro bono work 2006/07 – 2007/08



¹Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg and Munich
²Milan and Rome
³Barcelona and Madrid

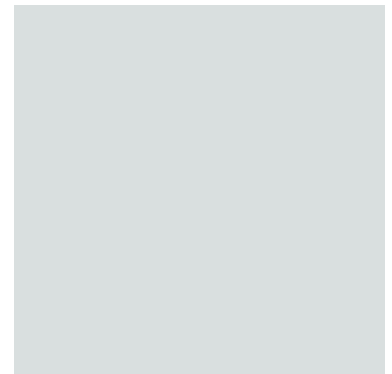
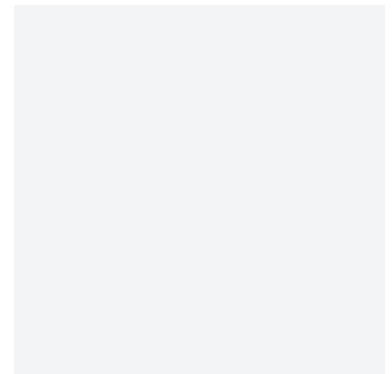


Our offices in Europe get involved in team challenges, support fundraising initiatives, donate computers to community organisations and give blood to the Red Cross. Many of our offices have also developed other activities.

Each office has a co-ordinator and partner responsible for developing our community and pro bono activities, often as part of our wider CSR activities. In the past year our Paris office has created a part-time position in this area. In our German offices, we set up local CSR committees involving partners, associates and business services employees co-ordinated by a central CSR team that has also become more actively engaged in pro bono work. Our Spanish offices have a very active committee as well. As a result we expect to see a continued increase in activity in 2009.

We are supporters of the European Alliance for CSR, a joint initiative of the European Commission and the business community. As part of this, we are jointly leading a CSR Laboratory with Citi, KPMG and Business in the Community's ENGAGE. The Laboratory aims to demonstrate how skills for employability among disadvantaged groups of people in the EU can be enhanced and developed through employee community involvement, in particular through volunteering. In December 2008, we presented our recommendations and volunteering toolkit to various Members of the European Parliament and European Commission, to encourage and enable more businesses to support employee volunteering activities across the European Union. Several Freshfields' projects were showcased, including our job coaching scheme in Berlin, Cologne, and Frankfurt, work placements for homeless people and Number Partners in London, and the discovery day in Paris. You can find out more at www.engageyouremployees.org

'Freshfields' leadership in developing the employee community engagement Laboratory, communicating its outputs to the European Commission, involving their Teach First secondees and producing the report has been key to making all of this happen.' **Stephen Howard, CEO, Business in the Community**





10.13.1 Austria and Vienna

‘Our corporate social responsibility programme is small, but we are confident it will provide the foundation for developing future initiatives.’
Christof Pöchhacker, partner responsible for CSR in Vienna

Vienna

Our office in Vienna organises a social afternoon in a nursing home each Christmas. One of our partners plays the piano, while associates and secretaries sing in a chorus. The other attendees chat and sing with the elderly people and a group of dancers with disabilities performs at the event.

The office also collects clothes for homeless people every Christmas.

In 2008, 29 lawyers from our offices in Vienna, Frankfurt, Brussels and London participated in the Vienna City Marathon, raising funds for sporting events for people with disabilities.

As part of Community Challenge, in October 2008, volunteers from the Vienna office worked with an orphanage called Europahaus des Kindes.

Note: Christof used to be CSR partner for Bratislava as well as Vienna. We closed our office in Bratislava in April 2009. We are continuing to work in central and eastern Europe, largely from our offices in Vienna and London, we also refer work to, or co-operate on a case-by-case basis, with two or three leading local law firms in Slovakia.

10.13.2 Belgium: Brussels

‘Pro bono work is an integral part of a Belgian lawyer’s training and in that context our associates have been involved in a variety of matters under the legal aid regime organised by the Belgian Bar. We have also been involved in providing employment law advice to Oxfam International and are very proud about our work for the Fortis Foundation, the Dexia Foundation and an association of pro bono organisations on developing a new legislative tax framework for sponsorship of pro bono initiatives.’

Thomas Janssens, partner responsible for CSR in Brussels and member of our community and pro bono committee

The Brussels office, together with associates from other European offices around the network, is involved in a pro bono project to assist the European Citizen Action Service (ECAS) in defending European citizens’ rights. ECAS provides European citizens with information on their rights when they move within the EU and helps them solve problems where their rights are not respected.

ECAS – defending EU citizens’ rights

We have been working with ECAS on a number of projects. We have continued our work with Parents and Children Together on a project to help parents whose children have been abducted by their ex-partners, typically when a marriage between two people of different nationalities

breaks up and one parent takes the child back to their home state without the consent of the other. European lawmakers are currently campaigning for EU legislation addressing the problem of cross-border abduction and the report has proved persuasive. We are continuing our dialogue with lawmakers on this issue and have put ourselves at their disposal to provide legal advice.

We have also been involved with ECAS in assisting pensioners who retire in a different member state to their home country so that they are not disadvantaged through reductions in their pension rights as a result of exercising their free movement rights. This has involved liaison with the European Parliament and potential legal proceedings. One member state government has now agreed that rules will only be changed for future cases and not retrospectively for those currently residing in the country.

Andreas von Bonin, partner in Brussels ACT, has taken up a position on the ECAS board of directors. This will enable the firm to continue its work in defending citizens' rights.

Helping disadvantaged children

Volunteers from the Brussels office also visit a local school, Ecole Sainte-Marie in Saint Gilles (municipality of Brussels), twice a week to participate in a reading programme with pupils aged between two and four. Many of the children are from disadvantaged areas, and books and reading do not play a regular part in their day-to-day home lives. The Brussels office has been participating in this programme for a number of years.

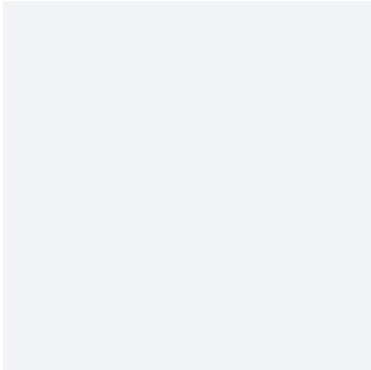
We have organised other initiatives with this school, including donating second-hand books and toys and collecting to help fund summer day trips for the pupils. The office has also donated €8,500 worth of computer equipment to schools in Brussels this past year.

Community Challenge

As part of our firmwide community and pro bono initiative, Community Challenge 2008, our Brussels office organised a full day of activities for 100 young children at Ecole Sainte-Marie school including a visit to a puppet theatre.

