CLIFFORD

CHANCE

Clifford Chance LLP Corporate responsibility report 2011

Opportunities for all

What's inside this report?

At the heart of the Africa Group Aligning CR with our business goals



Diversity means business Building a high performance culture







Access for all Creating opportunities for all stakeholders







13 Community Access to finance

16 Environment Cleaner technology



- p02 Managing Partner David Childs and Senior Partner Malcolm Sweeting give an overview of the firm's performance during 2010/11. They outline our strategic CR direction, and explain how we are managing responsibility.
- p03 UN Global compact
- p04 Our CR strategy in action Harnessing CR in Africa

p06 People:

How we are developing our people and increasing diversity in our firm

p10 Community:

Our efforts to improve access to justice, to finance and to education

p16 Environment:

Steps we are taking ourselves and with clients to contribute to a more sustainable business environment

p18 Looking forward and back Our targets and progress

p20 GRI Index

Opportunities for all

Our CR strategy creates opportunities to work together with our clients and as one firm. By engaging with individuals, groups and organisations where we have something of value to offer and where our efforts can make a difference, we enrich our own professional and personal experience and we strengthen our ties to one another and to our clients. In this, our fourth Corporate responsibility report, we provide a snapshot of some of the very many activities taking place every day across our firm and review our progress against the CR goals that are central to Clifford Chance's culture.

About the firm

Clifford Chance is one of the world's leading law firms, with legal resources across the key markets of the Americas, Asia-Pacific, Europe, the Middle East and, soon, in Africa.

Our ambition is to become the leader of the elite group of international law firms that we believe will emerge in the coming years.

This requires unrelenting investment in our strategic goals. We want to be the law firm of choice for all of our clients, working alongside them to achieve their goals and helping them to compete more successfully in their local markets and around the world. Clients worked with us across 20 or more offices

£1,219m revenues up 2% on 2009/10 58,368 pro bono and volunteering hours by partners or staff

£17.8m time cost value of lawyers' pro bono and community hours

This Corporate responsibility report and our Annual review are also available at www.cliffordchance.com

Under the rules of certain US jurisdictions, this document may constitute attorney advertising. Prior results do not guarantee a similar outcome.

Senior and Managing Partners' introduction

Opportunities for all



Malcolm Sweeting Senior Partner



David Childs Managing Partner

n our most recent Annual review we concentrate on the opportunities open to our clients and, as a result, to our firm in a changing world.

In this, our fourth Corporate responsibility (CR) report, we also focus on opportunities: considering how the investments we make in support of our wider social responsibilities open up possibilities for a broader set of stakeholders.

We look at the opportunities we are putting in place for people to build their skills and develop their careers. We provide details of the opportunities we are creating for communities to access the basic necessities of life. We also highlight where we are advising clients on seizing the opportunities presented by clean technology and renewable energy, while we seek greater energy efficiency in our own operations.

The consistency of our focus on these three areas – people, community, environment – is enabling us to increase the alignment between our business strategy and our corporate responsibility programme. For example, we are finding more opportunities to partner with clients in giving others a chance. Last year, we worked with 19 clients on 31 pro bono or community outreach collaborations. The inaugural Clifford Chance Access to Justice Award also featured a panel of clients who judged a high number of quality entries before awarding £50,000 and 500 pro bono hours to PLACE in Sudan (see page 13).

We maintain a strong commitment to the principles of the UN Global Compact (see *page 3*) and are pleased to report good progress against our CR targets (see *page 18*).

Two years ago, for instance, we outlined an aspiration to double the proportion of women in the partnership to 30% from around 15%. While there is still some way to go before we achieve that, one-third of the lawyers that we promoted to the partnership in 2010/11 were women.

We have also performed strongly versus our targets for the environment as well as for pro bono and volunteering, which totalled more than 58,000 hours during 2010/11.

There is never room for complacency, as events during the year demonstrated. The earthquake in Japan devastated communities there. Clifford Chance provided financial help and we are proud of how our network came together to support colleagues in Tokyo, who maintained continuity of service to clients throughout the disaster.

No doubt there will be new challenges and opportunities in the year ahead but our clear strategy, robust financials and strong governance equip us to meet these with confidence. In the meantime, we continue to build a global corporate responsibility programme that is among the best in our industry. Our progress, in no small part, is down to the hard work of members of the firm. We thank them for their support, enthusiasm and unflinching commitment.

We welcome your feedback on any part of this report: please contact us at crfeedback@cliffordchance.com.

Global CR highlights Launches, landmarks and achievements from our global CR programme in 2010/11 included:

The Clifford Chance Foundation **donated £1.6m to 129 charities** across Africa, the Americas, Asia-Pacific, Europe and the Middle East.

58,368 pro bono and volunteering hours invested globally in supporting CR goals.

The **Clifford Chance Academy** celebrated 10 years of training and development.

We marked the 30th anniversary of our Hong Kong office with donations to 30 local charities in Hong Kong. **Our Washington, DC** office achieved the high benchmark for sustainability, with the LEED Gold Award.

We launched two new channels for shaping our community support, Clifford Chance Access to Justice Award and Clifford Chance Intelligent Aid.

Clifford Chance **Corporate Responsibility Awards** support and recognise achievement in a CR programme that creates opportunities for all.

Business and Human Rights

A matter of Principles

Clifford Chance has contributed to work behind the UN's Guiding Principles on Business and Human Rights.

These will have far-reaching implications for the way business is done in the future. Activity of this type goes to the heart of our commitment to the UN Global Compact, and is one component of our international efforts to support the rule of law and the protection of human rights.

Professor John Ruggie was appointed as the Special Representative of the UN Secretary General on the issue of business and human rights in 2005. Clifford Chance's active support for Professor Ruggie's mandate has included the provision of pro bono advice on a diverse range of domestic and international legal issues.

On 16 June 2011, the United Nations Human Rights Council voted unanimously to endorse the Guiding Principles on Business and Human Rights, which marked the culmination of Professor Ruggie's mandate, and a major contribution to the operationalisation of his 'Protect, Respect and Remedy' framework, previously endorsed by the Human Rights Council.

In the run up to the vote on the Guiding Principles, we had sent an open letter to Professor Ruggie expressing support for the Guiding Principles and the hope that they would be positively received by the Member States of the Human Rights Council. "As a member of the United Nations Global Compact, Clifford Chance has made a commitment 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. Most importantly, under Principle 1 of the Global Compact, we have agreed to support and respect the protection of internationally proclaimed human rights."

