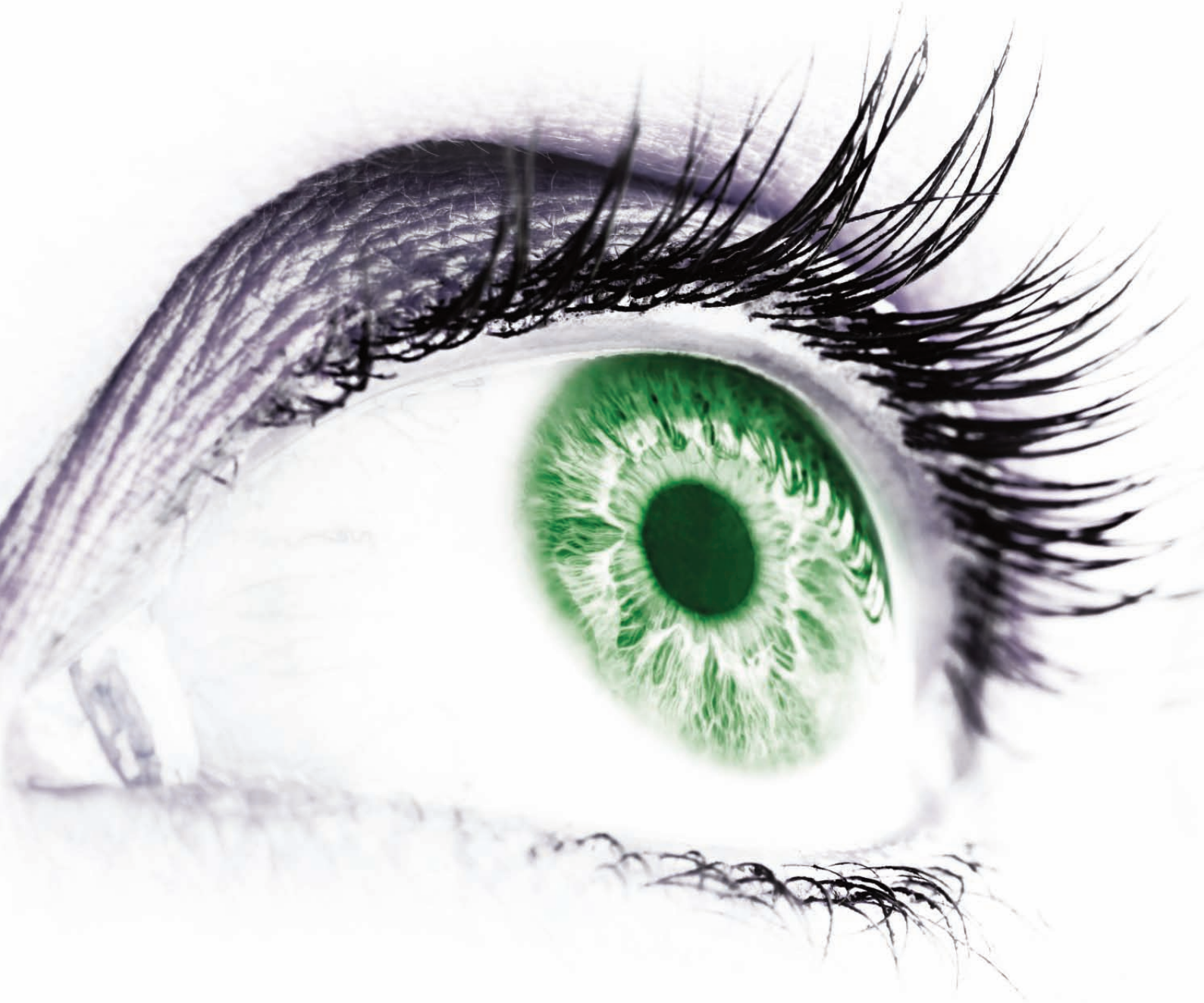
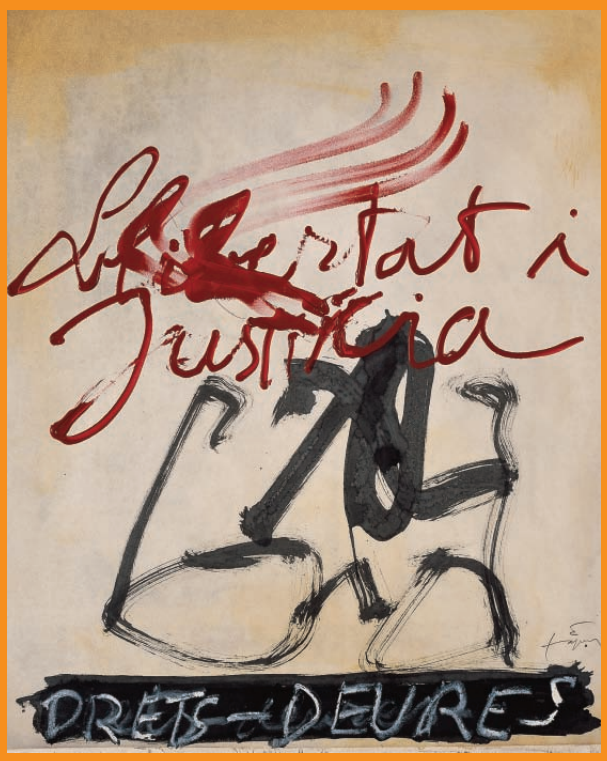
GARRIGUES

Corporate Social Responsibility Report 2011



A different view



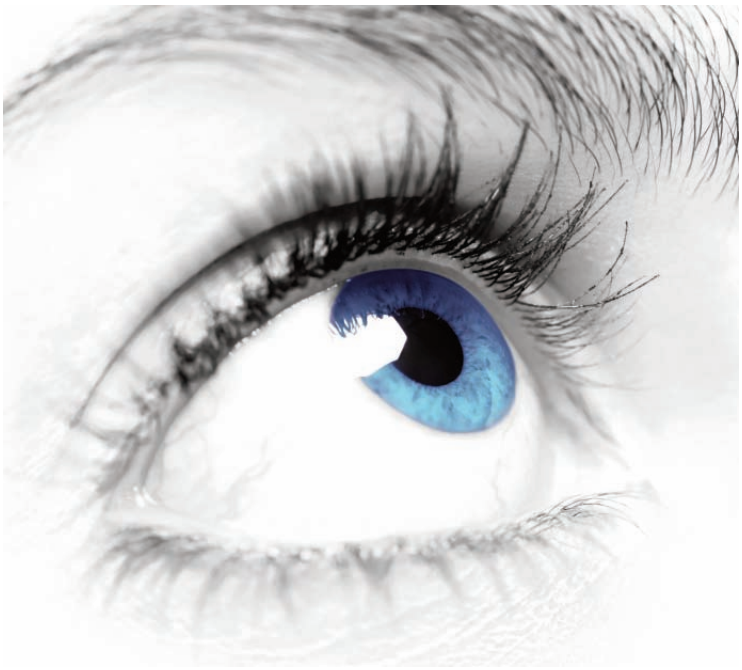
Tàpies, within the soul of Garrigues

Gracing the walls of our various offices are prints of the work entitled *Llibertat I Justícia*, created by Tàpies specifically for Garrrigues in 2003.

Antoni Tàpies 1923-2012.

GARRIGUES

Corporate Social Responsibility Report 2011



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1 Our vision

Introduction

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We are pleased to present our Corporate Social Responsibility Report for the 2011 fiscal year, which focuses on Garrigues' triple bottom line: economic, social and environmental. It has now been six years since the firm first promised to keep this annual date with its stakeholders and, for those of us at the helm, it makes us proud to keep to our word once again.

From an economic angle, Garrigues' combined revenues in 2011 hit the €368.9 million-mark, a slight increase (0.7%) on 2010 and up by more than 17.2% on 2008.

On the social front, we continued with our policy of awards and scholarships and furthering the training of young lawyers (with the creation of two new university chairs), our legal research, corporate outreach initiatives and pro bono work, to provide free tax and legal services to not-for-profit organizations and entities.

In the environmental arena, embedded in all the firm's activities is our Eco-Efficiency Program, an array of environmental awareness-raising and action initiatives and procedures which is proving to be another area in which we are becoming more efficient with each passing year.

Elsewhere, we have continued with our efforts to comply with and improve on the principles of the United Nations Global Compact.

Looking on the bright side, above and beyond specific results, we believe that every crisis brings opportunities and that we must therefore be constantly on the lookout to identify them. It is our belief that this crisis will enable us to emerge stronger, more secure, and better prepared. To this end, more so than ever, we are falling back on our values and principles, while strengthening even further, if possible, the commitments that have always formed the bedrock of the way we work.

The first of these commitments is to our clients. Today, more than ever, they and the quality of the services they receive lie at the heart of all our professional activities.

The second, no less important, is to our people and the need to secure their futures. We will not stop investing in their ongoing training and in modernizing and innovating in our technology to make for greater efficiency in their work.

We believe an optimistic outlook is the cornerstone of positive management. And it is in that spirit, an integral part of our corporate DNA, that we will continue to work.

It goes without saying that we are grateful to all those who have placed and continue to place their trust in Garrigues, who share our vision and who are willing to work side by side with us towards an ever more sustainable future.

Antonio Garrigues	Fernando Vives	Ricardo Gómez-Barreda
Chairman	Managing Partner	Senior Partner

2 *Looking towards the future*

Social Responsibility

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Profile of our firm

Garrigues is a professional firm providing tax and legal advisory services, and related professional services, with respect and observance at all times of the applicable legislation in force in each and every jurisdiction in which it operates. A professional limited liability company, Garrigues is owned by all of the firm's practicing partners.

Partner status at Garrigues is gained following a very stringent process of analysis and assessment of the professional merits of each candidate, and nobody holds a significant stake in the company. None of the partners hold a stake over and above 2% of the capital stock.

Created in 1941, Garrigues is continental Europe's largest tax and legal advisory firm in terms of revenues and headcount. Our people and our clear and undeniable international calling give us the ability to provide our clients with a comprehensive advisory service of the very highest quality wherever they may need it. Our services bear a distinctive hallmark and brand, which reflects our commitment to quality, our client-oriented service, our social responsibility and a solid business approach.

Governance and management structure and bodies

The firm's operating structure is illustrated in the following chart:

(*) Anti-money laundering internal control committee.

All Garrigues partners are members of the Partners' Meeting, which, every four years has to elect and appoint the members of the firm's managing body, which is responsible for managing, running and representing the firm, and its current members are a sole director, the firm's managing partner, a position held by Fernando Vives.