10.13.3 France: Paris

'Our CSR programme has continued to go from strength to strength this year. Our initiatives are very much welcomed and are supported wholeheartedly across the office. Although we still have a lot of work to do, I am extremely proud of our achievements thus far. We continue to play a leading role in the development of pro bono work in France through our involvement in the Paris roundtable and its steering committee and we have successfully strengthened relationships with our pro bono and community partners. We look forward to developing more projects with them through pro bono partnerships, team challenges and other ongoing programmes. Our ENGAGE Discovering Business project for disadvantaged



schoolchildren was a huge success, and I for one was delighted to have been able to take part and share this experience with the pupils and our volunteers. Offering three of the students the opportunity to come back for a summer work placement was extremely important for us and we sincerely hope that the time these pupils spent in our offices will be prove invaluable in helping them make careers decisions in the future.’

Emmanuel Bénard, partner with responsibility for CSR in Paris and member of our community and pro bono committee

Pro bono in Paris

Our Paris office has provided pro bono advice to Reprieve in relation to the death penalty in francophone Africa. We are also involved in a joint Lawyers Without Borders and Save the Children project relating to property and inheritance rights for women and children in Africa in light of the HIV/AIDs pandemic. This work is part of our contribution to the Millennium Development Goals.

Since its inception in 2007, we have been actively involved in the Paris pro bono roundtable. Along with four other law firms, we are part of its steering committee, which is responsible for devising a pro bono development strategy in France. The committee is currently working on a co-operation project with Droits d’Urgence, which it hopes to launch early in 2009. Now recognised as a leader in the pro bono field in France, we were recently in consultation with the organising committee of the 2008 European Pro Bono Forum, hosted by the Public Interest Law Institute, with regard to the forum agenda and to provide speaker suggestions.

We are looking forward to generating our own pro bono files through partnerships with French-based human rights organisations.

ENGAGE Discovering Business initiative

In 2007, we began working alongside the French Ministry of Education, ENGAGE, IMS-Entreprendre pour la Cité, and a number of other businesses including Deloitte, HSBC, Linklaters, UBS and Walt Disney, on a project designed to welcome 14-16-year-old disadvantaged schoolchildren into the workplace as part of a ‘discovering business’ initiative that introduces them to corporate life and culture. As a result, we played a key role in drafting the ‘Un jour, un metier’ programme (and came up with the project name) and in April 2008, a group of 13 children from Paul Verlaine middle school (from the Parisian suburb of Les Mureaux) spent the day in our offices, along with two teachers and their headmaster.

The pupils were welcomed by a group of partners and associates and business services volunteers. They were supervised throughout the day by 23 volunteers and were divided into groups and set specific tasks relating to the work carried out in departments such as IT, design and print, travel, purchasing, etc. They also they took part in video conferences – including one with lawyers from our London office to practise their English.

The day was a huge success. The pupils thoroughly enjoyed themselves and were astounded to discover that so many different professions could exist within a law firm. Our volunteers were delighted to have taken part and – to maintain links with the school and show the pupils that they have a place in the professional world – we invited three pupils to come back for one month's paid work experience in August 2008.

We will be working with IMS on new projects throughout 2009, including another discovering business day in April 2009.

Community Challenge

In 2007 and 2008, as part of Community Challenge, we worked with our community partners Unis-Cité and the CADA asylum seekers' centre. In 2008, we planted fruit trees at the centre, while volunteers from the IT department installed internet connections (so that residents can maintain contact with their families back home). Other volunteers painted the dining room and took part in a Halloween art workshop with the children.

For the third year running, our people gave blood in partnership with Don du Sang. In 2008, 10 per cent of people volunteered.

Maison des Himalayas

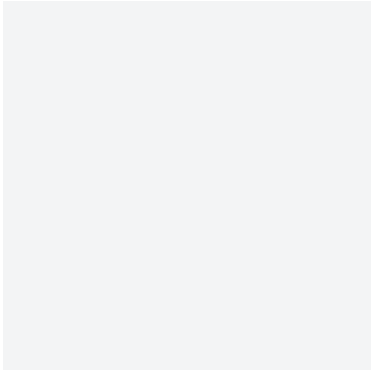
We continue to support the charity La Maison des Himalayas, (MdH), through donations and covering Christmas card printing costs. MdH runs a school for nomadic children in Manali, northern India, and in 2008 we decided to help finance a new project, Handimachal, which aims to meet the medical, education and integration needs of children and adults with disabilities in the Kullu district of Himachal Pradesh and its surrounding districts. Handimachal's main objective is to create a centre comprising a team of medical experts, an information bureau for the families and local social workers, a training school for disability professionals (the Handimachal School) and, at a later stage, a temporary reception centre for visiting families from isolated villages.

10.13.4 Germany: Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg and Munich

'In my new position as CSR partner, I am taking over a well established community programme. Participation in Community Challenge 2008 has been extraordinarily high, and most of our offices run regular projects throughout the year. I have set my mind primarily on further developing our pro bono programme in line with our global strategy.'

'To make more of a difference in all aspects relating to CSR, we have appointed two additional CSR partners in Germany who will concentrate their efforts on further improving our environmental performance and on integrating diversity in our everyday working lives.'

'We will continue to encourage our people to help us become an evermore socially and environmentally responsible business. I am looking forward



to an exciting future for CSR in our offices.’ **Christian Bunsen, partner responsible for CSR in Germany, and member of our community and pro bono committee**

We have more than doubled the hours contributed to pro bono and community engagement projects in the year since 2006/2007 to over 3,000 hours.

In Germany we have partners with overall responsibility for CSR including community investment and pro bono work, and environment and diversity, and each of our six offices has appointed a local CSR partner. The dedicated local community engagement teams organise a variety of projects to support their community partners (many of these are long-standing relationships) and our offices are continuously exploring new ways of working with these community partners.

10.13.4a Germany: community investment – Job coaching for young people without apprenticeships and work experience

Volunteers from our offices in Berlin, Cologne and Frankfurt provide job coaching to 15-17-year-old adolescents from disadvantaged backgrounds with poor qualifications and a long history of discouraging experiences. Volunteers help with CVs and application letters, and practise interview skills with the students. This provides the students with a unique learning experience and access to successful role models and positive feedback; while our volunteers benefit from the opportunity to expand their own skills.

In 2008, our office in Frankfurt along with Citi, Deutsche Börse, Fidelity and Linklaters, played host to 60 students from five schools, helping to prepare them for the next stage in their lives.

Our offices in Berlin, Düsseldorf, Hamburg and Munich offered one-day work experiences to students from various schools as part of a scheme organised by the charity Schüler helfen Leben, which works with children and adolescents in south-eastern Europe to secure peace.

Reading in schools

Popular reading partner projects have been established with schools in Berlin and Frankfurt. Cologne is currently planning its own project with a nursery school. These projects are designed to improve language skills in young children who speak German as a second language. Since 2004, volunteers have also read at the annual Children’s and Adolescent Book Fair in Frankfurt. We offer our employees workshops on creative reading to enhance the experience for the children and in recognition of the volunteers’ dedication to the programme.

In Frankfurt, volunteers are now also offering extracurricular workshops (with experiments and creative work) focusing on topics such as electricity.

Team challenges

Since 2004, all six German offices have supported clothing collections for local homeless charities and abused women's shelters.

