

DIVERSITY POLICY

Diversity and Inclusion are central to our position as a market leader in terms of attracting and retaining the best talent, fostering productive teams, innovation and engaging with diverse clients. Whilst the business case is well understood, there is also a compelling sense that diversity is the right thing to do. Individuality is a strongly held value in the firm and this resonates with respecting difference. The firm has historically had a number of firsts in diversity. Herbert Smith Freehills was the first city law firm to appoint a female Partner in 1968 and a black, openly gay Partner in 1987.

However, recognising the challenges and opportunities diversity presents, we were also one of the first firms to develop a diversity and inclusion programme, establishing our Inclusivity Group in 2003. Diversity and Inclusion is led by a Diversity Partner and Global Head of Diversity and Inclusion with a network of Partner Sponsors and Champions across the firm. The programme delivers mandatory diversity training, awareness raising events, diversity monitoring, supports employee networks and carries out external benchmarking.

We are members of the leading employer good practice forums, including Stonewall Diversity Champions, Opportunity Now, Race for Opportunity, the Employers Forum on Disability and the Employers Diversity and Inclusion Network. We are also members of a number of EMEA and sector based networks. We were an early signatory of The Law Society's Diversity Charter and a founding member of the Interlaw Diversity forum. These external relationships help us develop and share best practice in diversity and inclusion.

A key element of our programme is our employee networks which raise visibility, build professional networking and bring diverse perspectives to the firm. We have an established LGBT (Lesbian, Gay, Bisexual and Transgender) network – one of the first in a City Law firm. This runs networking and client focused events, mentoring and sponsors a range of charities in the LGBT community. We were one of the first law firms to make the Stonewall Top 100 employers, ranking consecutively for the past 4 years. Our LGBT Summer party at the National Portrait Gallery is now permanent feature in the City's LGBT calendar, bringing together networks from across the City.

Our Multicultural network celebrates diverse ethnicity, culture and religion with events and features. Examples include a private performance by Ballet Black and an Eid event partnering with Muslim Square Mile which engaged Muslim clients from across the City. We partner with Rare recruitment to attract the high calibre black and minority ethnic graduates. The firm ranked 6th for City law firms in the Black Solicitor Network Diversity League Table 2012 and we have seen an improvement in the appointment of Trainees from BME backgrounds.

In response to the Davies Report on Women on Boards we established the Gender Group to look at Women in Partnership. The resulting Gender Report looks at how, over time, we can increase the balance of women in partnership and aid the retention of our talented women lawyers. This work is supported by our Women in Business networks via inspirational speaker events, career sponsorship and client development. Providing visible role models and the active sponsorship of women's careers are 2 key priorities in our approach which, critically, involves both men and women. We are members of the Network for Knowledge which shares learning with many of our client organisations.

The Family network includes parents and carers and aims to support those with these responsibilities through topical seminars, networking and policy review. We provide maternity and paternity coaching and emergency back-up care. In 2012, we launched the Herbert Smith Freehills family day which aimed to provide greater visibility of the family – in its various forms – within the firm. Related but not exclusive to this network is our campaign on Working Smarter which promotes approaches to flexible and agile working.

On disability, we run focus groups with people with disabilities and facilitate reasonable adjustments. We work with Employability to attract disabled graduates into the law, holding a number of insight events for graduates. Our stress and well-being training programme addresses issues of stress and mental health, including monthly intranet features on a range of topics. A key focus of the programme has been identifying stress in self and others, stress management and raising awareness of mental health issues.



We include social inclusion within our D&I programme. We monitor educational background in our diversity monitoring and publish the statistics. Our Networked programme provides funding and support for 5 students per annum. As part of the PRIME initiative, we offer internships for school children from deprived backgrounds to increase access to the legal profession. Through our 'Back to School' initiative many of our lawyers go back to their State school to inspire a career in the legal profession.

The Herbert Smith Freehills and The Times annual Advocacy Competition always has a diversity topic as its theme. The competition is open to students studying law at any level and gives them the opportunity to practice the advocacy part of being a lawyer, whilst addressing a diversity issue. We advertise this widely and have around 100 applicants who are then shortlisted to 5 finalists who present to a demanding Panel of experts. We promote the competition via our graduate and other partners to encourage diverse applicants.

As an international firm, taking a global approach to diversity and inclusion is important to us. We have growing employee networks in Hong Kong, Dubai and Paris and Inclusivity Groups in Hong Kong and Tokyo. Our sponsorship of the European Diversity Awards gives us a European profile and we are members of DIAN (Diversity and Inclusion in Asia Network). We are Sponsors of the David Kato award for international human rights and our lawyers have provided pro bono advice to the Human Dignity Trust. Our global diversity and inclusion newsletter is produced quarterly.