In line with the Global Compact Human Rights Management Framework we have been working to build relationships with other stakeholders towards supporting and respecting human rights. We have kept our clients informed of developments in relation to business and human rights, including the publication of the Guiding Principles and the revised OECD Guidelines for Multinational Enterprises.

In addition:

As a major benefactor of the Bingham Centre for the Rule of Law, we are supporting the maintenance, development and promotion of the rule of law, which is of fundamental importance for the human dignity and well-being of people everywhere.

We are collaborating with the British Institute of International and Comparative Law (BIICL) on research relating to human rights responsibilities in oil and gas operations. This research has been sponsored by the Association of International Petroleum Negotiators. London partner Rae Lindsay serves as a member of the UK Equality and Human Rights Commission's Working Group on Business and Human Rights.

As a corporate partner of the International Business Leaders Forum, our London office hosted 'Countdown to 2011', a series of three events organised by the IBLF, together with Amnesty International and the UK Equality and Human Rights Commission. These events brought together a diverse range of companies and stakeholders from NGOs, academia, intergovernmental organisations and governments to explore the implications of each pillar of the 'Protect, Respect, and Remedy' framework.

Through our support of Advocates for International Development, we are playing a leading role in educating lawyers on how business and human rights is relevant to their day-to-day legal practice.

We support the promotion and protection of the human rights of individuals and groups through pro bono legal work, volunteering and funding from the Clifford Chance Foundation – both directly and through relevant NGOs. or Clifford Chance's Africa Group, helping clients achieve their goals in Africa goes hand-in-hand with support for sustainable community initiatives, as the team harnesses corporate responsibility in a series of impactful collaborations.

Africa is a place of phenomenal spirit and energy. Every day that energy is translated into deal-making and investment projects in countries across the continent – opportunities that Clifford Chance has been helping clients with for more than 30 years. Investment in Africa's long-term development is integral to the work that we do there. It deepens our understanding and experience of Africa's culture and environment, bringing opportunity and aspiration to communities that enjoy and benefit from working alongside the Clifford Chance team.

The community initiatives we are involved in address a broad, related, aim: to improve access to the basic necessities of life for people in Africa. They often combine hands-on volunteering opportunities for members of the firm with financial support from the Clifford Chance Foundation.

Much activity features sustainable education ventures for a new generation of African lawyers, improving skill sets, governance and the quality of legal services in the regions in which they are based through training and development, secondments, scholarships, and infrastructure projects.

The initiatives range in scale. The firm's work advising on the UN Business and Human Rights Principles (see page 3) is set

to have a strong, positive influence on the way multinationals operate across Africa and beyond. The steps we take in local communities are no less important. In Giseyeni, northern Rwanda, for example, we are helping a handful of orphans at the Noel Orphanage to achieve a better start in life.

Hearing about the impact of what we do can be very humbling.

"Financing my studies was the best gift that you could have given me, which is why I held on to it so tightly," says Agostinho Madjedje, one of 25 students from rural areas of southern Mozambique to receive Clifford Chance Foundation-funded scholarships for higher education. The Fundación Mozambique Sur students were selected based on their strong performance in secondary school and their socio-economic deprivation.

At the heart of the Africa Group

Clifford Chance's Africa Group is harnessing corporate responsibility in a series of collaborations that go to the heart of the team's business goals. Agostinho continues, "I have overcome various obstacles, but despite this, words like 'quit' or 'backdown' were never part of my vocabulary. What I want most is to continue to be able to go to school, but at a more advanced level... and one day be able to do with others what you have done for me."

Inspired by Agostinho, we will draw on his energy and spirit to create new opportunities for many more like him.

Working in Africa from coast to coast

From Maghreb and non-Maghreb North Africa to Southern Africa, from Anglophone and Francophone West Africa to the Indian Ocean Islands, Lusophone and East Africa, we are using our skills and experience to help others.

The following examples outline the reach of the work that we carry out:

The Foundation has supported the work of 28 non-governmental organisations in Africa with a total of 2541,757 in the past two years.

For several years we have provided additional, significant funding and support to Avocats Sans Frontières France, which carries out a lot of access to justice work in Francophone Africa. Lawyers have been seconded to Nigeria to work on a project involving judicial assistance for victims of torture and training on the United Nations Convention Against Torture to Nigerian judicial actors. The pro bono commitment of ASFF lawyers resulted in the establishment of case law recognising torture as a prohibited practice.

Notably, an access to justice initiative in Africa (see page 13) received the inaugural Clifford Chance Access to Justice Award 2010 of £50,000 and 500 pro bono hours.

Using our finance expertise to implement bridge funding in support of timely malaria net purchases in Zambia (see the case study on *page 14*).

We are providing continued support for the Centre for Legal Studies in Malawi, which provides post-academic legal education to Malawian lawyers, with a focus on commercial law. Clifford Chance lawyers have been assisting in the delivery of the Centre's transaction-based programme.

The team is heavily involved in the recently formed School of Law in Tanganyika, Dar es Salaam, Tanzania as part of the International Lawyers Project.

We collaborate closely with the International Law Book Facility and have collected legal textbooks in English, French and Portuguese for universities in Angola, Benin, Senegal, the Ivory Coast, Morocco and South Africa.

This image: We are investing, through the Clifford Chance Foundation, in Build Africa's construction of three new classrooms and an administration office at Okula Primary School in the Kumi District of Uganda.

Building a high performance culture

At Clifford Chance we have set our sights high: we need to draw on the best talent available and establish a culture that encourages, supports and enables performance at world-class standards.

Diversity means business



M.



ur Principles, our People strategy and our CR strategy all place significant emphasis on diversity and development. We are proud of the diversity of the firm, and the benefits it

brings to our decision-making capability and our breadth of knowledge. We know that we need to continue to foster, encourage and develop a diverse range of skills, talents and backgrounds in order to retain our competitive edge.