Our offices also work with the Wishing Tree project on a scheme that gives Christmas presents to orphans; children living in abused women's shelters (Frankfurt); children with cancer (Cologne); and young refugees (Berlin). Christmas trees decorated with the children's wishlists are put up in the reception areas of the offices so that volunteers can fulfil the wishes.

For three years we have been buying handmade Christmas cards from our long-standing Hamburg community partner helping to raise funds for the charity. To honour our commitment to the environment, in 2008 we offered these cards as e-cards as well.

As part of our firm's long-standing partnership with Habitat for Humanity – a charity that aims to tackle poverty housing – 31 employees from our German offices participated in housebuilds in Ghana and fundraising activities in 2008, and another team is going in 2009.

Our offices regularly sponsor runners for charity runs. Examples in 2008 included a team of 20 participating in a charity run in Hamburg, and 35 people from our Berlin office raising funds for a children's home. For the second year, volunteers from our offices in Cologne, Düsseldorf and Frankfurt formed a team, this time running a half-marathon in Cologne.

Many of our offices also organise regular blood donations for the Red Cross.

Community Challenge

Following the success of our October 2007 team challenges, which involved 163 participants, in 2008 we organised 21 projects, many of them together with the partner organisations from the previous year. Overall, 21 per cent of our employees in Germany participated in one or more projects in 2008.

In Berlin, volunteers served food to homeless people, did some gardening in a homeless shelter, painted rooms in an orphanage, and participated in a games and handicrafts afternoon with children.

Our Cologne office took children from a kindergarten and an orphanage to the zoo and the circus.

Volunteers from Düsseldorf spent a day with groups of children from an orphanage taking them ice-skating, to an indoor playground and to a farm, and they also supported a beauty day for homeless young women again.

Frankfurt took part in several projects: redecorating an assisted-living home for former substance abusers; job coaching for homeless people; job coaching for young women living in assisted housing; serving food at a Thanksgiving party for homeless people; accompanying women and children from a women's refuge to a theme park; and spending a creative

afternoon filled with reading and experiments in a local primary school. Lawyers also offered pro bono legal advice to adolescents in a youth centre.

Associates and trainees in Hamburg offered pro bono legal advice to adolescents, while other volunteers redecorated the rooms of one of our partner charities.

In Munich, our volunteers repainted the walls in a day-nursery.

Markets

Our offices in Cologne and Düsseldorf regularly participate in *Marktplatz für gute Geschäfte* – events that bring together charities and local businesses to sign contracts for corporate volunteering and other non-financial support.

10.13.4b Germany: pro bono

Our offices in Germany are developing pro bono activities with the aim of making this work a recognised part of our daily legal work, as well as a recognised part of the legal education for trainees and associates. We aim for substantial partner participation, in areas of law where we can directly utilise our core capabilities, from applicable areas of law to transaction management.

We envisage a mix of domestic and international pro bono matters, the latter involving co-operation among lawyers from several offices in individual projects. In addition to professional development, we recognise such projects also enable our lawyers to create relationships between associates and partners who might not otherwise have had an opportunity to work together, and who will gain satisfaction from a shared purpose and project. We believe this will help to add to our sense of achievement.

As a first step, we are setting up a pool of lawyers interested in participating in our pro bono activities; we will then register their preferences as to areas of work, timing and availability, and jurisdictional aspects.

In line with our firmwide strategy, pro bono work in our German offices is given the same status as legal work for paying clients. It counts towards the recognition of an individual lawyer's achievements for purposes of evaluation and career planning, in the same manner as any other work done for the firm, and we pursue the same rigorous standards of quality and service efficiency given to our 'billable' work. However, participation in pro bono work is entirely voluntary for all concerned.

Our pro bono projects so far include the following.

- Our Cologne office continues to provide considerable pro bono advice to a community foundation, including the establishment of a sub-foundation, legal advice on a trade mark conflict, drafting contracts, etc. We also advised the US embassy on a new sponsorship through an incorporated society.

- A finance team in Frankfurt undertook a substantial piece of pro bono work advising Deutsche Bank on microfinance securitisation. Our firm won the International Financial Law Review European Pro Bono Award for this project.
- In Frankfurt, we are planning to offer workshops on selected topics (eg insolvency law) for our partner organisations to ‘train the trainers’ to be able to give better advice to their clients in their everyday work. We are also actively involved in the Frankfurt pro bono roundtable that is designed to promote pro bono work in Germany.
- In a joint project, our Frankfurt and Cologne offices have been advising a hospice on its foundation in co-operation with a hospital, as well as on trade law issues.
- Our Hamburg office has given legal advice to an intercultural dance project for disadvantaged children.
- All our offices give ad hoc legal advice to project partners and individuals involved in our programmes, where necessary (eg questions on inheritance law, immigration laws etc) and contribute to international pro bono projects when German law aspects need to be considered.

Our senior partner, Konstantin Mettenheimer, has recently joined the board of trustees of Common Purpose, which aims to improve the way society works by expanding the vision, decision-making ability and influence of leaders from numerous fields.

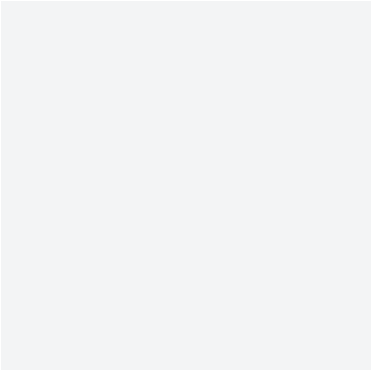
10.13.5 Italy: Milan and Rome

‘The people in our offices in Milan and Rome have participated in several community and pro bono initiatives over the years. We look forward to building on this commitment to create a more focused social and environmental programme in the coming months. As part of this, one of our first initiatives in 2008 was to change our electricity supplies to ‘greener’ sources as part of our efforts to reduce our contribution to climate change.’ **Vittorio Salvadori di Wiesenhoff, partner responsible for CSR in Milan, and Gian Luca Zampa, partner responsible for CSR in Rome**

Milan

In 2008, volunteers took part in the annual ‘Drugs Collection Day’ organised by the Banco Farmaceutico (connected with the Banco Alimentare). Almost all the pharmacy shops in Italy take part, and volunteers invite customers to buy medicines and products specifically for children. The medicines collected are then distributed among various local charities.

During 2008 the Milan office donated technical equipment (including computers and screens) to Banco Informatico Onlus, for distribution to developing countries.



The Milan office has been raising funds since 1998 for the Comitato Maria Letizia Verga – supporting young children with leukaemia and their families.

Rome

A volunteer from our Rome office works with the Peter Pan Association, which provides accommodation and other support to children with cancer and their families. The Rome office also works with AISCUP, an association that supports cancer patients while they are undergoing treatment. Volunteers give patients lifts to and from hospital and participate in fundraising activities to help provide counselling and physiotherapy support.

Another member of the office is an active volunteer with the homelessness organisation Caritas.

The Rome office has also donated computers to Consorzio Gioventù Digitale to enable older people to benefit from free IT courses.


In association with Casa Arcobaleno Association (AIPD), we also provide legal assistance to the families of children with Down's syndrome.