At Herbert Smith Freehills, we believe that creating a diverse and inclusive culture involves long term change. Moving forward, we will be strengthening and expanding our employee networks, appointing Sponsors across all our offices to build a global network and implementing a Partner programme using unconscious bias to develop actions at a team level to support our overall aims. Specifically from an inclusion perspective, we are reviewing our key people and business processes – such as, induction or business development – to build in diversity in content and/or monitoring as a way of being more inclusive in all we do.

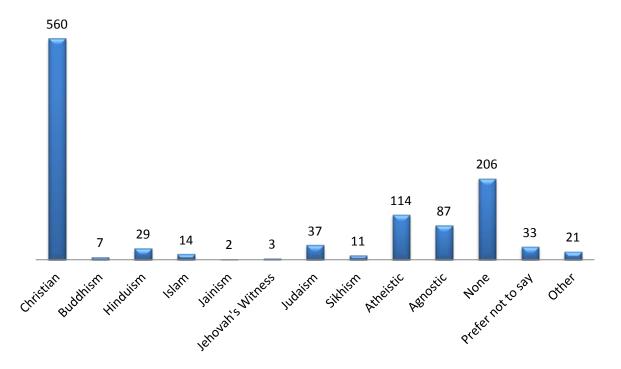
Please see separate attachment for our diversity statistics.

Data as at 19th December 2012	Male	Female	ale Total	Declared non- minority ethnic	Declared minority ethnic (non- white)	Non- declared (ethnic origin)	Total	Declared disability	Part time workers	Flexible workers (including part time workers)	Age Ranges					Total		
				(white)							Undisclosed	Under 20	20 to 30	30 to 40	40 to 50	50 to 60	60+	
Partner	135	28	163	134	5	24	163	1	9	10	1	0	0	30	93	39	0	163
i ai tilei	82.8%	17.2%	100%	82.2%	3.1%	14.7%	100%	0.6%	5.5%	6.1%	0.6%	0.0%	0.0%	18.4%	57.1%	23.9%	0.0%	105
Associate	221	262	483	323	47	113	483	11	19	28	0	0	209	257	17	0	0	483
issociate	45.8%	54.2%	100%	66.9%	9.7%	23.4%	100%	2.3%	3.9%	5.8%	0.0%	0.0%	43.3%	53.2%	3.5%	0.0%	0.0%	100
Consultant	18	7	25	20	1	4	25	0	9	9	1	0	0	0	5	8	11	25
	72.0%	28.0%	100%	80.0%	4.0%	16.0%	100%	0.0%	36.0%	36.0%	4.0%	0.0%	0.0%	0.0%	20.0%	32.0%	44.0%	
Of Counsel	6	11	17	15	2	0	17	0	7	8	0	0	0	6	10	1	0	17
	35.3%	64.7%	100%	88.2%	11.8%	0.0%	100%	0.0%	41.2%	47.1%	0.0%	0.0%	0.0%	35.3%	58.8%	5.9%	0.0%	
Trainee Solicitor	66	67	133	88	19	26	133	9	0	0	0	0	125	8	0	0	0	133
Non legal	49.6%	50.4%	100%	66.2%	14.3%	19.5%	100%	6.8%	0.0%	0.0%	0.0%	0.0%	94.0%	6.0%	0.0%	0.0%	0.0%	4
management staff	24	14	38	32	0	6	38	0	3	5	0	0	12	17	9	0	0	38
(Support Group Heads)	63.2%	36.8%	100%	84.2%	0.0%	15.8%	100%	0.0%	7.9%	13.2%	0.0%	0.0%	31.6%	44.7%	23.7%	0.0%	0.0%	
PSL	3	38	41	29	4	8	41	0	28	30	0	1	23	13	4	0	0	41
FSL	7.3%	92.7%	100%	70.7%	9.8%	19.5%	100%	0.0%	68.3%	73.2%	0.0%	2.4%	56.1%	31.7%	9.8%	0.0%	0.0%	41
Trainee legal executive	16	17	33	14	4	15	33	0	0	1	0	0	19	10	2	1	1	33
(Paralegal)	48.5%	51.5%	100%	42.4%	12.1%	45.5%	100%	0.0%	0.0%	3.0%	0.0%	0.0%	57.6%	30.3%	6.1%	3.0%	3.0%	
Secretarial	3	234	237	165	17	55	237	11	56	67	0	1	75	62	65	35	10	248
	1.3%	98.7%	100%	69.6%	7.2%	23.2%	100%	4.6%	23.6%	28.3%	0.0%	0.4%	31.6%	26.2%	27.4%	14.8%	4.2%	~10
Other non-legal	152	289	441	249	76	116	441	1	67	106	0	1	90	195	102	46	7	441
(Support)	0.0%	0.0%	0%	56.5%	17.2%	26.3%	100%	0.2%	15.2%	24.0%	0.0%	0.2%	20.4%	44.2%	23.1%	10.4%	1.6%	
Other legal	8	6	14	9	0	5	14	0	0	0	0	0	3	3	6	2	0	14
other legal	57.1%	42.9%	100%	64.3%	0.0%	35.7%	100%	0.0%	0.0%	0.0%	0.0%	0.0%	21.4%	21.4%	42.9%	14.3%	0.0%	
Total	652	973	1625	1078	175	372	1625	33	198	264	2	3	556	601	313	132	29	1636
. Stall	40.1%	59.9%	100.0%	66.3%	10.8%	22.9%	100.0%	2.0%	12.2%	16.2%	0.1%	0.2%	34.2%	37.0%	19.3%	8.1%	1.8%	