The managing partner has to render accounts at least once a year to the Partners' Meeting. He is supported in his work by the following consultative bodies determined in the bylaws: the senior partner, the Executive Board and the Professional Practice Committee. Their duties are set out in the bylaws.

At present, the senior partner is Ricardo Gómez-Barreda. The Executive Board, allowed to have between 6 and 14 partners, has 14 partners in total, and both the managing partner and senior partner are ex-officio members. The senior partner is tasked with chairing and leading the Board.

Partners' compensation is determined by reference to objective parameters known to all and is based on their level of professional experience, as well as their contribution to the firm's development and success. For all partners, their ownership interests in the firm carry certain ancillary obligations as regards the performance of the professional activities in the corporate purpose of Garrigues.

Description of practice areas

Administrative Law and Zoning and Planning

The Administrative Law and Zoning and Planning Department provides specialist legal advice to both public sector institutions and private enterprises and individuals. The team of professionals in this department draft reports and opinions, conduct negotiations, and handle the legal defense of clients in administrative and judicial review proceedings across a range of business sectors .

2011 was marked by a standstill in zoning activities and cutbacks in public investment. In a bid to counter the adverse impact of the downturn on business and the government's administrative activity, the department (besides keeping abreast at all times of any new legislation) has improved its organization and stepped up its educational and practice development work.

Regarding the quality of its services, this practice area held on to the top spots in Spain and Portugal's foremost professional rankings, both collectively and individually, in terms of the number of lawyers recommended.

For 2012, the department will look to increase its activity in non-zoning-related areas and will center its attention on public-private partnerships. Similarly, it will seek to increase its work with businesses to speed up debt collection, improve the status of their real estate, and, generally, to play a part in initiatives requiring the involvement of the public authorities.

Tax

Garrigues' Tax Department has played a particularly pivotal role in Spanish tax practice for decades now. A regular participant in the top profile, most complex and highest market value deals and cases, it provides ongoing or one-time advisory services on matters involving domestic and international taxation to Spanish, Portuguese and further-afield multinationals, as well as local companies and groups and individuals.

Its matrix structure, combined with the quality and experience of the team of professionals within the organization, leaves this practice ideally placed on the market to provide the solutions called for within the current business landscape.

The breadth of the tax practice area and Garrigues' capacity to cater to the needs of its clients have created the right conditions for the Tax Department to diversify into different specialized service lines based on the tax component of the service and the business sector in which the client operates.

The biggest transactions the department worked on in 2011 in the tax practice market kept its clear leadership position firmly in its grasp thanks to the innovation and technical expertise displayed in extremely complex engagements, as borne out by a host of accolades received by its professionals, as well as the Tax Department's inclusion among the top spots of the domestic and international rankings and its recognition as *Tax Law Firm of the Year* in Spain for the sixth year in a row (the second year running in Portugal), by the prestigious *International Tax Review*. Notable transactions include our involvement in the tax-related aspects of cross-border mergers or our advice concerning new financial products.

Bearing in mind the economic backdrop and the more than likely amendments expected to be made to tax law, a clear rise has been observed in the demand for transfer pricing and judicial review-related services, which looks all set to continue in the coming years.

Featuring among the big events of 2011 was the creation by Garrigues, together with six other major firms operating in Spain, of *Fundación Impuestos y Competitividad*, a foundation devoted to taxes and competitiveness, with the goal of raising the level of research, knowledge insight and understanding regarding international tax systems, placing particular emphasis on processes that may be included in Spanish and EU legislation and practices, in the interests of greater competitiveness in both economies.

Human Capital Services

The Human Capital Services (HCS) Department has a team of professionals providing advisory services on company HR planning, organization and compensation.

As opposed to the traditional approach to consulting services on compensation and organization, our HCS Department provides an all-encompassing service in these areas in that it does not stop at strategic and design-related implications, but also takes in specific advisory services on tax and legal matters in relation to corporate human resources.

In 2011, Garrigues HCS advised a host of financial institutions on the process to bring their compensation policies into line with the new legislation on pay. Moreover, Garrigues HCS currently advises the appointments and compensation committees of the boards of directors of a host of Spanish listed companies.

The HCS Department is the organizer and driving force behind the HR Managers Forum, which, for the fourth year in a row, brought together HR managers and executives from a great many Spanish companies looking to share and put forward solutions to the various compensation and organization-related issues that have arisen in recent years.

Labor and Employment

The Labor and Employment Law Department are experts on individual employment contracts, senior management contracts, advanced compensation systems, litigation, collective agreements and restructuring, and the list goes on.

Thanks to its size, geographic reach, and the importance of the services it is engaged to provide, the department is the specialist of choice for labor unions, employer associations and the central government and autonomous community authorities.

The complex economic scenario has meant the department's activities have centered on explaining the most influential reforms of labor and employment law. As part of this task, in 2011, the department has taken part in and staged, for clients and other interest groups, more than thirty seminars, conferences, and working breakfasts all over Spain. These sessions have dealt with subjects such as the labor reform (specifically, collective layoffs and collective bargaining), pension system reform, labor law updates for companies and equality programs, to name but a few. The department is all set to continue with these awareness-raising initiatives, centering on its clients' industries.

In an advisory capacity, an important feature of 2011 was the trend towards human resources reorganization processes at companies that started in previous years and gathered pace in 2011. Garrigues has advised on major restructurings affecting a wide range of companies.

Restructuring processes will continue to play a pivotal role in 2012. Also key will be labor and employment issues associated with mergers and business reorganization within business groups and the banking and financial services industry. Lastly, in the wake of the recent labor reform we anticipate a rise in the number of company collective agreements (collective labor agreements, opt-outs, modifications to working conditions, and similar matters), as opposed to industry-wide collective agreements.

Litigation and Arbitration

Garrigues' Litigation and Arbitration team advises on dispute resolution and acts in litigation brought before the law courts, arbitration proceedings, and proceedings at the leading domestic and international courts of arbitration.

It defends its clients' interests to avoid potential disputes and, where disputes are unavoidable, to make sure they are in the best position to defend themselves.

For the department as a whole, 2011, which had a particularly fertile atmosphere for disputes, brought with it particularly intense and successful activities in all areas. In the field of business criminal law, 2011 will be remembered for the reform to the Criminal Code and, more specifically, the new provisions on corporate criminal liability. The huge impact of these changes on the Spanish corporate landscape kept our experts working tirelessly, focusing on analyzing and raising awareness of the consequences of these reforms, advising on compliance-related matters and designing and implementing corporate compliance programs at companies, an area in which Garrigues has broken new ground.

In 2012, one of our core goals in connection with court litigation will be to apply and let clients know about the advantages deriving from the recent Law to Expedite Proceedings. This new law was conceived to provide measures to speed up court proceedings and usher in a raft of major changes in various areas such as appeals, enforcement, special proceedings, and even the duties of court procedural representatives.

We will also be looking to give fresh impetus to our international arbitration practice (among the most reputable on the Latin American market), which can boast a first-rate team of experts who are well accustomed to handling proceedings at varying arbitration venues under a range of laws and in different languages. With the backing of our international offices, multilingual teams will be set in place to develop and strengthen this practice area in markets such as Latin America, North Africa, and Central Europe.

Environment

The Environmental Law Department consists of specialist lawyers in this field, alongside a large group of professionals from an economic and technical background, taking in engineers, geologists, chemists, environmental science graduates, economists, and the like. Its multidisciplinary mix is a guarantee of professional services of the very highest quality, combining legal, technical, and economic and financial expertise, in all types of engagements and studies in relation to the environment, renewable energies, sustainability, climate change, and corporate social responsibility.

Two major events took center stage for Garrigues Medio Ambiente in 2011. The first was the celebration of its tenth anniversary. This decade has seen its team of professionals grow and the matters it has been handling have evolved in step with the ever increasing attention paid by institutions and businesses to sustainable development.

The second major event concerned the opening of an international office in Paris. This new venue will enable it to provide advisory services to its French clients, above all in the area of renewable energies.

Corporate/Commercial

Garrigues has played a key role in the course taken by Spanish corporate/commercial law in recent decades and taken part in the markets' most high-profile, complex and largest deals. The corporate/commercial practice area can boast experts in capital markets, mergers and acquisitions, commercial contracts, corporate law, banking, finance, securities markets, insurance and other regulated industries.

2011 saw the Corporate/Commercial Department take part in truly groundbreaking, hugely complex deals, calling for key technical expertise. The outstanding results are borne out by the recognition and award granted to Garrigues by the IFLR as the Most Innovative Firm. Worth a particular mention is the firm's participation in international business combination deals with an impact in several jurisdictions and which, from the corporate/commercial law practice area alone (although many other areas took part), involved specialists in commercial contracts, industry regulations, securities markets and business and corporate law.

Specifically in the area of project finance, the Corporate/Commercial Department held on to its leading position thanks to a multidisciplinary team with a wealth of experience in the industry. A crowning deal in 2011 was Garrigues' participation as the legal adviser in one of the largest financing transactions performed in Spain to date and one of the year's most important throughout Europe, in the renewable energies industry. The department also took part in various infrastructure projects.

Elsewhere, the department's experience and renown in structured finance and securitization is unrivalled. The Corporate/Commercial team has contributed to the development of the industry and taken part in a significant number of pioneering deals, advising clients of all types (originators, management companies, funds, insurers, ratings agencies, etc.).

One of the chief forms of recognition received over the course of this past year has to be that given by the firm's clients, who continue to place their trust in Garrigues' corporate/commercial practice.

Moreover, in 2011 reputable specialized directories and publications recognized Garrigues' position at the forefront of the market, ranking it number one in an array of corporate/commercial practice areas. To name but a few, Chambers & Partners Europe, European Leading Lawyers for Business 2011 ranked Garrigues' M&A and Project Finance areas in this position, with International Financial Law Review; The Guide to the World´s Leading Financial Law Firms and Legal 500 2011 all following suit in the same areas, while also awarding top honors to certain specialist areas in the Capital Markets practice area.

Intellectual Property

The Intellectual Property Department is made up of lawyers and specialists with expertise in patents, many of whom hail from international agencies operating in the industry. This team of professionals provides domestic and international clients with comprehensive advisory services on the protection and exploitation of all types of intellectual property rights: company trademarks and other distinctive signs, patents and utility models, industrial designs, designation of origin and geographic indications, intellectual creations, etc.

The department is devoting particular attention to the protection and exploitation of online intangible assets, above all on social networks, given the major impact they have on today's economy and society. In addition to handling highly complex, wide-ranging litigation issues, it has stepped up its training and awareness-raising activities in relation to the challenges posed by intellectual property in the virtual world, touching, for example, on piracy, e-books and the protection of companies' online reputations.