Community Challenge

As part of our 2008 Community Challenge, volunteers from our offices in Milan and Rome once again participated in the Fondazione Banco Alimentare Onlus's food collection day when volunteers persuade people to donate food for organisations helping poor and marginalised people in Italy. Some of our volunteers worked at supermarkets, convincing people to donate food, while others worked at the tills collecting food and packing it. The team sent over 100 boxes of food to the charity.

10.13.6 The Netherlands: Amsterdam

'Our team challenges are very popular and a great way of getting people involved in the local community and building relationships with community organisations.' **Dirk-Jan Smit, partner responsible for CSR in Amsterdam**



In 2008, our Amsterdam office launched a new community project working alongside SAMAH, a foundation for young asylum seekers. As part of the partnership, asylum seekers received training on presentation skills from our associates and HR team. On World Refugee Day our office hosted the annual conference organised by the foundation, and workshops and fashion shows organised by the young asylum seekers could be heard and seen throughout the office.

The SAMAH Trust campaigns for the rights of asylum seekers, many of whom came to the Netherlands without a family, and helps them towards self sufficiency.

‘To organise this event together with Freshfields was a wonderful experience. You have made dreams come through. Thanks, on behalf of all our youngsters!’ **Els van Mourik, director of SAMAH**

Community Challenge

As part of the 2007 and 2008 Community Challenge, our office worked with the organisation Sinterklaas Bestaat (Santa Claus exists). The celebration of Sinterklaas is a typical Dutch tradition with lots of sweets, presents, songs and poems. Unfortunately, not all parents are able to buy presents for their children, which is where Sinterklaas Bestaat comes in, by providing poor families with the means to have a wonderful Sinterklaas celebration. Companies and individuals donate presents that are collected, put into large Sinterklaas bags and handed out to the families. Our volunteers helped by putting together over 1,500 bags of presents.

‘Thanks to all your efforts it has been a great success. It was heartwarming the way Freshfields Bruckhaus Deringer helped us. Many, many thanks.’

Kiki Hirschfeld, founder of Sinterklaas Bestaat

10.13.7 Russia: Moscow

‘We are delighted by the interest shown in our developing corporate social responsibility programme and look forward to doing more in the future. Our people found the first Community Challenge extremely rewarding and moving for all involved. The realisation of how much the team can do in such a short period of time encouraged us all.’

Jacky Baudon, partner responsible for CSR in Moscow

Volunteers in our office in Moscow get involved in pro bono legal work and are participating in the new pro bono legal roundtable. They also support team challenges as part of our Community Challenge month.

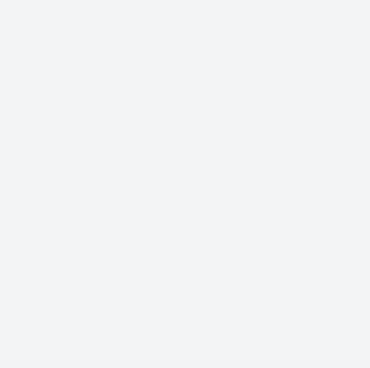
Community Challenge

In 2008, volunteers worked with children from a Moscow children’s home, while another group visited a orphanage for children with mental health problems. Fundraising activities were also arranged around these events.

10.13.8 Spain: Barcelona and Madrid

‘There is very real enthusiasm for getting involved in our community and pro bono programme in both our Spanish offices, and our team challenges are always immensely popular with the people who work here. So we’re looking forward to getting more involved in taking forward our wider social and environmental commitments in 2009.’ **Miguel Klingenberg, partner responsible for CSR in Barcelona and Madrid and member of our community and pro bono committee**

We have a committee made up of lawyers and people from business services, that co-ordinates and develops the community and pro bono



activities in our Spanish offices. In addition to team challenges and festive season events, groups of volunteers have been involved with sporting initiatives for young people.

The Spanish offices are also actively engaged in pro bono work for various organisations.

Community Challenge

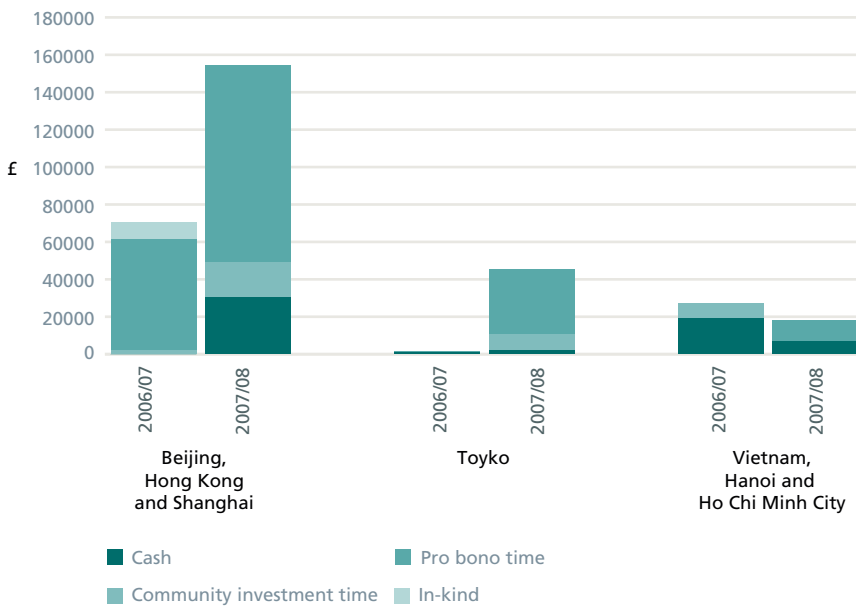
In October 2008, as part of our second Community Challenge, volunteers from the Madrid office spent a day at an old people's home. Volunteers participated in a number of activities with the residents including games, singing, dancing and talking to them about their life experiences. The Madrid office also donated items for the residents' bedrooms.

Volunteers from the Barcelona office donated and assembled cupboards and glued corkboard up on some of the walls at Centre Compartir – a new community centre for immigrant children of the Barrio Raval in Barcelona. Later the volunteers accompanied the children to their weekly swimming lessons. The community centre is open every day so that children can take part in sporting activities or do their homework after school, keeping them occupied and off the streets until their parents return home from work.