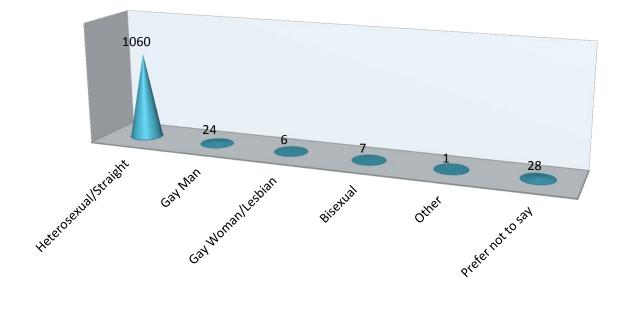


Diversity Audit Questionnaire 2012

Religion or Belief of all staff who responded to the audit



Sexual Orientation of all staff who responded to the audit





Diversity Audit Questionnaire 2012 Results

Type of School attended at the age of 14?										
	Secondary/Comp	State Grammar	Independent FP	Independent FP	Educated overseas					
Partner	29%	19%	23%	23%	6%					
Of Counsel	50%	12%	0%	38%	0%					
Consultant	0%	33%	17%	50%	0%					
Senior Associate	34%	14%	10%	20%	22%					
Associate	32%	10%	12%	21%	25%					
Trainee	25%	13%	13%	22%	27%					
Other Legal Role	27%	34%	7%	19%	13%					
Business Service Heads	56%	17%	2%	12%	13%					
Secretarial	84%	9%	0%	3%	4%					
Business Services	69%	11%	1%	10%	9%					

Type of SchoolCollege attended at the age of 17?									
	Secondary/Comp	State Grammar	Independent FPS	Independent FP	Sixth Form	CofHE	Educated Overseas	None	
Partner	20%	18%	23%	24%	7%	0%	8%	0%	
Of Counsel	38%	12%	0%	38%	12%	0%	0%	0%	
Consultant	0%	33%	17%	50%	0%	0%	0%	0%	
Senior Associate	24%	14%	13%	20%	8%	0%	21%	0%	
Associate	23%	10%	14%	21%	8%	1%	23%	0%	
Trainee	20%	15%	12%	26%	4%	2%	20%	1%	
Other Legal Role	19%	33%	9%	17%	7%	3%	11%	1%	
Business Service Heads	26%	14%	2%	8%	13%	20%	14%	3%	
Secretarial	22%	3%	1%	3%	16%	44%	7%	4%	
Business Services	31%	8%	1%	8%	16%	19%	10%	7%	

Type of University Attended											
	Oxford/Cambridge	Russell Group	New Uni	OU	None	Other/Pre 92 Uni	Prefer not to say				
Partner	47%	25%	5%	0%	0%	21%	2%				
Of Counsel	13%	63%	0%	0%	0%	25%	0%				
Consultant	50%	17%	0%	0%	0%	33%	0%				
Senior Associate	33%	35%	3%	0%	0%	27%	2%				
Associate	34%	34%	2%	1%	0%	28%	1%				
Trainee	36%	38%	1%	0%	0%	22%	3%				
Other Legal Role	23%	34%	10%	1%	6%	23%	3%				
Business Service Heads	6%	14%	10%	2%	37%	29%	2%				
Secretarial	0%	1%	3%	2%	90%	3%	1%				
Business Services	1%	14%	17%	1%	39%	26%	2%				