Diversity is business critical. Our business model is dependent on our ability to recruit and retain outstanding individuals: people who combine strong technical expertise, business acumen, collegiality and cultural and market knowledge. To build high performing teams, we need to look as widely as we possibly can for individuals who can continue to augment the firm's capabilities, and to ensure that our processes welcome and encourage people regardless of their background, ethnic origin, gender, religion, disability, sexual orientation or age. A diversity of perspectives is also an essential ingredient for providing the best advice to our clients. Our clients increasingly expect us to field teams which reflect their own diverse organisations and international spread of business interests. Moreover, it is clear to us that 'group think' is not productive in finding innovative solutions to today's legal and business challenges. The greater the variety of views and experiences we can bring to the table, the more likely we are to develop the critical insight and analysis needed to tackle the most challenging issues.

We also need the means for harnessing our diversity of talent and perspectives in a manner which can be delivered to clients. Therefore, in order to deliver legal advice to the highest standard, we must provide a consistent and uniform framework and tools for working with, and supporting, our clients. This means a common set of Clifford Chance standards, templates, best practice guidance, global Academy courses and Principles. Continued >







Diversity: Gender balance

Building a diverse partnership

In 2009 we announced our ambition that our partnership should more closely reflect the make up of our associate population, most particularly in terms of gender. At that time, we set ourselves the target that 30% of our partners should be women.

Since then, gender balance has been a core area of focus for the firm's most senior leadership. A number of steps have been taken to help us secure progress, from training on unconscious bias to transparency of information around the recognition and promotion of talent (more information is available in last year's CR report).

We have continued to reinforce our efforts this year. In addition to the firm-wide activities that have now been put in place, individual offices in our network have also been considering what they can do to better promote gender balance locally while respecting the firm's strongly meritocratic culture. In London, this has taken the form of an active programme of events which aim to give more junior lawyers the opportunity to hear from male and female partners in the firm about their path to partnership, how they manage the demands of a high-pressure role and the associated rewards. In France and Germany, formal groups have been put together to examine the specific challenges within those markets, the success of actions taken to date, such as the crèche at our Frankfurt office, and to plan further steps that need to be taken.

Bearing in mind the significant effort expended to date, it was pleasing to see such a healthy improvement in the number of women promoted from the associate ranks this year. One-third of the 23 new partners were women, including four in our fast-growing Asia region, where women represent approximately one quarter of the partnership. However, while this was most certainly a positive development, we remain focused on securing a sustainable improvement. This issue will continue to require our attention over the years to come.

Gender representation

14.5% of partners are female

49.0% of lawyers are female

68.4% of business services are female

Ethnic minorities

Partners*

4.7% NY/Washington DC

Lawyers*

28.3% NY/Washington DC 13.7% London

5.4% London

Business Services*

42.8% NY/Washington DC

11.2% London

*Self-reporting as ethnic minority

Supporting the development of the individual is another feature of a high performance culture. We believe that for everyone in the firm to achieve their best, we need to be clear in our expectations, transparent and objective in how we monitor and manage performance and strongly supportive in developing the necessary expertise and capabilities. This is why the firm has rolled out globally consistent appraisal processes for all our partners, lawyers and business services teams.

Our people are ambitious and strive to succeed. We encourage this. We want to create a culture based on people developing every year they are with us, learning new skills and taking on new responsibilities. One of the major attractions of the firm is the opportunity for a top-flight international career, with exposure to the most complex and demanding work, for the world's leading organisations. To operate at this level requires an unflinching focus on quality and on developing abilities to meet those demands. Responsibility for this is shared between the firm and every one of our people. It is up to the individual to take the lead in developing their career within Clifford Chance, and the role of the firm is to support them wherever possible.



Diversity: Social mobility

Encouraging social mobility in the UK

The question of social mobility is high on the agenda in many markets and nowhere more so than in the UK. In recent years, access to the professions has been highlighted as a particular issue, with Government papers noting a certain homogeneity of background among the ranks of junior lawyers in the UK's leading legal institutions.

We take this issue seriously. Our emphasis is on finding the best talent. But we understand that identifying that talent is not simply a matter of fair and open recruitment processes. It is also a question of ensuring that talent is fostered within schools and that the most able students, regardless of background, aspire to the best career opportunities and are encouraged to pursue their goals.

This belief in 'raising aspirations' underpins a great deal of the firm's community work in the UK and internationally (see *page 10-11*). We are long-term participants in a number of programmes with exactly this end in mind. For example, in London we:



Work with children at primary school level to support their literacy and numeracy development, providing over 70 volunteers a week to read or play numbers games.

Work to encourage local secondary school students to aspire to careers in the City. Our 'raising aspiration' days hosted some 550 students last year alone, through our own dedicated programmes as well as working with carefully chosen organisations such as Pathways to Law, The Social Mobility Foundation, Black Lawyers Directory and Pure Potential.

Provide secondary school mentoring for approximately 150 students with partners such as African Caribbean Diversity, Career Academies UK and Clare Partnership for Schools, amongst others.

In addition, the firm is a founder member of PRIME, a new cross-industry initiative designed to provide quality work experience opportunities to young people from disadvantaged backgrounds.



To track our progress as a firm, we have begun to monitor the social and educational background of our incoming graduates, and expect to publish this data in next year's CR report. We don't expect that the current imbalance in intakes will be remedied immediately but as a strictly meritocratic organisation we are committed to ensuring that we live up to our own values.

A decade of development

Although Clifford Chance has a long history of investing in training and development, it was the foundation of the Clifford Chance Academy in 2000 that established a firmwide approach to learning, underpinned by the needs of clients, of the firm and of a new generation of lawyers looking to build a career in a leading international law firm.

The first programme run by the Academy was the five day European General Induction Course for all new associates. Since then the Academy's offering has evolved to take into account the wide range of business, commercial, personal and technical skills required by today's successful lawyers. It now offers programmes through e-learning and distance learning as well as classroom teaching (see page 33 in our Annual review for more information).

One of the Academy's most recent offerings is a new programme, Building Personal Profile, which indicates just how far the firm's approach to learning and development has come. The course works with associates to help them identify their personal strengths and how to deploy them effectively in support of the individual's own career, and the firm's business. The course includes follow-up six weeks after completion, to assess progress. The programme underlines Clifford Chance's commitment to nurturing a diverse associate population and reflects our desire to equip a new generation of lawyers with the skills to access the knowledge and expertise in our global firm.