The closing months of 2011 saw the expansion and reinforcement of the department's service lines, centering on tax efficiency in the exploitation of intangible assets and in the protection of intellectual property rights in emerging markets such as China and Brazil, above all in wine, oil industries, agricultural produce and IT industries. This line of work is set to continue in the coming months.

Restructuring and Insolvencies

The Restructuring and Insolvencies team advises companies facing financial difficulties on the adoption of the most appropriate decisions to restructure their businesses operationally or financially. It uses its experience to contribute to the design and implementation of adjustment plans in order to ensure that restructurings meet their goals.

Through our extensive office network Garrigues can work side-by-side with clients and communicate directly with the financial and court authorities and the other local players affected by or involved in the various crisis scenarios.

Insolvency legislation underwent far-reaching reform in 2011, which was followed very closely by Garrigues, and we took part in a host of conferences and seminars to discuss its scope and inform clients of the new provisions and the advantages they could bring. One of the biggest challenges for 2012 is to carry on with this awareness-raising work. Besides this, the firm is currently working on a study to be submitted to the European Union on the application of European insolvency legislation and the need for an overhaul.

Throughout 2011, numerous specialized directories and publications spotlighted Garrigues' position as the leading firm in the restructuring and insolvencies area: IFLR 2011, Top Tier Firm; Chambers Europe 2011, Band 1; Chambers Global, Band 1; Legal 500, First Tier Firm; Euromoney Global Insolvency & Restructuring Review 2011, Top Tier Firm; and PLC Which Lawyer 2011 described us as "Leading".

Our vision of Corporate Social Responsibility

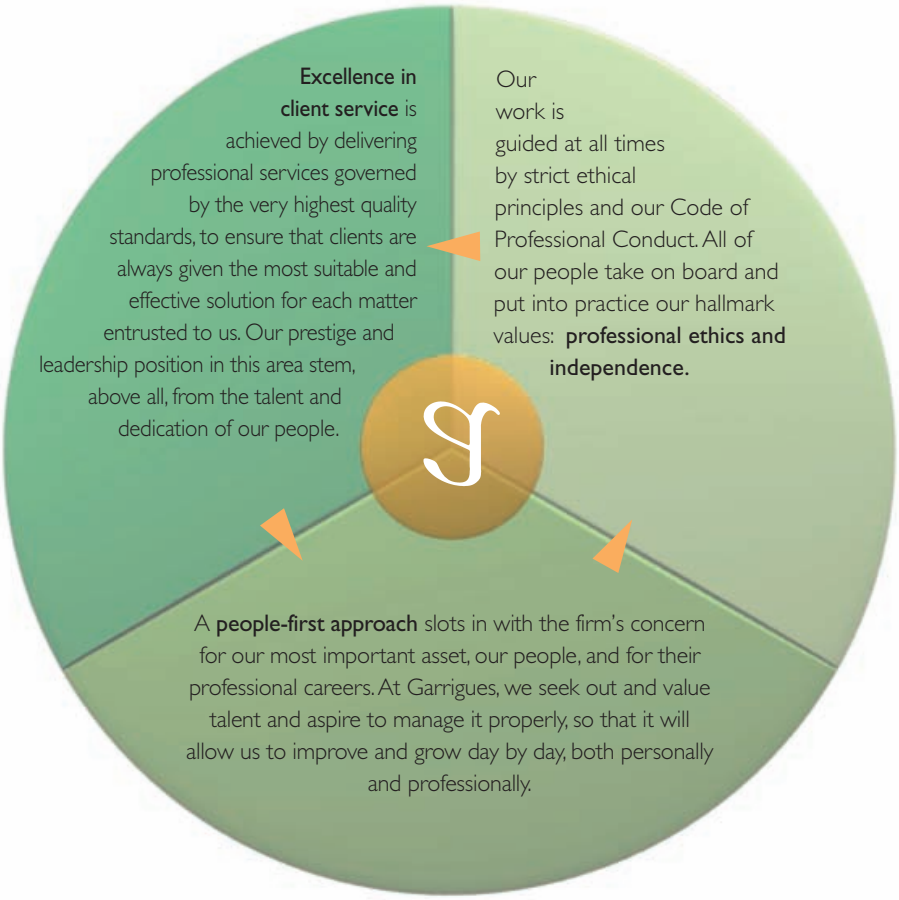
At Garrigues, we see 'corporate social responsibility' as a business model that takes on board the effects of a business on its stakeholders, as well as the expectations they have of a particular professional practice.

Our mission is to serve the firm's clients wherever they may need us, and our clients can also rest safe in the knowledge that we are committed to responsible professional practice. This is how we strive to provide added value at all times, both for clients and for present and future generations.

Garrigues has included in its business model the assessment, in a broad sense, of the risks and opportunities potentially flowing from its activities. This commitment to society and to its surroundings is borne out every year by a rendering of accounts in the shape of this CSR Report, which sets out the general guidelines underlying our business model and resulting in the CSR-related initiatives carried out at our firm.

Garrigues' values

The values that give our firm its identity are as follows:



These values, which must be upheld and conveyed at all times by all our personnel, are underpinned in practice by the rules and principles of the Code of Professional Conduct drawn up by the Professional Practice Committee. All these rules and principles are necessary not only for the right to defense and to advise clients, but also to safeguard the interests of the firm and of all of its personnel, as well as those of society at large.

Garrigues oversees strict compliance with the applicable professional and ethical standards and rules, using a range of channels and procedures. For these purposes, and with the aim to formally and expressly state their compliance with these standards and rules, with the firm's bylaws and with in-house policies on investment and other issues, the partners fill in a confirmation form each year on these matters. Additionally, and also with a view to ensuring compliance with those standards and rules, regular ad-hoc training sessions are delivered to people at all levels.

Our stringent and rigorous compliance with those standards and rules has, on occasion, led the firm to refuse to act for clients or in what could have been high-profile cases.

Our commitment to stakeholders

Garrigues defines its stakeholders as individuals or organizations in society that significantly affect, or can affect, its activities or decisions, or that are, or can be, significantly affected by the firm's actions and its professional practice.

The firm has identified its stakeholders and makes a special effort to encourage and ensure constant communication with them, and ongoing identification of new channels of communication, while taking on board their expectations and defining what courses of action to take in this connection.

We have identified the following stakeholders:

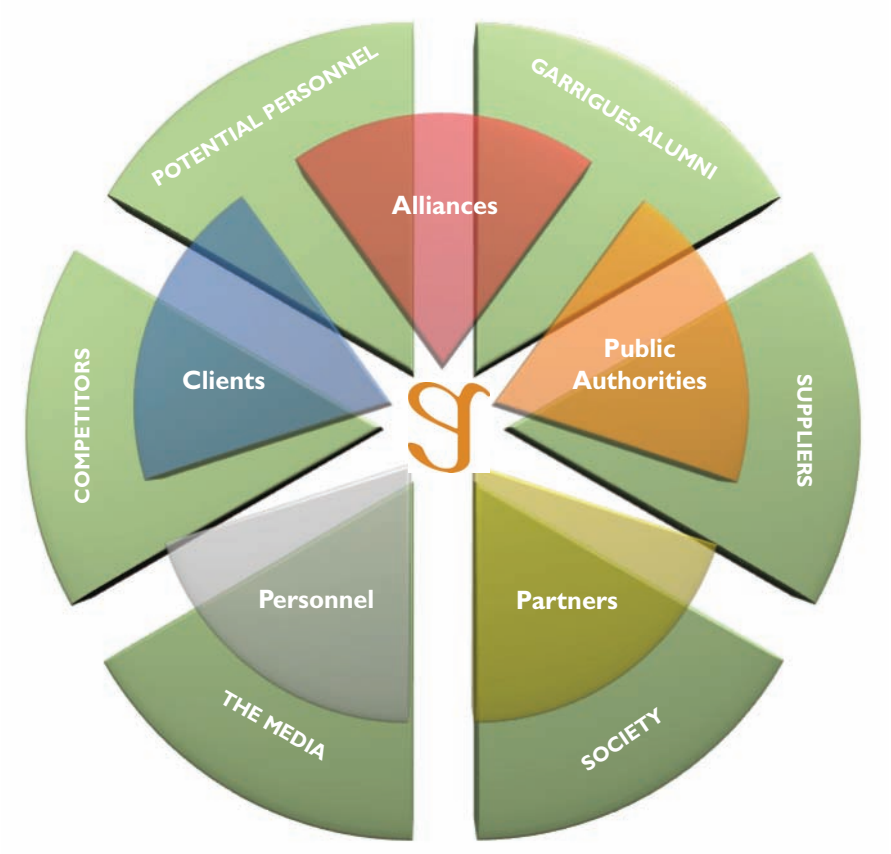


Exhibit III contains further information on the channels of communication in place for each of the stakeholders.

2011 at a glance

MAIN ACCOLADES

Law Firm of the Year in Spain 2011 – IFLR

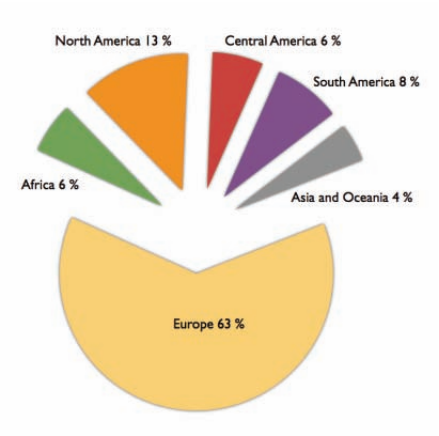
International Law Firm of the Year 2010 – The Lawyer

Client Choice Awards 2010 – ILO

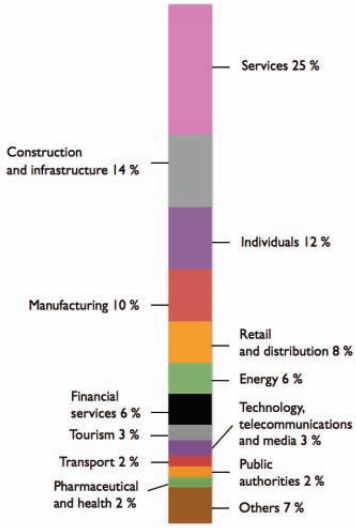
The Best Tax Firm in Spain and Portugal 2010 – ITR

CLIENTS

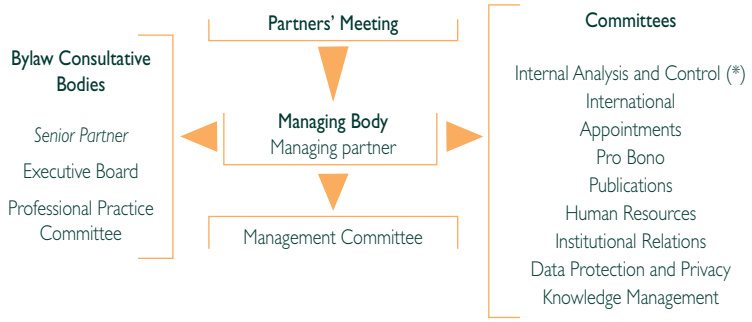
GEOGRAPHIC SPREAD



BY SECTOR
Total clients



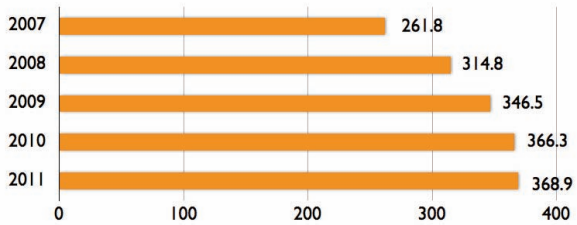
ORGANIZATION



(*) Anti-money laundering internal control committee.