'One always has an image of lawyers – greatly influenced by clichés – of serious, extremely intellectual people of a very strong character and a cold, insensitive nature... but on 21 October this year, this image was broken. To spend an entire morning working with you all in the Gothic quarter of Barcelona, assembling cupboards and mounting corkboard on to the walls for the youth community centre was a delight, a real pleasure and simply wonderful. And when you met up in the afternoon with the children with whom we work, either at the swimming pool or on the sportsfield; you reinforced this image of devoted and enthusiastic people, keen to learn and to help others. A very heartfelt thank you.' **Miquel Martínez, Centre Obert Compartir**

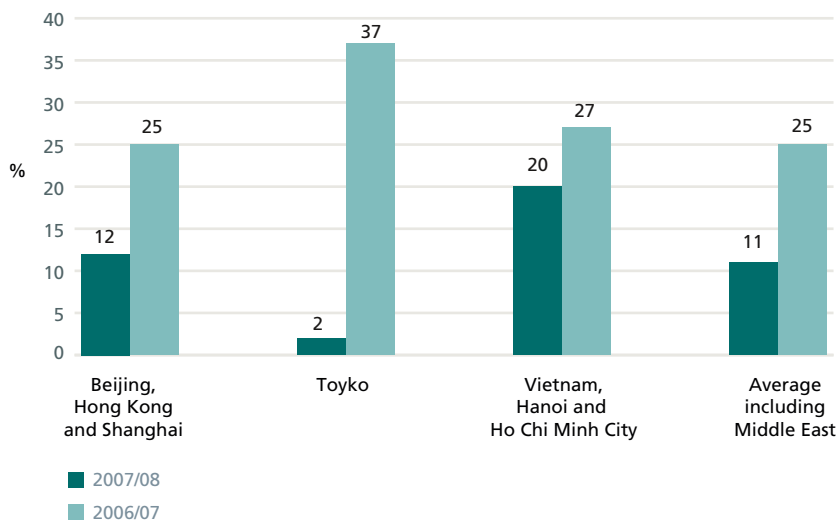
10.14 Activities in Asia and the Middle East

The value of our programme (including cash, time and in-kind contributions) 2006/07 – 2007/08

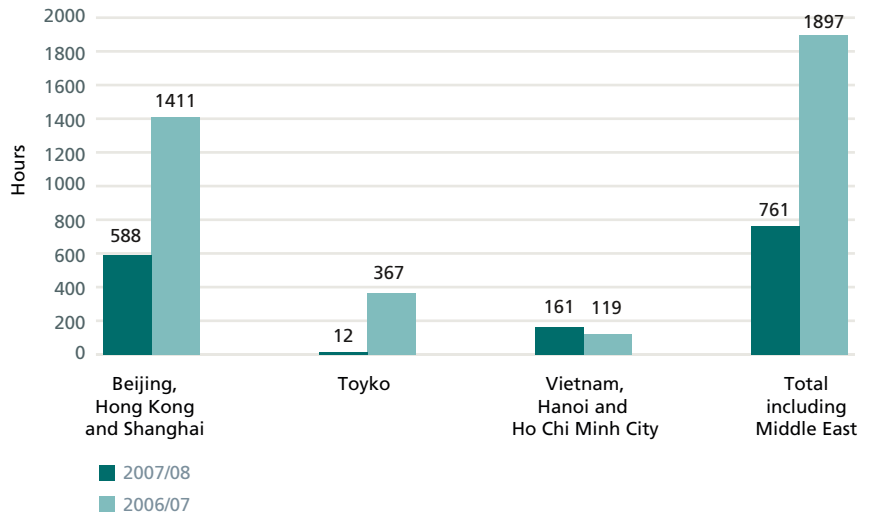


In 2007/2008, 25 per cent of our people contributed nearly 1,900 hours to community and pro bono activities – a significant increase on 2006/2007 when 11 per cent of people contributed 761 hours. We hope to see a further increase in this, once our office in Dubai starts building more community partnerships.

Percentage of people involved 2006/07 – 2007/08



Hours contributed to community and pro bono work 2006/07 – 2007/08



10.14.1 China: Beijing, Hong Kong and Shanghai

‘Involvement in our community and pro bono programme has long been important to us, and we have a committee that co-ordinates many of our activities. The first firmwide Community Challenge initiative was a great opportunity for all our offices in Asia to step up this activity. We now have a CSR manager who is working with the offices to encourage even more engagement in the firm’s broader social and environmental initiatives, conscious as we are that our responsibilities are growing along with the economies in which we operate.’ **Connie Carnabuci, partner responsible for CSR in Hong Kong, and chair of the community and pro bono committee for Hong Kong and China**

In 2008, in response to the Sichuan earthquake and the cyclone in Myanmar, our people in our offices in mainland China and Hong Kong raised over £20,000, which was then matched by the firm.

Final hour appeal

Every Christmas, a Final Hour Appeal is organised by our people in Hong Kong, usually in collaboration with the Beijing and Shanghai offices. People are invited to donate their final hour of salary for the year to a chosen charity.

The 2008 appeal is enabling the Children’s Medical Foundation to establish a new bed in a neo-natal intensive care unit in a semi-rural area and to train two doctors and two nurses for the unit in conjunction with Shanghai’s Fudan Hospital. Each bed helps to lower infant mortality rate in the area by an average of 52 per cent. On average each bed saves 400 lives a year.

The 2007 appeal raised funds for a school in association with Plan International; and in 2006 we collected for Little ZheHan (a 14-year-old

martial arts prizewinner with leukaemia) and the International Justice Mission, where one of our former lawyers now works full-time and which focuses on child slavery and human trafficking. In previous years, funds raised have been used for providing equipment for the Children's Cancer Centre in Hong Kong, building a school in Cambodia and two primary schools in Ningxia, funding a microfinance programme supporting a school for impoverished families in the Fujian Province, and supporting the Save the Children Angel Tree Project for children of prison inmates and children who witness domestic violence.

Working with children

Other regular initiatives include activities with homeless people and disabled children in residential centres, day trips for children who wish to improve their English, regular visits to Po Leung Kuk orphanage, and cleaning up beaches through the charity Greenpower.

In 2008, volunteers from our Hong Kong office, along with people from 14 other business including ABN AMRO, Microsoft, PepsiCo, Royal Bank of Scotland and Standard Chartered participated in Engage: A Journey of Opportunity, a project designed to raise the aspirations of teenagers.

On the pro bono front, our lawyers have continued their work with the Half the Sky Foundation. In the past 12 months, this work has involved our offices in Beijing, London, Amsterdam and Hong Kong enabling the Foundation to bring their nurture and education programmes to children in every province of China, and extending their reach to Europe, Australia, and Canada. The relationship with Half the Sky spans a number of jurisdictions and practice areas, and is a real demonstration of the international strength our firm can lend to pro bono activities.

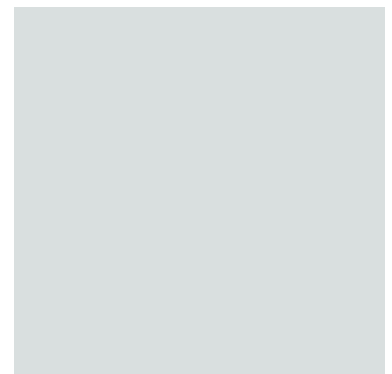
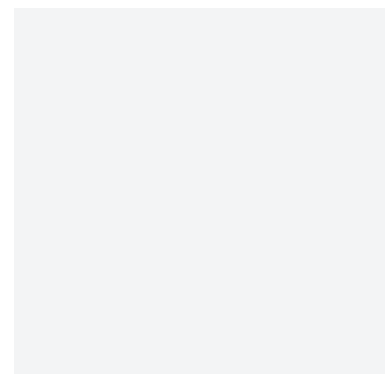
Crossroads

Our Hong Kong office holds volunteer days for Crossroads, a relief agency that sorts and packs goods donated by Hong Kong residents and ships them to those who are less fortunate in Asia, Africa, South America and Europe. Around 20 people spend Saturdays helping the charity sort and pack items; without additional volunteers, it would take the charity two years to sort and ship its donations by itself.