This course is just one of a series of investments that we continue to make into the Academy, ensuring that its programmes are tailored to the needs of our people today and of the firm and the client tomorrow. **Clifford Chance Academy:** Manon Deswarte-Abdoun, Lawyer, Paris

"Wider cultural awareness and understanding"



"At each stage of my career there has been a range of Academy courses to fulfil my particular needs," says Paris Avocat Manon Deswarte-Abdoun. "When starting out, the programme for junior lawyers helped me to fully integrate into the global firm, and later on, the senior programme provided an opportunity for me to reflect on the particular skills under development at this stage.

"Courses on negotiation skills and handling client meetings also helped me along my career path. The courses have not only allowed me to learn from others' experience but also get a wider cultural awareness and understanding of the firm." **Clifford Chance Academy:** Grzegorz Namiotkiewicz, Managing Partner, Warsaw

"At every stage there have been courses which have inspired me"



"It's difficult to say which Academy courses have played a particular role in my own career", explains Warsaw managing partner, Grzegorz Namiotkiewicz. "Probably because at each stage there were courses that were important. From presentation skills and financial training when I was starting out, to leadership courses later on in my career, at every stage there have been courses which have inspired me.

"Before Poland joined the European Union, the Academy offered a crash course on European financial regulation which proved an invaluable guide to the complex system of European law. I've also had the privilege of attending two Harvard Business School courses, which were both interesting and stimulating."



We want to create a culture based on people developing every year they are with us.

The Clifford Chance Academy

4,644 participants*

440 courses*

92%

satisfaction (4.6 out of 5.0)

*excluding practice area-based legal training and e-learning

We believe that **everyone** should have fair access to justice, to finance and to education. This conviction guides our volunteering and philanthropic work across the firm globally.

Access for all

Clifford Chance Foundation: Ramana's Garden

A Foundation for hope in India

Ramana's Garden India is a children's home and school near Rishikesh in northern India which supports abandoned, destitute, and abused children who are given food, shelter, necessities, and education. The home and school has more than 60 resident children, many of whom have lost both parents.

 \bigcirc

lifford Chance continues to seek opportunities to help people who, for various reasons, need support and encouragement to access the basic necessities of life.

We achieve this through the donations of the Clifford Chance Foundation (see page 12) and the volunteering efforts of members of the firm, often working alongside clients, charities and NGOs that share our convictions.

We have performed strongly versus our community targets (see page 18). The highest-ever proportion of Clifford Chance partners took part in pro bono activities: some 41%. There was also a 51% increase in the number of volunteers from our business services teams worldwide. The number of our pro bono volunteering hours per lawyer has continued to rise globally, with notable progress in Germany where the number of hours increased by almost two-thirds.



Very special thanks to Clifford Chance for providing for our school for the whole year! Ramana's Garden Annual review

There are another 165 children from nearby impoverished families, many with a single parent, who come into school each day.

The Clifford Chance Foundation has provided the funding for the operation of the school over the last school year. The children and teachers find exciting ways to put our support to use -

for instance at the end of January 2010, Shakespeare's Macbeth was fully revived, with a facelift and a new Bollywood look, in a heart warming performance at the school.

Without Ramana's Garden, most of these children would be forced to work or beg in the street. Most of the parents are illiterate

and still sign their names with a thumbprint. Their children now speak, read, and write fluent English and Hindi.

In London, where 71% of lawyers did some pro bono work in 2010/11, a record for the firm, we received the disappointing news that a key pro bono law initiative was to fold.

Law for All, which has helped tens of thousands of Londoners access high quality legal advice, struggled to make ends meet in the challenging climate for not-for-profit advice schemes and took the very difficult decision to place itself into liquidation, having concluded that it was not sustainable in the longer term. Its closure will impact the pro bono hours we will carry out in London in 2011/12. We are exploring alternative, equally well-organised and scalable channels to leverage our lawyers' skills and reach a broad London constituency in need of pro bono legal advice. We take this opportunity to congratulate Law for All on the impact it has had.

In this challenging environment, the financial lifelines we provide through the Clifford Chance Foundation are crucial. whether they are being extended to traditionally impoverished communities

or within nominally wealthy countries. We were sorry that we weren't able to help Law for All to keep going, but another key London initiative has fared better.

When the Newham Asian Women's Project - a haven for threatened and vulnerable Asian women where Clifford Chance lawyers have been volunteering for many years - was facing imminent closure, we successfully collaborated with many of the Project's supporters at longstanding client Citigroup to keep it open.

Our contacts at the Project were warm in their thanks: "We are very pleased that we will be able to continue providing the service to vulnerable women and girls. But this would not have been possible without the support of our friends at Citi and Clifford Chance. It really did mean a lot as, without that funding, we would have closed down the counselling and advice services. In the changed political/financial climate, we are seeing even greater numbers of women affected by severe abuse, so we know the support services are required more than ever before," Continued >

Community and pro bono commitment for 2010/2011

58,368 community and

55.021 community and

pro bono hours invested globally across the firm

pro bono hours invested by lawyers

3,347

community hours invested by Business Services

£17.8m time cost value of lawyers' pro bono and community hours

£1.6m

of Clifford Chance Foundation charitable donations committed

See www.cliffordchance.com/ of figures and trends.

The Clifford Chance Foundation

The Clifford Chance Foundation, established in 2008, was set up to provide a focused and co-ordinated approach to our charitable giving, aligned with our goals of improving access to justice, to finance and to education. It is the focal point around which the firm's charity fundraising, pro bono work and volunteering efforts come together.

In the last 12 months the Foundation committed funds of more than £1.6 million. Every office gets involved in choosing which charities to support but the firm's charitable giving extends beyond just those communes where the firm has offices.

129 charities received support from the Foundation in the last 12 months.

Through the work of these charities many more people now have opportunities to access either education, justice or finance. Just a few examples of the opportunities created through the Foundation funds last year include:

1 new primary school building in Yunnan Province, China

265 teachers in 50 schools in Delhi trained to provide a better education to 33,000 children

162 children and parents in Bangkok, many of whom are asylum seekers, received Thai, English, maths, IT and cookery classes

633 students in three schools in Bardarash district of northern Iraq provided with stationery and sports equipment

25 students from southern Mozambique able to complete their university education

491 students at the Law School of Tanzania attended law-related seminars

36 survivors of torture from various African nations assisted with legal advice in Virginia, USA

Draft new legislation dealing with violence against women prepared and presented to the Haiti Women's Ministry

Over 6,000 children and parents in Kenya educated on child rights and responsibilities with the aim of reducing exploitation and trafficking

50 legal sessions undertaken with survivors and victims of gender-based violence in Botswana

1,816 clients (94% are women) in the slum area of a district of San Juan de Miraflores outside Lima, Peru received small loans and business training 1 new Loan Officer in Rumphi, Malawi to manage a small number of the 24,000 microfinance clients in Malawi

In partnership with Bain & Company, Credit Suisse, Ernst & Young, Permira and Thomson Reuters we funded the establishment of Social Business Trust, which helps social enterprises scale up using a combination of funding and business expertise.