PROGRESSION IN AGGREGATE REVENUES

Millions of euros



Cumulative growth in the period was 41%

GLOBAL SERVICE

Continental Europe's leading law firm

PRACTICE AREAS
Administrative and Zoning
Tax
Labor and Employment
Corporate/Commercial
Human Capital Services
Litigation and Arbitration
Environment
Intellectual Property
Restructuring and Insolvencies

INDUSTRIES
Automotive
Banks and Savings Banks
Private Equity
Defense and Public Authorities
Family Business
Energies
Pharmacy and Biotechnology
Real Estate
Collective Investment Vehicles
IT, Outsourcing and New Technologies
Gaming
Manufacturing
Insurance
Sports & Entertainment
Telecommunications and Media
Transportation and Shipping
Tourism

DESKS
Asia-Pacific Desk
French Desk
German Desk
Italian Desk
Indian Desk
US Desk

PRESENCE IN SOCIETY

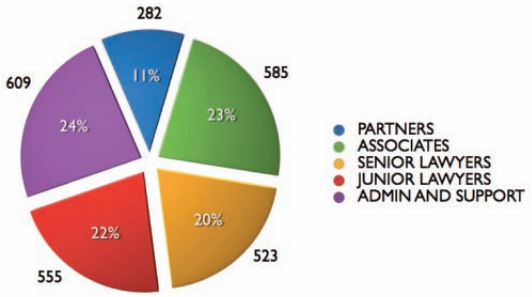
The Garrigues Chair at Universidad de Navarra

The Garrigues – ICADE Chair

The Garrigues Chair in Law and Business Studies at Universidad de Zaragoza

TALENT AND COMMITMENT

AVERAGE HEADCOUNT
BY CATEGORY



OUR CORE GOAL

Close contact with our clients, constant concern to understand their needs and bring added value, by providing them with services and advice of the very highest quality, both technically and consistently with the requirements of upstanding conduct and action, committed to the ethical values and principles of our profession.

ECONOMIC DIMENSION	VARIATION ON 2010
Number of offices: 37	0 %
Floor space occupied: 60,916 m^2	4.2 %
Number of partners at year end: 279	2.2 %
Revenues from operations: 368.9 million €, 351.7 million € in Spain and 17.2 million € in Portugal	0.7 %
ENVIRONMENTAL DIMENSION	
Electricity consumption: 30,079 GJ, equal to 12.8 GJ/person	-1.1 %
Water consumption: 18,460 m^3 equal to 7.9 m^3/person	5.3 %
CO_2 emissions: 6,510 t CO_2 equal to 2.8 t CO_2/person	-15.8 %
Recycled paper: 173 tonnes, equal to 73 % of all paper consumed	1,8 %
Urban waste produced: 140 kg/person	9,4 %
HUMAN DIMENSION	
Average headcount: 2,554	-3,7 %
Percentage female employees: 53 %	0 %
Employee turnover: 474	8.2 %
New hires: 324	1.9 %
Promotions: 19 new partners and 80 new associates	-11.6 %
Absenteeism rate: 1,91 %	3 %
Training hours by professional category: 62 h/partner, 76 h/associate, 106 h/senior lawyer, 265 h/junior lawyer, 32 h/admin. and support	-7 %
SOCIAL DIMENSION	
Young Lawyers Awards: 13 editions	
Members of the United Nations Global Compact: since 2002	
Scholarships programs: 9 editions	
Tax and legal pro bono work: more than 30 beneficiary entities	
Corporate outreach projects: more than 20 beneficiary entities	
Corporate voluntary work: more than 5 beneficiary entities	

IBERIA'S LARGEST NETWORK OF OFFICES

OFFICES ON FOUR CONTINENTS

ALLIANCES

AFINITAS
ALLIANCE PROMOTED BY GARRIGUES

Taxand

Tax Alliance in more than 50 countries

Main goals for 2012

Area	Goals set in 2011	Progress in 2011	Goals for 2012
GENERAL	To ensure growth in revenues from operations and productivity in line with market and economic conditions and with the firm's past record	Recording 0.7% growth in revenues from operations at J & A Garrigues, S. L. P. (and subsidiaries) and Garrigues Portugal, S. L. P. (and subsidiaries)	To ensure that revenues from operations and productivity perform consistently with market and economic conditions and with the firm's past record
COMMUNICATION WITH STAKEHOLDERS	To design and implement new systems for communicating with stakeholders	Distribution of the results of the CSR and pro bono survey conducted among our people Presentation and publication of our CSR Report online on the intranet	To shore up CSR policies
PRINCIPLES GUIDING OUR WORK	To promote our corporate social responsibility principles	Initiatives carried out to raise awareness within the firm of our CSR Report, to conduct surveys on levels of awareness and to obtain feedback and suggestions for improving its content	To continue delivering a course on the legislation and the firm's anti-money laundering and counter-terrorism financing procedures to all the firm's personnel on the e-learning platform To use the e-learning platform to train our people on other topics of interest
	To continue raising awareness of the Code of Professional Conduct and its implementing procedures To continue to actively ensure legal compliance, encouraging the ongoing process of upgrading our data protection system	Raising awareness of the Code of Professional Conduct and its implementing procedures Progressing with the start-up of the e-learning platform (called Fórmat-e) to deliver training in these areas Making headway with the development of a new computerized system for registering clients that integrates SAP, and applies the procedures to check conflicts of interest and the requirements and obligations in the anti-money laundering and counter-terrorism financing legislation in relation to due diligence and the filing of certain documentation	
CLIENTS	To continue conducting client satisfaction surveys, and increase the number of clients interviewed To continue gaining a greater insight into client expectations	Increasing the number of interviews conducted by more than 10% Making headway with the preparation of a client coordination and follow-up plan	To launch the client coordination and follow-up plan To review and modify, where needed, the client satisfaction survey and interview process To create new industry lines

Area	Goals set in 2011	Progress in 2011	Goals for 2012
SOCIETY	To put together a Manual on the Preparation of Sustainability Reports for Law Firms Public presentation of the Guide to Good Corporate Social Responsibility Practices at Law Firms in order to make it more accessible to any firms and lawyers who may be interested	Publication of the Manual on the Preparation of Sustainability Reports for Law Firms and the Guide to Good Corporate Social Responsibility Practices at Law Firms	To review and update the Pro Bono Plan To organize a course on corporate social responsibility in the legal profession for universities To continue raising awareness of the corporate outreach initiatives of Garrigues' people in the "Outreach Corner" section in the firm's digital newsletter To coordinate and participate in the "Conference on Legal Pro Bono Work and Corporate Outreach" in collaboration with the *Cyrus Vance* Group To take part in the next edition of *Rock in Law* alongside other law firms
	To collaborate on studies and initiatives to promote CSR	Collaboration with Forética on a study of CSR and public companies	
	To create the indicator to study the variation in the number of people who have taken part in any voluntary work initiatives in order to better understand the feedback obtained To set in place new indicators measuring awareness of corporate outreach initiatives	Channeling information via the e-mail address: accion.social@garrigues.com and the firm's "Outreach Corner" section in the InterNos newsletter Setting in place a range of indicators measuring the development and awareness of corporate outreach initiatives	
	To ensure that the Cyrus Vance Group yields concrete initiatives	Ongoing work to exchange best practices in pro bono work	
	New edition of Rock in Law	Staging Rock in Law in Madrid and Lisbon	
	To increase the in-company programs	Launch of the Executive Master's Degree in International Purchasing Management New edition of the Executive MBA in the Management of Professional Services Firms at Centro de Estudios Garrigues	To bring the master's degrees in law into line with the Law on Access to the Legal Profession To continue strengthening the international profile of Centro de Estudios Garrigues
	To boost the international profile of Centro de Estudios Garrigues	Agreements signed with foreign universities (Harvard University, Universidad Católica de Santiago de Guayaquil, Escuela Internacional de Negocios de Colombia) to teach a range of programs Certificate obtained by Centro de Estudios Garrigues as an official Cambridge ESOL preparation center Implementation of the Business English Certificate program	

Area	Goals set in 2011	Progress in 2011	Goals for 2012
HUMAN RESOURCES	To finalize and apply the Interns Policy Manual	The Interns Policy Manual has not been completed because work experience policies are set to change with the entry into force of the Law on Access to the Legal Profession	To review the recruitment process To look at new flexible employee compensation schemes To create an Interns Policy Manual in line with the Law on Access to the Legal Profession To teach on master's degrees on access to the legal profession and take on master's students for work experience To bring work experience policies into line with the Bologna Process and the Law on Access to the Legal and Court Procedural Representative Professions To improve communication with candidates using our IT system To create a new "Garrigues School" for partners To set in place a Mobility Plan at the firm with a view to cutting the number of accidents en route to work by at least 50% To update and integrate with the SAP platform the model for setting goals for and evaluating partners
	Collaboration on the part of the Litigation Department in the training of a university team to take part in the Willem *C Vis International Commercial Arbitration Moot*	Collaboration on the part of the Litigation Department in the training of a university team to take part in the Willem *C Vis International Commercial Arbitration Moot*	
	To bring recruitment policies into line with the Bologna Process and the Law on Access to the Legal and Court Procedural Representative Professions	Bringing recruitment policies into line with the Bologna Process and the Law on Access to the Legal and Court Procedural Representative Professions	
	To carry out a survey of the various existing alternatives on the market in order to launch an online training initiative	Election of the partner in charge of developing and launching the Fórmat-e online training program	
	To launch a new intranet platform for personal ads among the firm's personnel: the Garrigues Virtual Notice Board	Launch of the new intranet platform for personal ads among the firm's personnel: the Garrigues Virtual Notice Board	
	To carry out market research on employees' medical insurance policies in order to review and improve the current terms and conditions	Health insurance was taken out with a new provider in January 2011, improving on conditions for the group and beneficiaries	
	To expand internal communication channels using online tools	Channeling information via the e-mail address: accion.social@garrigues.com and the firm's "Social Corner" in the InterNos newsletter	
	To develop a SAP application for the integrated management of structured and unstructured information in the HR Personnel File	Implementation of the tool based on Opentext technology, integrated with SAP to manage HR information called *Virtual Personal File*	