We have also provided pro bono assistance to Crossroads and helped them to secure the intellectual property rights for their global Helping Hand logo.

Helpers for domestic helpers

In Hong Kong, we participate in a programme called Helpers for Domestic Helpers (HDH), providing advice, counselling and guidance for (primarily foreign) domestic helpers in Hong Kong. HDH deals with employment and immigration issues and human rights issues affecting foreign domestic helpers. It aims to help them understand their rights in Hong Kong and to enforce these rights. On Sundays, when most domestic helpers in Hong





Kong are released from work, volunteers from Freshfields, other law firms and investment banks now advise the helpers who drop in.

Hong Kong Refugee Advice Centre

We have partnered with the Hong Kong Refugee Advice Centre (HKRAC) to provide pro bono legal advice, including full written submissions, to asylum seekers appearing before the UNHCR (the UN Refugee Agency). As part of this programme our volunteers receive extensive training through HKRAC to prepare them to elicit testimony from the asylum seekers, to work with interpreters and to research asylum law. Our volunteers are drawn from all three China offices.

Our Hong Kong office recently became involved in the new pro bono roundtable designed to encourage and promote more pro bono work.

Shanghai


Our Shanghai office has been advising British environmental charity Plant a Tree Today Foundation (PATT) on its expansion into the People's Republic of China. PATT establishes community-based forestry projects in developing countries, working with corporate partners, governments, non-governmental organisations and other bodies.

Community Challenge

Our offices supported a variety of team challenges as part of our second firmwide community and pro bono initiative.

In Beijing, the office decided to revisit the school they visited in 2007, the XingZhi School for the Children of Migrant Workers. A total of 39 volunteers got involved running an essay writing and drawing contest, taking a class on an outing to the Beijing aquarium, and providing them with a quiz (based on questions and answers submitted by Beijing office staff), disposable cameras and lunch.

Volunteers from the Hong Kong office spent a day at the Watchdog Early Learning and Development Centre where they participated in a number of activities with children with special needs. Another group of volunteers spent time with residents from the China Coast Community, which provides care for elderly people in Hong Kong. The two groups of volunteers then went to Have a Hope Sunnyside School to participate in activities with the schoolchildren.



Volunteers from our Shanghai office worked on a sports day with Roots and Shoots – a global environmental and humanitarian programme for young people, whose members include pre-school to university level youth in more than 75 countries around the world. The event involved 200 children from the Anhui migrant schools aged between 10 and 11 years old.

10.14.2 Japan: Tokyo

‘In 2007 and 2008, as part of Community Challenge, we worked with the YMCA to raise awareness of some of the issues faced by people in wheelchairs. It was a good opportunity for us to experience the difficulties that people in wheelchairs have to deal with. We will continue to encourage our people to get more involved in community activities and are setting up a committee within the office to support CSR involvement.

James Lawden, partner responsible for CSR in Tokyo

In 2008, our Tokyo office participated in a charity soccer competition involving law firms and financial institutions. The proceeds of this fundraising event went to help a women’s shelter and an orphanage in Japan as well as a child welfare scheme in Nepal.

As part of their training, our Japanese-qualified lawyers in the Tokyo office get involved in a range of pro bono work, including consultations with criminal suspects and participation in legal committees. Our lawyers and partners participate in these activities and we also engage in other pro bono work as part of the global pro bono projects the firm undertakes.

Community Challenge

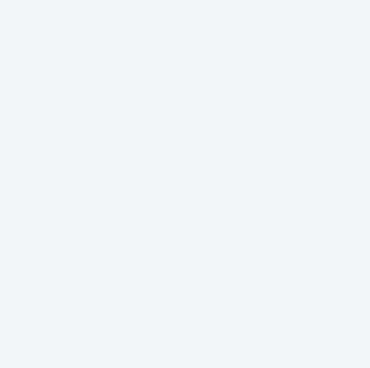
Volunteers from our Tokyo office once again worked with the Wheelchair Access Map (WAM) Project. This project by the YMCA’s Foreign Community Support Committee (FCSC) provides area accessibility information on a website for people in wheelchairs. Its goal is to increase social visibility and to encourage improved accessibility for those in wheelchairs so they can participate in activities that we take for granted, such as shopping, eating and drinking, and socialising – without restrictions, extensive planning, or assistance. The volunteers gathered information on building accessibility in the Akasaka area using handheld maps and markers while at the same time experiencing the difficulties of being in a wheelchair. Each team was provided with a wheelchair.

10.14.3 Vietnam: Hanoi and Ho Chi Minh City

‘As you might expect, much of our community and pro bono activities are focused on people in need in Vietnam, particularly young people, including, for example, our activities with Operation Smile, the Blue Dragon Children’s Foundation, the Red Cross, Save the Children and the Clinton Foundation. We look forward to continuing our activities in 2009.’

Tony Foster, partner responsible for CSR for Vietnam

For many years, we have helped Operation Smile to support children in Vietnam who have been born with facial deformities. Our offices in Vietnam also provide financial support to the Blue Dragon Children’s Foundation, which provides immediate needs such as accommodation, healthcare and food for street kids while preparing them with skills for life through schooling, vocational training and social programmes. Our support enabled the organisation to set up its first residence for street



kids in Hanoi; it currently has 14 residents, who are also being offered education and training. Our help has enabled Blue Dragon to expand its operations so that it can offer more homes and training for street children.

We also provide pro bono support to charities such as the Red Cross and Save the Children and the Clinton Foundation, including work on an initiative to improve the nutrition of children in remote areas of the country and to improve the quality of life of women in these areas.

10.14.4 Middle East: Abu Dhabi, Bahrain and Dubai

‘We are the newest offices within the firm and, having spent the last few months settling in, we are looking forward to getting more involved in the firm’s social and environmental activities.’ **Joe Huse, partner with responsibility for CSR in our offices in the Middle East**

Our office in Dubai has been working with the Ministry of Environment in its drive to make UAE ‘greener’ and has made a significant contribution to the ministry’s environmental programme.