Access to justice

Clifford Chance is an international law firm with a deep seam of high quality legal experience. Leveraging that expertise to secure access to justice for people who would otherwise be denied it, has been a feature of life at the firm for several decades.

Today, our access to justice work reflects the global nature of our practice. We have invested in people and systems to manage our activity and to ensure that our efforts are sustainable and effectively co-ordinated. Together with the commitment of our lawyers and the positive outcomes that are generated by our highly professional, award-winning access to justice initiatives, this investment underlines how seriously we take our responsibility to improving access to justice in the communities in which we work.

Access to finance: Intelligent Aid Competition

UK undergraduates swot up on microfinance



Intelligent Aid, an undergraduate competition focused on microfinance, was a highlight of the London office's 2010/11 graduate recruitment activities. Open to non-final year students studying any subject, the competition first required entrants to respond to questions on microfinance via an online form. The top 10 entries were selected by the firm's graduate recruitment team and invited to our Canary Wharf offices for a day. There, they attended a presentation training course followed by a chance to present their ideas to a panel of judges. University College London student, William Green was declared the winner, giving him the chance to select one of the Clifford Chance Foundation's approved charities to receive a donation of £1,000, a place on our vacation scheme, a trip to New York with a day spent in our office there, and an iPad.



Activities range from direct interventions on behalf of individuals who face barriers between them and the legal advice they need, to the creation of legislation, guidelines and legal education programmes on a broader scale.

We also recognise the importance of working with those who share our convictions, so we partner with clients, other members of the profession, and hundreds of charities to achieve access to justice goals, often linked to funding from the Clifford Chance Foundation.

This combination, for instance, is helping us to improve the human rights of women in Haiti.

Violence against women is a such a major problem in Haiti that it has raised international concern and caused the Haitian Ministry of Women's Affairs to ask for assistance with drafting new legislation.

Clifford Chance New York, Duke Law School in North Carolina, the Organization of American States and the International Senior Lawyers Project responded to this need, working together to draft legislation to protect Haitian women from violence. The unique collaboration is being made possible by Clifford Chance Foundation funds. Continued > Access to justice: The Clifford Chance Access to Justice Award

Legal aid in Sudan

In 2010, the Clifford Chance Foundation launched the Access to Justice Award. which seeks to recognise a not-for-profit organisation that helps individuals, groups or communities preserve or secure their right to the basic necessities of life. Nominations were submitted to the firm's website and then a panel of judges met to select a winner. Our partners Stuart Popham and Michael Smyth were joined on the panel by representatives from our clients such as Peter Warwick CEO, Legal at Thomson Reuters and from charitable organisations, like Esther Lardent President and CEO at the Pro Bono Institute. The prize – a donation of £50,000 and 500 hours of volunteering time over an 18 month period - was awarded to PLACE, the People's Legal Aid Centre in Sudan, and has been used to accelerate the organisation's legal support for displaced people.



Access to justice: North Virginia Family Service (NVFS)

Helping survivors of torture

Foundation funding enabled the NVFS to make a tangible difference to the lives of vulnerable people through their Program for Survivors of Torture and Severe Trauma. The funding paid for a case manager who has assisted 38 survivors. A further 36 have received direct financial assistance to help both with basic necessities – food, medication, clothing – and to help them move towards self-sufficiency by paying for language, driving and computer training. Additionally, pro bono assistance from Clifford Chance lawyers enabled an African victim of torture to obtain political asylum in the United States.



Access to finance: Asociacion Domenchina Shatu

Microcredit blueprint

Microcredit extends very small loans to people in extreme poverty who lack access to traditional forms of credit. The intention is to encourage entrepreneurship, help them generate an income and exit poverty. Although strong demand exists for microcredit programmes, large numbers of people still do not have access to microcredit. The Clifford Chance Foundation is supporting a research project to determine the key principles of a successful microcredit programme, as well as the reasons for failure, and to create a blueprint that can be used by microfinance institutions to help those in poverty to gain financial independence. Access to finance: Funding malaria nets

Bridging a financial gap

When a delay in donor funding threatened delivery of vital mosquito nets just before the rainy season in Zambia, we found a novel way to bridge the shortfall. Our framework agreement allowed a major bank to issue a letter of credit underwritten by the Zambian government and the UN Foundation (itself guaranteed by the Gates Foundation), enabling timely delivery of the nets and undoubtedly saving many lives. Kate McCarthy (Partner, New York), who worked on the framework agreement, said, "This was a way we could really add value, enabling the private sector to bridge the finance gap."



Access to finance

Using our legal expertise to help ensure that access to finance is not prejudiced by social condition has become increasingly pertinent. The global economy continues to reverberate with the impact of the financial crisis. Many people around the world continue to lack the most basic necessities of life.

Clifford Chance is one of very few law firms with a global microfinance group that is supporting and advising on a range of sustainable microfinance activities around the world.

Microfinance is also an area where we combine pro bono legal advice with Clifford Chance Foundation funds to positive effect.

Washington Heights & Inwood Development Corporation (WHIDC) uses microfinance to encourage the development and retention of businesses and jobs in the predominantly Hispanic (Dominican) Washington Heights and Inwood community in New York.

WHIDC has set up a pro bono legal service for its clients with lawyers from Clifford Chance and students from New York University School of Law. The effort is being enhanced by Clifford Chance Foundation funds, which are being used to expand the non-profit organisation's micro-business loan making capabilities. Clifford Chance is working in partnership with NYU Law School and plans to expand the programme which began this past summer, involving student interns working on-site at WHIDC, mentored by Clifford Chance lawyers.

Access to education

Our multi-dimensional education programme is giving people the opportunity to reach higher and achieve success.