Area	Goals set in 2011	Progress in 2011	Goals for 2012
ENVIRONMENT	To continue introducing sustainability criteria in contracts with (new and existing) suppliers	Adding addenda to 67 new agreements to update or comply with sustainability criteria requirements	To improve on the number of agreements brought into compliance in 2011 To assess the implementation of LED bulbs at other offices To continue including cutting edge technology to cut down on electricity and water consumption in new construction and renovation work To request that the building owners install timed switches in the bathroom stalls at Hermosilla and Ayala (Madrid) To replace the existing low-consumption bathroom fixtures with other more effective low-consumption fixtures ("shower system") at the Hermosilla and Ayala buildings in Madrid To cut down on battery use via the program to replace rechargeable battery-powered portable label writers with electricity-powered writers To replace multifunctional equipment with more environmentally-friendly models on expiry of renting agreements at all our offices
	To hit the 95%-mark in the replacement of plastic bottles with reusable glass bottles at our offices	Keeping to the policy of 75% glass bottles in meeting rooms	
	To extend the use of FSC-certified paper to all the paper materials used by the firm	Almost all printing or paper material for general consumption is guaranteed to originate from sustainably managed forests	
	To launch a pilot LED bulb implementation project in Madrid office areas	Launch of a pilot LED bulb implementation project at the Castellana building (Madrid office)	
	To evaluate the installation of presence-sensitive bathroom fixtures in the bathrooms managed directly by Garrigues and to request that they are assessed for those managed by building owners	Installation of LED technology and presence-sensitive bathroom fixtures in the new construction of the Seville office and renovation of floors in Bilbao and Valencia	
	To replace traditional lamps with LED technology lamps in bathroom and common areas (halls and elevators) at the Hermosilla and Ayala buildings in Madrid	Replacement of traditional lamps with LED technology lamps in bathroom and common areas at the Hermosilla and Ayala buildings (Madrid office)	
	To gradually phase out the portable battery-powered DYMO label writers in favor of electricity powered label writers (consumption and battery waste reduction)	All new (DYMO) label writers supplied this year are electricity rather than battery-powered	
	To request a feasibility study and environmental analysis for the replacement of multifunctional systems at the Hermosilla building in Madrid	Replacement of multifunctional systems at the Hermosilla building with other lower consumption, more productive and environmentally friendly equipment	
	To draw up comparative studies of electricity and water consumption at our offices	Installation of automated electricity panels in the Hermosilla garage (Madrid office) for energy-saving (nights and weekends)	

Area	Goals set in 2011	Progress in 2011	Goals for 2012
INNOVATION	To obtain a second DPC in order to fully exploit all critical applications and thus cover potential contingencies at the main DPC, with a view to cutting down on recovery times in the event of a contingency	Obtaining a second DPC to fully exploit critical applications	To launch the second DPC and conduct real contingency trials To complete the backup project with an additional robot, enabling us to absorb the increase in information To install LYNC (Unified Communication Solution), as the in-house communication tool, capitalizing on the W7 installation To maintain the document submission levels of 2011 To ensure more standardized submissions across offices and departments To fine-tune the engine in terms of result relevance To develop specific content for training in knowledge management and legal databases To increase the number of books available in electronic format To make articles, journals and book extracts not in digital format available to lawyers on the catalog under the new CEDRO license To install Windows 7 and Office 2010 firm-wide for enhanced performance To set in motion a project to change the remote access system with a view to enabling access using the new devices on the market (tablets, etc.), enhancing performance and simplifying current access methods To launch the Virtual Garrigues Library with a view to enabling access to the hardcopy and digital collections available at the library
	To carry out a project to change the backup system, with a view to reducing length times and absorbing the growth in data on the applications	Progress with the backup project with a new cabin for disc copies and a robot to improve the speed of copies to tape	
	To carry out a pilot PC videoconference and presentations project in order to analyze whether it can be applied in our environment and, if so, to perform the start-up project. The goal is to be able to make presentations and deliver courses to clients without any need to travel	Analysis and performance of pilot trials of various market tools, although this has yet to be implemented	
	To encourage use of the search engine and increase participation and the uploading of content	Presentation of the search engine to all groups at the firm Creation of an internal monthly statistical information procedure	
	To design the organization's global e-learning rollout project To develop a firm-wide money laundering e-learning project	Progressing with the start-up of the Fórmat-e e-learning platform to deliver training in these areas	
	To start creating and publishing statistical reports on subscriptions and e-books	70% of our journals are available in electronic format (at July 2011) as opposed to 42 % in July 2008 Duplication in one year of the number of books available online via the firm's catalog	
	To put in place a new credential-sharing system enabling information to be shared more efficiently among all professionals at the firm	Implementation of the credentials management system named BDC, developed using SOA SAP technology	

Area	Goals set in 2011	Progress in 2011	Goals for 2012
INNOVATION	To set up a new virtual management system for all the documentation associated with the Personnel File-on all of the firm's personnel	Implementation of the virtual documentation management system named PF virtual, developed using SAP Opentext technology	To implement a new anti-money laundering and counter-terrorism financing tool To set in place a pilot business mobilization process trial to run on SAP SUP-HWC technology and the BlackBerry and iOS platforms
	To replace the e-resources management software with a new version offering professionals 100% website coverage, greater search speed and the ability to have several resources or databases open at the same time on various tabs on the same screen		

3 *Observing real life*

Economic performance

Key financial aggregates 25

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Key financial aggregates

In the setting provided by the current economic climate, Garrigues has attained moderate growth targets and held on to its privileged position as the leading tax and legal advisory firm by revenues in both Spain and Continental Europe.

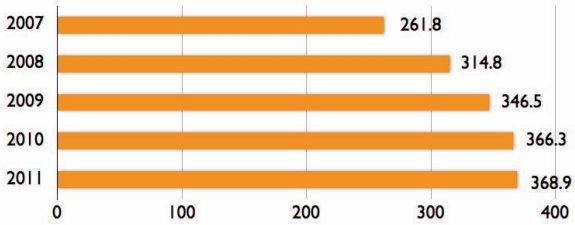
2011 saw aggregate revenues from operations at J & A Garrigues, S. L. P. and subsidiaries, and Garrigues Portugal, S. L. P. and subsidiaries hit the € 368.9 million-mark, a 0.7% rise on the previous year and up over 17.2% on 2008. Tax and legal services accounted for € 359 million of this figure while the remaining € 10 million came from other related services.

The revenues of J & A Garrigues, S. L. P. and subsidiaries amounted to € 351.7 million, a rise of 0.8% on the previous year and 15.9 % on 2008. Garrigues Portugal, S. L. P. and subsidiaries reported revenues totaling € 17.2 million, staying at a similar level to 2010 and up 52.2 % on 2008.

The following table shows growth in aggregate revenues at Garrigues over the past five years:

PROGRESSION IN AGGREGATE REVENUES

Millions of euros



Cumulative growth during the period was 41%

The following tables show the key financial aggregates of Garrigues, per the consolidated financial statements of J & A Garrigues, S.L.P. and subsidiaries and Garrigues Portugal, S.L.P. and subsidiaries.

KEY FINANCIAL AGGREGATES OF J & A GARRIGUES S.L.P, AND SUBSIDIARIES

(Thousands of euros)	2009	2010	2011
Direct economic value generated	332,032	349,763	352,581
a) Revenues	332,032	349,763	352,581
Revenues from operations	331,273	348.955	351,745
Other operating revenues	410	430	439
Financial revenues	328	154	397
Extraordinary revenues	21	224	
Economic value distributed	331,050	347,016	348,802
b) Operating costs	101,778	95,079	83,932
Depreciation and amortization expense	6,672	7,004	6,680
Variation in working capital provisions	7,435	7,661	6,717
Outside services	87,499	80,285	69,994
Extraordinary expenses	172	129	541
c) Personnel and professional expenses	203,111	225,989	237,002
d) Payments to capital providers	5,219	4,800	6,705
e) Payments to public authorities	20,591	20,740	20,773
Tax on economic activities and other non-income taxes	404	513	474
Corporate income tax	348	612	721
Social security taxes	19,839	19,615	19,578
f) Donations and other community investments	351	408	390
Retained earnings	982	2,747	3,779

KEY FINANCIAL AGGREGATES OF GARRIGUES PORTUGAL S. L. P. AND SUBSIDIARIES

(Thousands of euros)	2009	2010	2011
Direct economic value generated	15,371	17,469	17,225
a) Revenues	15,371	17,469	17,225
Revenues from operations	15,209	17,359	17,168
Other operating revenues	132	0	0
Financial revenues	3	1	41
Extraordinary revenues	27	109	16
Economic value distributed	13,755	15,683	16,184
b) Operating costs	3,844	4,503	5,222
Depreciation and amortization expense	449	431	420
Variation in working capital provisions	190	413	134
Outside services	3,200	3,654	4,668
Extraordinary expenses	5	5	
c) Personnel and professional expenses	8,963	10,098	10,531
d) Payments to capital providers	324	275	107
e) Payments to public authorities	607	806	314
Tax on economic activities and other non-income taxes	5	1	4
Corporate income tax	428	616	97
Social security taxes	174	189	213
f) Donations and other community investments	17	1	10
Retained earnings	1,616	1,786	1,041

KEY FINANCIAL AGGREGATES GARRIGUES AGGREGATES

(Thousands of euros)	2009	2010	2011
Direct economic value generated	347,403	367,232	369,806
a) Revenues	347,403	367,232	369,806
Revenues from operations	346,482	366,314	368,913
Other operating revenues	542	430	439
Financial revenues	331	155	438
Extraordinary revenues	48	333	16
Economic value distributed	344,805	362,699	364,986
b) Operating costs	105,622	99,582	89,154
Depreciation and amortization expense	7,121	7,435	7,100
Variation in working capital provisions	7,625	8,074	6,851
Outside services	90,699	83,939	74,662
Extraordinary expenses	177	134	541
c) Personnel and professional expenses	212,074	236,087	247,533
d) Payments to capital providers	5,543	5,075	6,812
e) Payments to public authorities	21,198	21,546	21,087
Tax on economic activities and other non-income taxes	409	514	478
Corporate income tax	776	1228	818
Social security taxes	20,013	19,804	19,791
f) Donations and other community investments	368	409	400
Retained earnings	2,598	4,533	4,820

The "Payments to Public Authorities" captions disclose payments made in connection with social security taxes, corporate income tax, tax on economic activities and other taxes and levies.