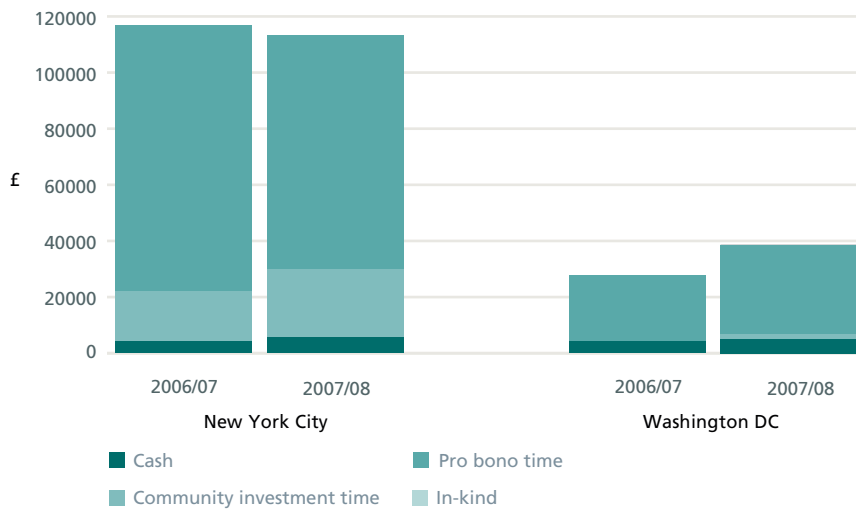
‘In Bahrain during 2009, we are participating in an initiative involving the Batelco Care Centre for Family Violence cases and other community support initiatives in the Kingdom.’ **Harneek Shoker, Head of Bahrain office.**

The Bahrain office will work with the Batelco Care Centre to offer support to the centre in Bahrain – in particular volunteers from the office will be going into the care centre to assist women and children with basic English skills. The Bahrain office is also looking into offering support to the local community with other initiatives.

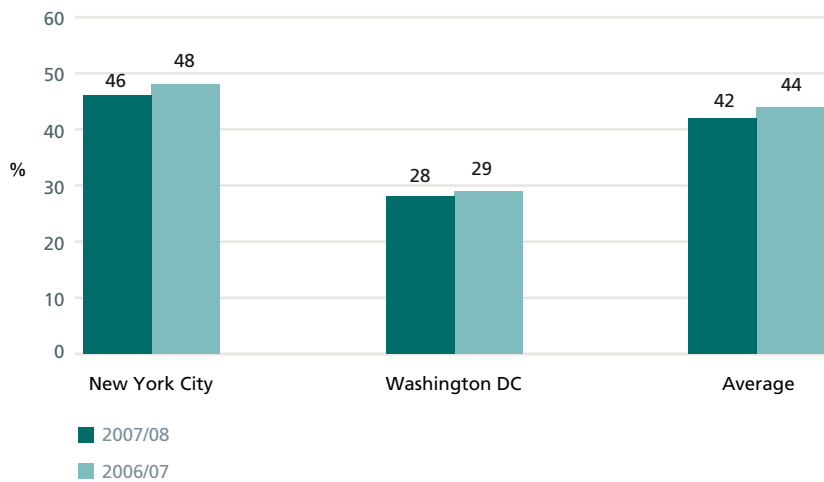
10.15 Activities in the US: New York City and Washington DC

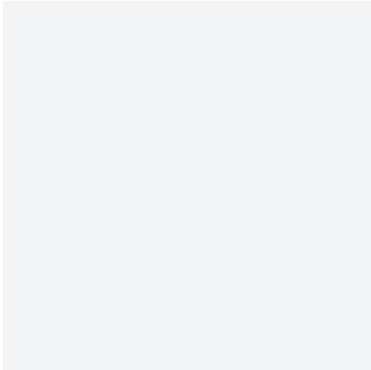
‘Our people have demonstrated a great capacity to appreciate the importance of these issues to the firm and the greater community. Our biggest challenge is to always view our social and environmental responsibilities as core matters deserving of our utmost attention and not peripheral ones that we address only when convenient or when we otherwise are not occupied by billable matters.’ **Melissa Raciti-Knapp, partner responsible for CSR in the US**

The value of our programme (including cash, time and in-kind contributions) 2006/07 – 2007/08

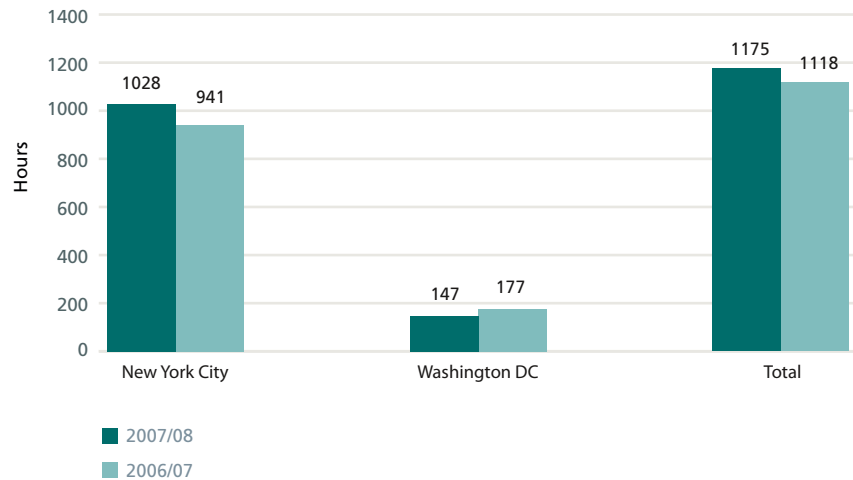


Percentage of people involved 2006/07 – 2007/08





Hours contributed to community and pro bono work 2006/07 – 2007/08



New York

In 2008, our office teamed up for the second time with Legal Outreach, a community organisation working with exceptional students from underserved communities throughout New York City, providing them with supplemental education and training to prepare them for college.

During the summer, the students intern at different law firms each week. Our office hosted four interns, who spent the week working on a mock acquisitions case with our corporate practice group, conducting due diligence interviews with our associates in New York, London, Munich, Paris and Tokyo. They then analysed their findings and presented their recommendation to a ‘board of directors’ played by six of our New York partners. The initiative looks set to become a regular fixture.

Every year, our New York office participates in New York Cares. Last year, volunteers spent a day helping clean up public parks, playgrounds and schools.

At Christmas, our US offices organise ‘coat drives’ for homeless people and participate in team challenges to package food and gift parcels for families in need.

Plans for 2009 include participating in the Thurgood Marshall legal internship programme and the Jeans for Families day.

Washington

On the pro bono front, lawyers in Washington have assisted in filing Supreme Court briefs in the Krishna Maharaj case.

The office also donated \$8,000 to the Continental Airlines Scholarship Fund, which enables disadvantaged students to continue their post-secondary education.



Community Challenge

As part of the second Community Challenge in 2008, a group of volunteers from the New York office helped at the Crotona children's centre, creating 'Mom Kits!' for young mothers currently living in shelters. Another group of volunteers spent the day exploring the Museum of Modern Art with 14 children from a bilingual class from Public School 33.

Volunteers from the Washington office assisted the DC Central Kitchen staff preparing meals for local charities and sorting food items for distribution to local charities.

10.16 Community and pro bono policy

To encourage and enable everyone who works here to spend one working day a year on team challenges and additional working time on community and pro bono activities facilitated by the firm.

To focus our efforts on four themes:

- promoting human rights;
- improving access to justice for individuals and not-for-profit organisations in need by providing free legal advice;
- reducing homelessness; and
- raising the levels of achievement and aspirations of young people from disadvantaged backgrounds, and improving their skills.