In contrast with the other two pillars of our community programme (access to finance and access to justice), which predominantly generate volunteering opportunities for our lawyers, education volunteering gives those in business services – who play a vital role in the high standards of client service we provide – the opportunity to use their skills to help others. In that sense, access to education unites us all.

The Crespo Foundation's Saba programme is one example of the many Clifford Chance access to education initiatives that bring the firm together to give others a chance.

Since 2006, the Crespo Foundation in Frankfurt has been offering young migrant women the opportunity to complete their secondary school education with the Saba scholarship. A Clifford Chance team got together to ask, "How can we help?". The answer was by using their language skills. Colleagues from the Frankfurt office's lawyer and business services community have been helping ambitious migrant women to improve their German and English towards the level required to pass the German school certificate, a key stepping stone to further opportunities.

Whilst Clifford Chance focuses much of its energy on facilitating improved access in the fundamentally important spheres of justice, finance and education, it is also determined to engage with the particular interests and concerns of its employees. We therefore encourage the development of other relationships and in 2010/11 our London office was successful in pitching to provide pro bono services to the NSPCC.

"

Helping to improve the protection of children's rights, supporting ongoing litigation work and helping to better train our paralegals will have a real, direct impact on the people of Sudan.

Rifaat Makkawi, Director PLACE, winner of the Clifford Chance Access to Justice Award 2010 Access to education: Partners in Leadership

Connecting business and schools

With the aim of fostering closer relationships between business and schools, Clifford Chance's Frankfurt office has launched a new CR initiative called Partners in Leadership. The project will bring together 25 executives from existing or potential Clifford Chance clients, including Deutsche Bank, Deutsche Börse, Siemens, Merck and Procter & Gamble, with an equivalent number of German head teachers. Structured



meetings and one-on-one discussions will enable the teachers to gain a deeper insight into business processes and how economic tools can be transferred productively to their schools. Three Clifford Chance lawyers at different stages in their careers – Sandra Thiel, Christof Häfner and Hans-Josef Schneider – are among those acting as mentors.

Access to education:

Mahamek Home for Boys, Bangkok

Beach boys

The Bangkok office treated 150 boys from Mahamek Home for Boys to a day beside the seaside at Cha-Am.

The children rarely get the chance to swim in the sea and eagerly took advantage of the opportunity to have a lot of fun. Lunch was provided at a seafood restaurant and dinner at Eurasia Cha-Am Lagoon, next to the beach.

Clifford Chance has a long-term relationship with Mahamek Home for Boys, and has taken the children on a number of outings over the past few years.



Access to education: Furthering learning

Step up into education

Across the world, Clifford Chance supports and sponsors initiatives that open the doors of further education to socially disadvantaged students.

As part of its long-standing relationship with the law school at Sciences Po university, our Paris office funds an annual two-year postgraduate bursary for an outstanding student who has completed a first degree as a result of the university's acclaimed affirmative action programme.

In the US, Clifford Chance was the first law firm to support New York University's AnBryce Scholars Program, which seeks to identify and cultivate young future leaders from among society's most economically disadvantaged. Full tuition scholarships are awarded to outstanding students to enable them to study at the university's law school.

Mkuranga, a poor district of Dar es Salaam, Tanzania, benefited last year from a significant Clifford Chance Foundation grant that enabled not only a new two-classroom school building to be built but also six talented youngsters to enjoy a secondary school education.

In Kenya, vulnerable and orphaned children in two border towns where child trafficking is rife are being helped to identify and protect themselves from abuse through a variety of educational programmes set up by HOPEHIV – thanks in part to a donation by Clifford Chance.

In Vietnam, Clifford Chance continues to support the work of the international Room to Read project, which improves the educational chances of children of all ages in remote rural areas of the country through the provision of mobile libraries and books.

Art education is on the agenda in the Middle East, where Clifford Chance funds workshops for refugee and orphaned children via the Jordan-based not-for-profit organisation START. Last year, two employees from our Dubai office played an active role in one such workshop at the Al-Baqa'a refugee camp just outside Amman.



It's important for business to work as one in addressing environmentrelated issues. How is Clifford Chance fulfilling its obligations? By working with clients around the world as they adopt a precautionary approach to environmental challenges.

Action on the environment

Managing our environmental impact: Bound volumes

Bound for success

Great things happen when the right people come together. Creating a 'bound volume' (a compilation of transaction documents for a specific legal matter) used to be a time-consuming and paper-heavy affair. Bringing together those involved with the process, from print room to partner, a small team designed and introduced an improved process resulting in an 80% time saving and a paper saving of around 1,500,000 pages a year in London alone. The team won our Corporate Responsibility Award for Commitment to the Environment. The new process will be rolled out globally.



e are working alongside our clients as they seize the opportunities generated by environmentally friendly technologies,

and advising clients on making sustainability an integral part of their operations – as we too adopt steps that minimise the environmental impact of our business activities (see page 19 for our progress).

Crucially, with the impact of climate change more evident by the day, our community initiatives include support for those on the front line of devastating droughts, floods and other natural disasters, many of which are linked to global warming.

Applying the heat to renewable resources

Clifford Chance is taking an active role in helping clients around the world to tap into and exploit renewable energy resources – using our deep-set sector experience on projects of increasing importance to a carbon-constrained planet. On the surface, there is a long way to go before renewable resources make significant inroads into reducing global emissions of CO₂ and weaning business off its dependency on rapidly depleting fossil fuel reserves. Global renewable electricity generation has grown at an annual average of 2.7% since 1990, less than the 3% for total electricity generation, according to the International Energy Agency (IEA).

On a more positive note, there are now 10 countries with sizeable domestic markets for solar power, up from just three in 2000, says the IEA, while global wind power capacity rose from 17 gigawatts to 194 gigawatts during the same period. Clifford Chance is working with its clients to accelerate this trend.

One key aspect of our involvement is advising on the funding schemes aimed at kick starting renewable energy solutions.

In the US, the Department of Energy Loan Guarantee Program was originated in 2006. Clifford Chance is transactional counsel to the Program, for which over US \$50bn has been appropriated by US Congress. Since January 2010, the Program has financed, *inter alia*, the world's largest wind farm; six solar and wind manufacturing projects and several of the world's largest solar generation facilities.