Garrigues and its partners make other payments to public authorities such as those made to the social security system for contributions in respect of employees' and partners' personal income tax withholdings in Spain (IRPF) and Portugal (IRS) and the VAT on the activities of the firms and their partners. These amounts are set out below by calendar year.

TABLE FOR SPAIN AND PORTUGAL WITH THE 2009, 2010 AND 2011 PERSONAL INCOME TAX AND VAT FIGURES AND SOCIAL SECURITY CONTRIBUTIONS FOR PARTNERS AND THE FIRM

Other financial data (Thousands of euros)	2009	2010	2011
Spain			
IPersonal income tax of partners, professionals and employees	66,199	72,415	73,335
VAT for the firm and the partners	35,313	43,077	42,273
Social security contributions of employees and professionals	24,633	24,113	24,104
Total	126,145	139,605	139,712
Portugal			
Personal income tax of partners, professionals and employees	1,452	1,715	2,258
VAT for the firm and the partners	1,801	1,875	1,639
Social security contributions of employees and professionals	923	1,034	1,096
Total	4,176	4,624	4,993

Furthermore, in 2011 Garrigues received €211,787 in aid from Spanish job training Tripartita para la Formación en el Empleo Foundation and other institutions in respect of organizing training programs for its personnel. Garrigues also generated corporate income tax credits, totaling €165,732 in Spain and €34,285 in Portugal.

4 *Protecting our best asset*

Clients

Relations with clients 29

Client satisfaction 30

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Every professional engagement carries a challenge for us: to achieve success for our clients. Ongoing, comprehensive, bespoke tax and legal advice and providing professional services of the very highest quality are our chosen route towards meeting this challenge, as borne out by both the international expansion experienced in recent years, largely brought about by our clients' new needs, and the creation of specific industry lines.

In order to achieve excellence in our services, we look to build relationships with our clients, based on trust and mutual understanding, by acting loyally and with transparency and aspiring to maintain stable, ongoing relationships. The firm promises to deliver on every project and engagement entrusted to it and our professionals are aware of the importance of listening to clients, of gaining an in-depth insight into their businesses and of understanding their needs and goals, all with the aim of being able to provide tailor-made solutions to cater to their needs.

Using in-house resources or in conjunction with other entities, Garrigues carries out a great many informative, refresher, training and other similar initiatives. aimed above all at clients (although also on many occasions at others), such as organizing seminars to provide updates on new legislation, working breakfasts, taking part in conferences and seminars with clients, etc.

Relations with clients

Types of clients

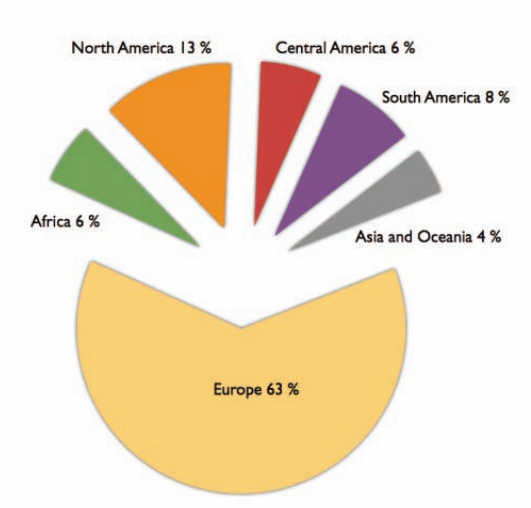
Generally speaking, our clients hail from medium-sized and large private sector companies.

As many as 86% of IBEX-35 listed companies as of August 31, 2011 have been clients of Garrigues, and 59% of the companies listed on the Spanish Stock Exchange Continuous Market on the same date. Elsewhere, in 2010 listings started on the MAB Alternative Stock Exchange and, as of August 31, 2011, 23.5% of the companies on that Exchange have been or are clients of Garrigues. While in Portugal, 25% of the PSI-20 companies on the Lisbon Stock Exchange as of August 31, 2011 received the services of Garrigues Portugal in 2011. These figures testify to the high standard of our services, on offer to Spain and Portugal's leading and most demanding companies.

Clients' geographic and industry profile

The location of our office network has a clear bearing on the origin of our clients. While Garrigues is essentially an Iberian concern, it is nonetheless an outward-looking firm. We currently have a large network of offices outside the Iberian Peninsula, and a considerable number of international clients, spread across the five continents, now accounting for 11.4% of our total client base, have placed their trust in our services. The following chart shows the geographic distribution of our clients based outside the Iberian Peninsula:

ORIGIN OF OUR CLIENTS IN 2011



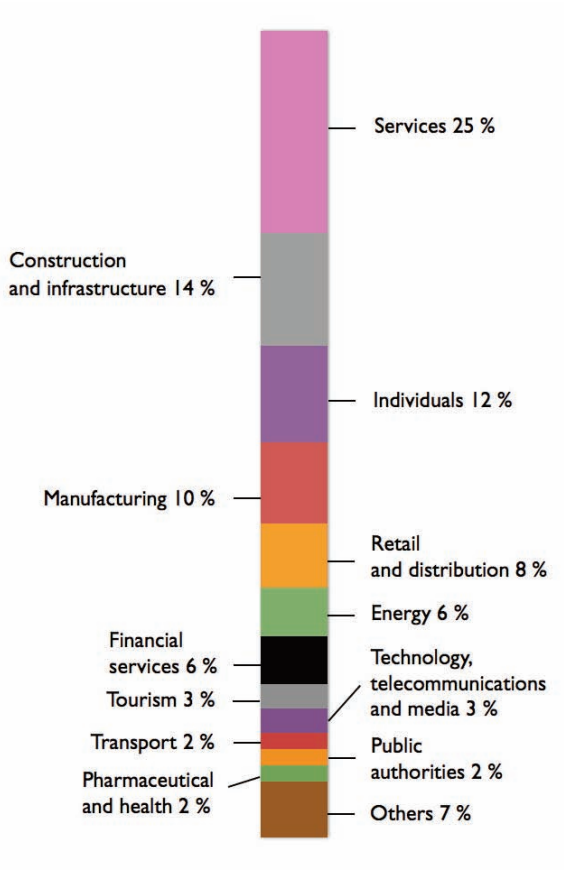
This significant worldwide reach is first of all down to the vocation and experience of our professionals, accustomed as they are to working on international projects; secondly, to our extensive office network and, third, to an international alliance of Latin American law firms called Affinitas, promoted by Garrigues since 2004 (see Exhibit VI). Taken as a whole, Affinitas, including Garrigues, takes in the services of more than 3,000 professionals practicing from over 40 offices spanning 15 countries, including Argentina, Colombia, Chile, Mexico and Peru, as well as Spain and Portugal, to name but a few.

Garrigues serves its Brazilian clients from its Sao Paulo office. The firm's decision to set up in that country was spurred by the excellent growth prospects in one of the world's economic powerhouses. Garrigues has obtained all of the necessary permits, issued by the Brazil Bar Association (Ordem de Advogados do Brasil - OAB), to operate as a foreign law firm in Brazil, and in doing so became the first Spanish law firm to secure such a license.

Garrigues is also a founding member of Taxand, a global network made up of more than 2,000 tax advisers hailing from over 50 firms from the five continents, providing tax advisory services to multinational clients (for more information go to: www.taxand.com).

In terms of their industry profile, most of the clients on our roster come from the services, manufacturing and construction and infrastructure industries:

CLIENT SECTORS IN 2011



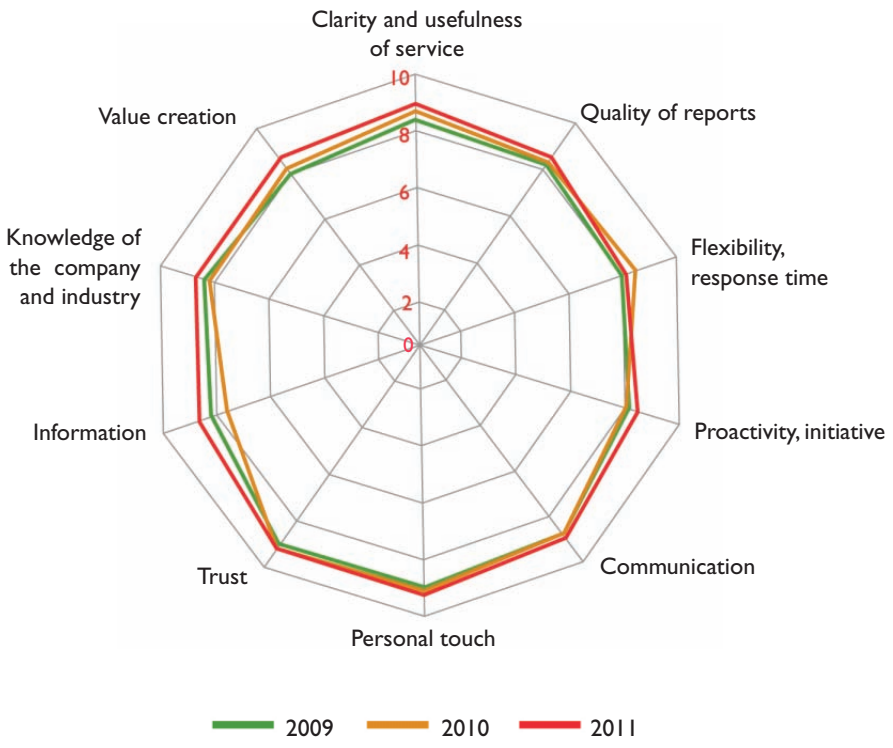
Client satisfaction

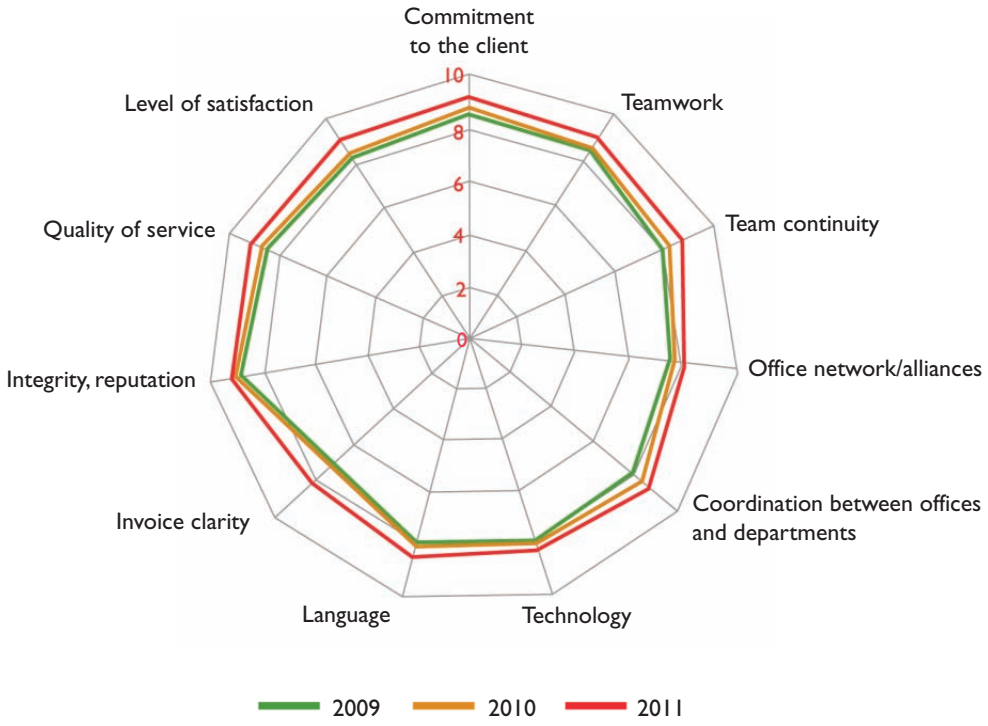
For some years now, Garrigues has been carrying out regular surveys of satisfaction levels among its clients using the "Client Satisfaction" program.

In 2011, the steps taken within this program took the shape of a satisfaction survey, which involved questionnaires being sent out and interviews and meetings being conducted with a representative sample of 67 clients from across Spain and related to the various practice areas.

The questionnaire has enabled the firm to receive the replies in numerical parameters allowing us to identify the main strengths and areas for improvement to be taken into account in our relations with clients and the provision of our services. The feedback gathered from the interviews was then discussed with partners and other personnel from the firm in order to take the appropriate measures in each specific case based on the comments and suggestions made, as well as to follow up on their practical implementation.

The following chart shows the feedback gathered from our clients, on a scale of 0 to 10, on each of the areas covered in the satisfaction survey for 2009, 2010 and 2011:





In 2011, the firm received an average overall score of 8.37 on a scale of 0 to 10. The most important feedback we obtained from the survey was that our clients rate highly the trust we inspire, linked to our commitment, integrity and reputation, as well as the personalized relationship and good communication we build up. Other highly-rated features were the technical quality of the firm's services, the clarity and usefulness of our advice and our expedient and rapid response times. As areas for improvement, clients suggested that the firm should strengthen its international network, provide more detailed descriptions of services provided with our fee invoices, and increase information on new developments and matters of interest.

Compared with 2010, the feedback received in 2011 contained a higher score for information on new developments and matters of interest, for our client-orientated approach and the clarity of our fees. Elsewhere, the score given to our expediency and response time fell slightly to 2009 levels. With all of this in mind, a plan has been drawn up to work on the areas brought to our attention.

Apart from client satisfaction surveys, any potential client suggestions, complaints and claims are received through the partner in charge of Professional Practice.

What is more, our clients' satisfaction has brought us the awards and accolades received throughout 2011 from various reputable institutions. Among the chief accolades received were:

Law Firm of the Year in Spain 2011 – IFLR

International Law Firm of the Year 2010 – The Lawyer

Client Choice Awards 2010 – ILO

The Best Tax Firm in Spain and Portugal 2010 – ITR

Managing conflicts of interest

The firm's substantial client portfolio, the diversity of its practice areas and the large number of offices and countries from which it operates make it particularly important for us to ensure that any potential conflicts of interest that may arise (and do in fact, with increasing frequency) in the firm's professional practice are properly identified, prevented, managed and resolved.

This is a highly important issue, not only from an ethical standpoint, but also given its particular sensitivity as regards the firm's relationship with its clients. Under the supervision and coordination of the Professional Practice Committee, the firm has put in place extremely stringent internal procedures aimed at managing and resolving these cases as expediently as possible, whether the potential conflict of interest involves a new client or matter for the firm or arises from unforeseen circumstances in the course of an engagement already in progress.

5 Our human focus

A commitment to the community

Community outreach 35

Garrigues and education:
Centro de Estudios Garrigues 39

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Our corporate outreach initiatives are carried out through our foundation, Fundación Garrigues, whose core premise is to align the firm's social commitments closely with its strategic goals. The majority of corporate social responsibility initiatives therefore revolve around the provision of tax and legal services, which lie at the heart of our activity. Alongside this pro bono work for not-for-profit organizations and consistently with the comments outlined above, Garrigues also sponsors legal research.

At the firm, corporate outreach takes shape though the following initiatives[1]:

- Pro bono work: providing free tax and legal services
- Corporate voluntary initiatives
- Scholarships and awards
- Socially responsible buying
- Loan of used assets
- Donation of IT equipment, furniture, fittings and office material

Community outreach

Founded and funded entirely by the firm, Fundación Garrigues was set up on April 1, 1997 and plays a pivotal role in the implementation of the firm's CSR policy. The Foundation's funds are spent on two broad categories of activities: educational and cultural activities, basically in the context of legal culture, and community outreach projects, related to either education or welfare and cooperation, such as those detailed below:

(1) Note also that Garrigues does not implement any local development programs due to the nature of its operations.

Educational and cultural activities

a) Legal research: Garrigues Chair in Global Law
b) The Young Lawyers Awards
c) Scholarships program

Social outreach

a) Pro bono work (by the Firm's professionals)
b) Corporate voluntary workers
c) Various projects

The Foundation's activities in 2011 are summarized below:

Educational and cultural activities

a) *Legal Research: Garrigues Chair in Global Law*

The Foundation's educational and cultural activities in 2011 took the form of sponsoring programs and projects or donations to various cultural and teaching organizations, as well as grants to institutions with activities and goals akin to those of the Foundation.

As in previous years, specific research on the globalization of the law was carried out through the Garrigues Chair in Global Law, set up in 2003 under an agreement with Universidad de Navarra, with the aim of promoting, from an interdisciplinary perspective, teaching and research on the different fields of law and, above all, on all matters with a bearing on the subject of "the globalization of the law". Also worth a mention are the Garrigues – ICADE Chair and the Garrigues Chair in Law and Business Studies, created in conjunction with Universidad de Zaragoza.

b) *The Young Lawyers Awards*

Under an agreement between Fundación Garrigues and the Faculty of Law at Universidad de Navarra, the Young Lawyers Awards are held each year in order to encourage excellence among young law graduates in the study and practice of business law.

On September 19, 2011 Centro de Estudios Garrigues played host to the 11th annual awards ceremony, presided over by the Minister of Justice.

c) *Scholarships Program*

As part of its law-related cultural activities, in 2011 the Foundation continued to focus mainly on the academic world and university teaching. As in previous years, its activities included, the award of scholarships targeted at higher education and, specifically, the field of law. The aim of these scholarships is to motivate young students approaching the end of their studies.

- Real Colegio Complutense at Harvard University. Under the agreement between Universidad Complutense de Madrid and Fundación Garrigues, regarding Real Colegio Complutense at Harvard, Real Colegio Complutense research fellowships at Harvard Law School were awarded.

- Official Master's Degree in Business Law, Universidad Pontificia Comillas de Madrid: Fundación Garrigues contributed to the sponsorship of the 2010/2011 academic year.

Social outreach

a) *Pro bono work*

Garrigues has a structured program in place through which we channel the pro bono work performed by the firm's professionals.

In the April 2011 issue of the firm's weekly InterNos newsletter, we unveiled the feedback from the 2010 survey on CSR and pro bono work, which showed that the people at our firm have a strong commitment to society and wish to make a contribution, not simply with individual financial contributions, but also with what they do best: their work and personal efforts. This was borne out by the fact that 79.2% of personnel would like to perform pro bono work, while 94% of the more than one thousand people who replied considered this a fitting contribution to society.

Among its pro bono commitments, Fundación Garrigues continued to take part in 2011 in a working group set up by the Cyrus R. Vance Center for International Justice. Forming part of the New York Bar Association, the Center was founded on the principle that lawyers have a pivotal role to play in the promotion of social justice and the strengthening of democracy.

This center provides support worldwide to lawyers who engage in pro bono activities broadening access to justice, ensuring a fair and equitable legal system, and initiatives of this kind aimed at developing public policies with an eye on the needs of society or increasing public confidence in the legal profession.

The working group draws on Spain's leading law firms and works in full collaboration with the Madrid Bar Association's Corporate Social Responsibility Center.

The group is currently working on a "Pro Bono Forum - the Legal Profession and Social Outreach" gathering, set to take place in 2012.

b) *Corporate voluntary initiatives*

- *Rock in Law*

In June 2011, together with other law firms and after several months' joint effort, Garrigues took part in a fundraising concert at Madrid's La Riviera venue.

The concert took €56,039 in box office receipts, donated in their entirety to Centro de Día Gaviota, a project sponsored by Fundación Ciudad de la Esperanza y la Alegría.

At the end of June 2011, Lisbon played host to the 3rd edition of Rock in Law, with a lineup including Garrigues group "The Walkers", together with other groups from Portuguese and international firms. The concert was a resounding success, breaking attendance records with more than 2,300 fans and taking in €98,402, which went to organizations "A Casa dos Rapazes" and the Portuguese Association for Developmental Disorders and Autism (APPDA). Two new editions of the Rock in Law gigs are set to be staged in Madrid and Lisbon in 2012.

- The 5th "Know your laws" program:

The initiative is based on an agreement signed in December 2008, in which several firms, including Garrigues (via its Foundation), gave an undertaking to the Madrid autonomous community government to provide a certain number of hours' free advice and teaching to immigrants in relation to the Spanish legal system. In March and April, 19 professionals from the firm took part in events at the Madrid autonomous community's Cepi Hispano-Africano center in Madrid and at the Alcalá de Henares municipal council building.