To concentrate our financial support and support in-kind, including the provision of office space and design and print, on the community and pro bono partners that enable our volunteering activities.

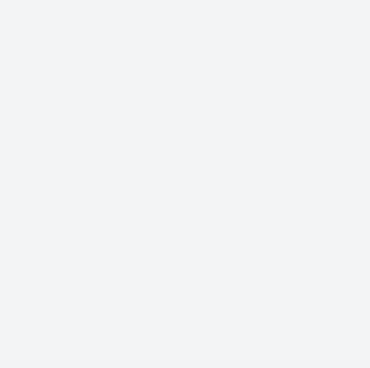
To support initiatives that benefit the communities that are local to our offices and, more broadly, that make a positive difference to some of the wider legal and social issues of today, particularly promoting greater social inclusion.

Our approach is about meeting the needs of the community, investing in communities and providing our people with opportunities to use their personal and professional skills to make a positive difference in a variety of ways.

Our approach to pro bono legal work is that in all circumstances we should provide outstanding professional advice. Every matter we take on goes through the same procedures as any other case work and we ensure the same high standards.

We favour projects that are relevant for our firm and that reflect and reinforce our values: excellence in all we do; outstanding teamwork; trusted relationships with our clients; and imagination.

Our approach is shaped by our commitment to investing in the community and involving our people, so we rarely make philanthropic donations or respond to emergency appeals.



We aim to ensure that our community and pro bono work is supported, recognised and rewarded consistently across the firm. We are working towards ensuring that all pro bono work is appraised and taken into consideration in work allocation, and aim to adopt a similar approach to community investment activities. We are also working towards recognising these activities in the bonus system as part of people's professional development and contribution to the firm.

Each office, together with its community partners, is responsible for interpreting our policy in a way that is appropriate to the local community.

Our community and pro bono programme is an intrinsic element of our wider social and environmental programme, helping us achieve our commitment to be a social and environmentally responsible business. This includes our commitment to promote greater diversity and inclusivity within our own firm and, more generally, within commercial law.

10.17 Our approach


Our firmwide community and pro bono programme is shaped by the recognition that we have a responsibility to use our personal and professional skills to help people in need, to make a positive difference, and to invest in wider society, in particular in the next generation, as they are our clients, employees, suppliers and influencers of the future.

Our approach to pro bono legal advice

Our commitment to an active pro bono programme reflects our view that access to legal advice is fundamental to a thriving society, especially where it can correct an apparent manifest injustice or assist in establishing a legal right. In relation to our support for charities, it reflects our desire to provide pro bono advice to help the charity to grow; to enable them to play a greater role in fulfilling their primary purpose and to help far greater numbers of people.

Quite simply, our pro bono clients are clients of the firm. We owe them the same duties and responsibilities as we owe to our fee-paying clients.

Volunteering can be enjoyable and rewarding



We believe having a positive impact on important social and legal issues is good business practice. We also recognise that volunteers on our programme find it stimulating and rewarding; and develop their personal and professional skills. People enjoy the opportunity to make a difference and it can be a good way to meet colleagues, so we were pleased that the results of our 2008 surveys of our London-based community investment volunteers confirmed this – approximately 47 per cent of our volunteers completed the surveys. Of these:

- 91 per cent find it enjoyable;
- 87 per cent agree volunteering gives them a sense of achievement/is personally rewarding;

- 88 per cent agree it is a good opportunity to meet other people in the firm;
- 82 per cent agree they like to use their skills to benefit others;
- 77 per cent feel our programme helps motivate the people who work here;
- 68 per cent agree it helps to develop new skills and competencies of volunteers;
- 96 per cent are motivated by the desire to give something back to the community, 99 per cent to make a difference and 91 per cent to do something different;
- 97 per cent agree the project was worthwhile and addressed a real need;
- 92 per cent agree it is important to contribute to wider society; and
- 86 per cent agree it is good for the firm's reputation.

Our volunteers also think the schemes benefit the participants in our programmes:

- 83 per cent of our volunteers on schools programmes agreed the schemes improved students' motivation;
- 87 per cent thought they improved students' communication skills;
- 94 per cent said it improved students' confidence/self-esteem;
- 87 per cent thought it raised students' aspirations; and
- 83 per cent said that it raised students' career ambitions.

Of the volunteers on our Ready for Work programme, 88 per cent thought that the placements had improved clients' confidence/self-esteem; and 91 per cent that they improved clients' communication skills.

Working in collaboration

We often work with our clients on community and pro bono activities, particularly through our participation in the Business in the Community (BITC) leadership groups on education, homelessness, climate change, and international volunteering and community engagement. Our participation in these programmes also influences the development of our community investment programme.

Our most notable collaborations with clients were the setting up of two drop-in legal advice centres in London, and our 2008 award-winning pro bono legal advice for a microfinance project for developing and emerging market countries for Deutsche Bank.

We also seek to support other businesses in different ways: for example, we are working with Citi, KPMG and BITC's ENGAGE on an online toolkit to encourage and enable more businesses to develop employee volunteering programmes, particularly initiatives that improve the skills for employability of disadvantaged groups of people. And, with Heart of the City, we mentor smaller businesses in the process of developing community investment programmes.

We are premier members of BITC, a unique movement of over 700 of the UK's top companies who want to improve their positive impact on society.

10.18 Community and pro bono committee

This committee is chaired by senior partner, Guy Morton. It provides strategic direction for our firmwide community and pro bono activities, and guides our policy. The committee includes the following people and covers all our practice groups and business services:

- Emmanuel Bénard, partner (responsible for CSR in Paris);
- Christian Bunsen, partner (responsible for CSR in Germany);
- John Davies, partner (develops our international volunteering activities);
- Jill Delaney, senior associate, and Debbie Farrell, business support manager (regular participants in several aspects of our community and pro bono volunteering programme);
- Crispin Hain-Cole, partnership secretary;
- Simon Hall and Barry O'Brien, partners (focus on developing the skills and raising the aspirations of young people);
- Michael Hertz, director of knowledge and business development (focuses on personal and professional development);
- Thomas Janssens, partner (responsible for CSR in Brussels);
- Tim Jones and Philip Richards, partners (focus on homelessness);
- Miguel Klingenberg, partner (responsible for CSR in Barcelona and Madrid);
- Dietmar Knopp, partner (responsible for CSR in Germany until November 2008);
- Paul Lomas and Geoff Le Pard, partners (focus on our pro bono initiatives);
- Bea Malleson, head of CSR and community investment;
- Clarissa O'Callaghan, head of pro bono;
- Caroline Stroud, global HR partner (heads our diversity initiatives)

In addition, Philip Richards and Tim Jones represent us on the Executive Forum and London Steering Group of Business in the Community's (BITC's) Business Action on Homelessness. Barry O'Brien represents us on BITC's Education Leadership Team, and John Davies on the ENGAGE leadership team, which aims to encourage and promote employee volunteering on an international basis. Guy Morton is a council member of Heart of the City. Simon Hall is on the advisory board of Career Academies UK.