Financial support: WaterAid

Providing water and sanitation

In a bid to improve water governance within a flood-threatened Bangladeshi community, the Clifford Chance Foundation granted £47,000 to WaterAid to support a community-based organisation working in Karial Slum, Dhaka. The latter succeeded in motivating the Dhaka Water Supply and Sewerage Authority to build a water supply network inside Karial. In addition, mechanics and caretakers were trained, community lavatories built and 50 volunteers trained to promote hygiene. As a result of the donation, 3,376 people now have access to safe water, 2,627 are enjoying improved sanitation and nearly 5,000 have received hygiene education.



European Investment Bank (EIB) lending towards renewable energy reached €6.2 billion in 2010, while the share of renewable lending in the overall EIB energy portfolio tripled from below 10% in 2006 to more than 30% in 2010. A Clifford Chance team from the Paris and Milan offices has advised longstanding client the EIB in relation to one of its key renewable energy-focused lending facilities, the €500 million financing granted to EDF Energies Nouvelles for the development of solar power projects in France and Italy.

Combined with private sector funds, this state and supranational support is enabling the commercial sector to push the boundaries on what clean technology is capable of delivering.

The 79MW solar power plant in the Lopburi province, Thailand, is a case in point. When fully up and running, the largest solar power plant in Asia will power up to 70,000 homes. Construction began in 2010 and is set to be completed by the end of 2011. A Clifford Chance team advised the lenders on the financing for the plant – a project that's helping Thailand to reduce its CO_2 emissions by 20% by 2022.

Credit syndication and commercial partnering are also important drivers of renewable energy initiatives – sharing risk and pooling resources in order to make renewable energy projects a viable, and bankable, proposition.

A team in Germany and London advised Stadtwerke München GmbH on the establishment of a joint venture with RWE Innogy and Siemens Project Ventures to build, operate and maintain the 576MW offshore wind park Gwynt y Mor, Wales' largest wind farm. The expected output will be capable of powering around 400,000 homes, 40% of the homes in Wales, and preventing the release of 1.7 million tonnes of CO₂ every year.

2011/12 will see new opportunities in renewable and clean technology. We look forward to helping clients at the forefront of this fast-moving industry.

Client work: U.S. Department of Energy

The world's largest wind farm

A Washington DC-based team has advised the U.S. Department of Energy's Loan Programs Office as a guarantor for a US\$1.3 billion loan to help finance the construction of what will be the world's largest wind farm. The farm, known as the Caithness Shepherds Flat project, is an 845-megawatt facility located in eastern Oregon. Sponsors of the project are Caithness Energy, LLC and GE Energy Financial Services. The loan is funded by a group of 26 institutional investors and commercial banks led by Citibank, Bank of Tokyo-Mitsubishi UFJ, Ltd., RBS Securities and WestLB Securities, Inc.

Top of the Superleague

PLC's 'Superleague' research, published in 2010, looks at environment practices across the globe. Clifford Chance gained the joint top score among law firms for its environment advice.

Looking back and looking forward Our progress in 2010/11

Governance target: Increase partner visibility and leadership in CR activities

Action:

Progress:

Governance target: Increase engagement with our people

| Action: | Progress: | |
|--|--|--|
| Increase the pro bono and community hours recorded globally by 10% per FTE | Average pro bono and community hours per FTE lawyer was 38.4, an increase of 1.8% on the previous year | |
| Enhance internal CR Awards programme | Following a successful launch in 2009, the CR Awards were expanded in 2010 to include three new categories aligned with the firm's CR focus | |
| Increase staff engagement with Clifford Chance Foundation charities | Foundation application form revised to be more explicit on opportunities for employee engagement | |
| | Support for Social Business Trust initiatives includes professional input from business services teams, as well as legal pro bono work | |
| | Clifford Chance Art Competition focused on representations of the firm's community/charity partners | |
| Run environmental awareness campaigns | World Environment Day and Earth Hour both used as hooks for environmental awareness campaigns and activities across the firm's international network | |

People target: Achieve a more diverse partnership

| Action: | Progress: | | |
|---|--|--|--|
| Ultimate aim for women to represent at least 30% of the partnership | 30% of 1 May 2011 promotions were women | | |
| | 14.5% of the partnership were women at 30 April 2011 | | |
| Roll out a series of initiatives including review partner candidates and diversity training | Paris and Germany have established committees to review gender balance within their offices and to establish action plans | | |
| | Diversity e-learning live in Americas, London, Warsaw | | |
| | Career Development Partner role rolled out globally to all associates | | |
| | New Academy programme launched on Building Personal Profile (for male and female associates | | |
| Regularly review partnership candidates | Reporting in place to Management Committee on partnership promotion process | | |
| Action: Integrate CR into programmes for specific | Progress: | | |
| Business alignment target: Embed CR into c | | | |
| clients and sectors | 31 pro bono or community outreach collaborations in place with 19 global clients | | |
| Launch Access to Justice Award | Successful launch of Access to Justice Award with pro bono work underway to support the winning organisation (PLACE in Sudan) | | |
| | 2011 Award launched | | |
| Environmental operations' target: Monitor p | rogress against operational environmental targets – using 2007/08 baseline relationships | | |
| Action: | Progress: | | |
| Purchase 10% of energy from renewable sources where available | Renewable energy was purchased for 100% usage in Amsterdam and Luxembourg; 28% Madrid and Barcelona; 27% Frankfurt and Dusseldorf; 23% Munich; 10% Paris and Brussels; 5% Londor | | |
| | Overall 10.7% of total energy was bought from renewable sources, in 2010/11 | | |

Reduce CO₂ emissions by 3% per employee 29% reduction in net CO₂ emissions, to 5.55 tonnes per FTE (2007/8: 7.81 tonnes) Data collected from 28 offices (2007/8: 18)

Recycle at least 25% of all general waste

e 19 offices achieved or exceeding the target for cans; 20 for plastics; 27 for IT hardware; 24 for batteries; 28 for toner cartridges; 22 for lightbulbs; 24 for cardboard; 20 for glass (2010: 13 cans; 12 plastics; 10 IT hardware; 18 toner; 11 cardboard; 11 glass)

Recycle at least 30% of office paper waste25 offices now recycle 100% of office paper waste (2010: 14); 3 offices recycle at least 30%Reduce paper use by 10% per FTE24% decrease from baseline

Environmental operations' target: Continued

Action:

Ensure at least 10% of paper has at least 30% post-consumer recycled content or comes from FSC or other internationally recognised certified sources with a low carbon footprint

Introduce initiatives to reduce water consumption

Work with key suppliers to understand, manage and reduce the environmental impacts of our purchases

Progress:

17 offices now exceeding this target (2010: 14); another six making progress

12 offices have introduced dual flush toilets throughout their facilities; 9 offices have introduced water saving devices

Suppliers are asked to complete an assessment questionnaire which includes a detailed section on environmental performance and requires supporting evidence. We work with suppliers to consider whether there are better ways to procure products or services. We continued to promote our internal training course to help people making purchasing decisions to consider the overall carbon footprint of any purchase

For a full update on our progress and targets see www.cliffordchance.com/crreport2011

Our targets for 2011/12

| Governance targets: | Actions | | |
|---|--|--|--|
| Increase partner visibility and leadership in CR activities | Increase the number of partners who are trustees or directors of not-for-profit organisations and/or the number of partners leading pro bono relationships | | |
| Increase engagement with our people | Increase the number of pro bono and community hours recorded globally (excluding London) by 5% per lawyer FTE, vs 2010/2011 figures | | |
| | Maintain the number of pro bono and community hours recorded per lawyer FTE in London, vs 2010/2011 figures | | |
| | Increase the proportion of lawyers undertaking pro bono work across the firm to 60% by the end of 2013/14 | | |
| | Review global targets across all community and pro bono activities | | |
| | Continue to run awareness raising programmes around all aspects of the CR strategy | | |
| Business alignment targets: | Actions: | | |
| Embed CR into client relationships | Increase the number of pro bono/CR initiatives in which we partner with clients | | |
| | Embed CR into our global alumni programme | | |
| | Raise awareness amongst the global business development community and associates about how the firm can partner with clients on CR | | |
| People targets: | Actions: | | |
| Achieve a more diverse partnership | Facilitate management training across the partnership in support of 30% female partners ambition | | |
| Achieve a more diverse staff population | Further roll out diversity training across the firm | | |
| Environmental targets: | Actions: | | |
| Every office to achieve minimum standards by | Every office to purchase 10% of energy from renewable sources where available | | |
| 2013 in every category | Every office to reduce CO2 emissions by at least 3% per employee from 2007/08 baseline | | |
| Offices already achieving the minimum standard to maintain progress | Every office to recycle at least 25% of all general waste | | |
| | Every office to recycle at least 30% of office paper waste | | |
| | Every office to reduce paper use by 10% per FTE from 2007/08 consumption | | |
| | Every office to ensure at least 10% of paper has at least 30% post-consumer recycled content or comes from FSC or other internationally recognised certified sources with a low carbon footprint | | |
| | Work with key suppliers to understand, manage and reduce the environmental impacts of our purchases | | |
| | Monitor business travel in each office | | |

UN Global Compact

Clifford Chance is proud to be a signatory of the UN Global Compact. This commits us to align our strategies and operations with the 10 Principles, covering human rights, labour, environment and corruption.

The information carried in this report provides only a flavour of the work that the firm is undertaking in these areas and the steps that we have put in place to manage our own business in accordance with the Global Compact Principles. As part of our commitment to the Compact, we have for the first time prepared a full Global Reporting Initiative index which can be found on our website at www.cliffordchance.com/ungc

The index below is a summary only.

Our Global Compact Index

| ssue areas | Global Compact Principles | Relevant GRI indicators |
|-----------------|--|---|
| Human rights | Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights. | EC5, LA4, LA6–9; LA13–14, HR1–9, SO5, PR1–2, PR8 |
| | Principle 2. Businesses should make sure that they are not complicit in human rights abuses. | HR1–9, SO5 |
| Labour | Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | LA4–5, HR1–3, HR5, SO5 |
| | Principle 4. Businesses should uphold the elimination of all forms of forced and compulsory labour. | HR1–3, HR7, SO5 |
| | Principle 5. Businesses should uphold the effective abolition of child labour. | HR1–3, HR6, SO5 |
| | Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation. | EC7, LA2, LA13–14, HR1–4, SO5 |
| Environment | Principle 7. Businesses should support a precautionary approach to environmental challenges. | EC2, EN18, EN26, EN30, SO5 |
| | Principle 8. Businesses should undertake initiatives to promote greater environmental responsibility. | EN1–30, SO5, PR3–4 |
| | Principle 9. Businesses should encourage the development and diffusion of environmentally friendly technologies. | EN2, EN 5–7, EN 10, EN 18, EN 26–27, EN30, SO5 |
| Anti-corruption | Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery. | SO2-6 |

Our Global Reporting Index demonstrates how our efforts meet the requirements of the GRI Reporting Principles www.globalreporting.org/

Our global office network



Visit www.cliffordchance.com for all our office contact details

Australia Perth Sydney

Belgium Brussels

Brazil São Paulo

Czech Republic Prague

France Paris

Germany Düsseldorf Frankfurt Munich Grand-Duché de Luxembourg Luxembourg

Hong Kong SAR Hong Kong

Italy Milan

Rome Japan Tokyo

Morocco Casablanca (to be opened in 2011)

The Netherlands Amsterdam

People's Republic of China Beijing Shanghai Poland Warsaw

Qatar

Doha
Romania

Bucharest

Russia Moscow

Kingdom of Saudi Arabia Riyadh*

Singapore Singapore

Spain Barcelona Madrid Thailand Bangkok

Turkey Istanbul

Ukraine Kyiv

United Arab Emirates Abu Dhabi Dubai

United Kingdom London (Upper Bank Street and Coleman Street)

USA New York Washington, D.C.

*Clifford Change has a co-operation agreement with Al-Jadaan & Partners in Riyadh.

www.cliffordchance.com

© Clifford Chance LLP, September 2011 Clifford Chance LLP is a limited liability partnership registered in England & Wales under number OC323571. Registered office: 10 Upper Bank Street, London, E14 5JJ. We use the word 'partner' to refer to a member of Clifford Chance LLP or members, partners, directors, employees or consultants of Clifford Chance entities who are of equivalent standing and qualifications.

This report is printed on Cocoon 50 Silk which is FSC® certified and contains 50% genuine de-inked post consumer waste and 50% FSC certified virgin fibre. The printer is FSC and ISO 14001 certified and used vegetable oil based inks.

Designed and produced by Radley Yeldar. www.ry.com