• Fundación Nantik Lum

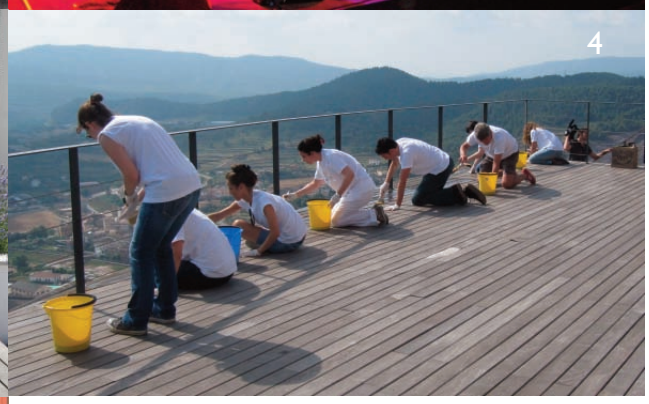
This foundation, which aids development in the form of micro loans, received advice from Fundación Garrigues in 2010 thanks to its seat on the Advisory Board. In 2011, we continued to help developing this foundation's marketing, fundraising and project start-up initiatives (above all in Haiti, the Dominican Republic and Rwanda).

c) *Rincón Social/Outreach Corner*

Since the creation of this communication channel in the firm's internal weekly newsletter *InterNos* back in 2009, this space has become a regular feature every Friday, in which we publish and raise awareness of the most high-profile projects, voluntary work experiences and initiatives of fellow employees and the foundations and NGOs we work with (charity runs, concerts, etc.).

d) *Corporate Outreach Annual Report: summary of projects involving the firm's personnel*

2011 saw the launch of a range of charitable initiatives in which Garrigues personnel from all over the Iberian Peninsula took part.



1) *Rock in Law* Madrid
2) *Rock in Law* Lisbon
3) *Volunteers for the 5th "Know your laws" program*
4) *Volunteers' Day at the Catalonia History Museum*
5) *Company Solidarity Day (Zaragoza)*

CORPORATE OUTREACH ANNUAL REPORT - SUMMARY OF PROJECTS - 2011

JANUARY

Toy collection campaign at the children's Christmas party, donated to projects by Seville's Fundación Prodean and the NGO Casa Galicia in Las Palmas de Gran Canaria

Campaign to collect children's books for the NGO Interlibros (more than 450 books) to be donated to community schools, kindergartens, etc. in various regions of Chile. All Garrigues offices took part

Garrigues and Unicef reflect on children's rights: seminar held at the Madrid HQ's auditorium

FEBRUARY

Campaign to donate glasses at the initiative of Portugal's Solidarity Committee for the Portuguese Lions Club

Joint campaign with the Spanish Cancer Association for the sale of tickets at the Madrid office

Shoe collection campaign for Cáritas. Lisbon and Oporto offices

MARCH

Volunteers from the Madrid office took part in the 5th annual "Know Your Laws" program

Volunteers from the Malaga office took part in the 5th annual Women's Fun Run

APRIL

Donation of corporate backpacks and t-shirts to the 24th Trabajo y la Alegría Fundraising Party

Campaign at the Lisbon office; sale of t-shirts for the Casa das Cores project organized by Movimento ao Serviço da Vida

Sale of tickets at the Seville office for the fundraising cocktail party organized by Fundación Prodean in aid of its outreach projects

MAY

On the occasion of the change of office in Seville, donation of furniture and fittings to Fundación Mornese, the parish of La Puebla del Río in Seville and Prodean-ASA

JUNE

Rock in Law **Madrid and Lisbon**, raising funds for Ciudad de la Esperanza y la Alegría in Madrid and A Casa dos Rapazes and APPDA in Lisbon

Donation of the uniforms of the Madrid office cafeteria personnel to Fundación Carmen Pardo-Valcarce

Loan of meeting rooms for the sale of Red Cross lottery tickets at the Seville, Malaga and Las Palmas de Gran Canaria offices

JULY

Blood donation campaign at the Madrid office in collaboration with the Madrid Blood Transfusion Center

Volunteers' Day at the Catalonia History Museum, organized by colleagues from the Barcelona office

OCTOBER

Participation of volunteers at the Zaragoza office's Company Solidarity Day, organized by Cooperación Internacional NGO

Used cell phone collection campaign for Fundación Tierra de Hombres at the Bilbao office

NOVEMBER

Campaign to collect goods and food for Ajutda de Berço and Ponto Apoio a Vida at the Lisbon and Oporto offices

Espalhe Felicidade Campaign with the NGO Um Pequeño Gesto Uma Grande Ayuda at the Lisbon office

DECEMBER

Corporate Christmas card with ACNUR

Donation of corporate materials to Runnymede College for the Christmas party to raise funds for Fundación Aladina

Christmas campaigns to raise funds for Hermanitas de los Pobres, Cooperación Internacional NGO and Fundación Valora

Donation of printers and scanners to Fundación Carmen Pardo-Valcarce

Collaboration with Fundación Carmen Pardo-Valcarce (purchase of sweets for the children's Christmas party at Garrigues' Madrid HQ)

Garrigues and education:
Centro de Estudios Garrigues

Set up in 1994, Centro de Estudios Garrigues (CEG) is an institution affiliated to the firm, set up to provide quality training in areas related to the firm's professional work.

The link with Garrigues enables CEG to keep in constant touch with professional practice, providing a way through which to apply the knowledge, methods and experience gained from professional practice to the field of education. This is not, by any means, an exclusive relationship, however, as CEG is conceived as an open forum for participation, with the involvement of professionals hailing from highly diverse backgrounds: the public authorities, the judiciary, academic circles, private enterprises, and other firms and consulting practices.

The range of training programs on offer includes:

- Master's Degree Programs: requiring full-time study and aimed at recent graduates.
- Executive Master's Degree Programs: compatible with work and aimed at experienced professionals.
- In-company Training Programs: tailored to the needs of each company, and placing particular emphasis on training in competencies requiring a mix of technical know-how and practical skills.

The following long-term programs were taught in the 2010/2011 academic year (which began in October 2010):

STUDENTS AT CENTRO DE ESTUDIOS GARRIGUES, 2010/2011 INTAKE

PROGRAM	FIRST INTAKE	TOTAL STUDENTS
MASTER'S PROGRAMS:		
Master's Degree in Taxation	1994/1995	
Master's Degree in Business Law	1996/1997	
Master's Degree in Human Resources	1997/1998	**118**
Master's Degree in Labor and Employment Legal Advisory Services	1999/2000	
Master's Degree in Banking and Finance	2000/2001	
EXECUTIVE MASTER'S PROGRAMS:		
Executive Master's Degree in Human Resources (and specialization modules)	2004/2005	
Executive Program in Employment Relations	2004/2005	
Executive Program in Business and Finance for Lawyers	2006/2007	
Executive Master's Degree in Tax Advice	2007/2008	**498**
Master's Degree in Business Law (for Garrigues professionals)	2007/2009	
Executive Master's Degree in Corporate Finance	2008/2009	
Executive Master's Degree in International Taxation	2009/2010	
Executive MBA Professional Services Firms Management	2010/2011	
TOTAL 2010/2011 INTAKE		*616*

In October 2011, the total number of students already registered at CEG for the 2011/2012 intake stood at 597, taking in previous programs set to continue and one newly-created course this academic year: the Executive Master's Degree in International Purchasing Management. This figure will be increased by those joining as students in the 2011/2012 academic year, the February 2012 Executive Master's Degree in Human Resources and the Compensation and Benefits module.

All of these programs are open to the public at large, except the Executive Master's Degree in Business Law, which only for Garrigues professionals. The program is offered to all the firm's new hires and aims to round off their university education with the business law expertise required to take their first steps in professional practice at the highest level.

The international legal practice side of the program is taught by Harvard Law School.

The success of our Master's programs is borne out by various facts and figures, such as the following:

PERCENTAGE OF STUDENTS (2010/2011 INTAKE) EMPLOYED AS OF 10/20/2011

2010/2011 PROGRAMS	% PLACEMENT
Master's Degree in Taxation	95.8%
Master's Degree in Business Law	97.1%
Master's Degree in Human Resources	100%
Master's Degree in Labor and Employment Legal Advisory Services	100%
Master's Degree in Banking and Finance	100%
Average placement percentage	**98.3%**

PLACEMENT OF OUR PROGRAMS ON THE RANKING OF MASTER'S PROGRAMS DRAWN UP BY *EL MUNDO*, JUNE 2011

2010/2011 PROGRAMS	PLACE IN *EL MUNDO* RANKING (by speciality)
Master's Degree in Taxation	1st
Master's Degree in Business Law	2nd
Master's Degree in Human Resources	3rd
Master's Degree in Labor and Employment Legal Advisory Services	1st
Master's Degree in Banking and Finance	2nd

CEG has signed collaboration agreements with most of the leading law firms and enterprises for professional practice management, as well as agreements with foundations and other academic institutions in order to promote study and research in the field of law. At present, CEG has agreements to grant scholarships or other collaborative activities with the following:

- Universities: Universidad de Navarra, Universidad Autónoma de Madrid, Universidad de Deusto, Universidad Antonio de Nebrija, Centro Universitario de Estudios Financieros (CUNEF), Universidad de Cantabria, Universidade Católica Portuguesa, Tecnológico de Monterrey (México), Universidad Austral (Argentina) and Universidad de los Andes (Chile).

- Other institutions: Fundación Euroamérica, Fundación Carolina, Funglode (the Dominican Republic), Universia and ONCE.

Since October 2009, CEG has been authorized to deliver training programs as a center attached to Universidad Antonio de Nebrija, and is thus entitled to offer official master's degree programs that are fully recognized within the European Higher Education Area.

Elsewhere, 2012 will see CEG bring its legal master's programs into line with the provisions of the Law on Access to the Legal Profession, in order to ensure that these programs deliver the qualification required to practice law. Thus, CEG's goal is to set itself up as a center of choice for quality legal training.

Moreover, in conjunction with Fundación Garrigues, Universidad de Navarra and the publishing company Thompson Reuters Aranzadi, CEG once again organized and publicized the annual Young Lawyers Awards, which were handed out in 2011 at the CEG's headquarters at an event attended by the Spanish Minister of Justice.

Another important achievement is the Center's 2005 publication, the Garrigues Style Manual (published by Thomson Reuters Aranzadi), which tackles the most common linguistic and format-related doubts that arise when drafting legal documents. A Catalan style guide (*Llibre d'estill juridic*) was published in 2010.

6 *Always vigilant*

The value of talent

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‹‹‹ Content

For a professional services organization, human capital is of paramount importance. Garrigues is an organization made up of people, people with talent.

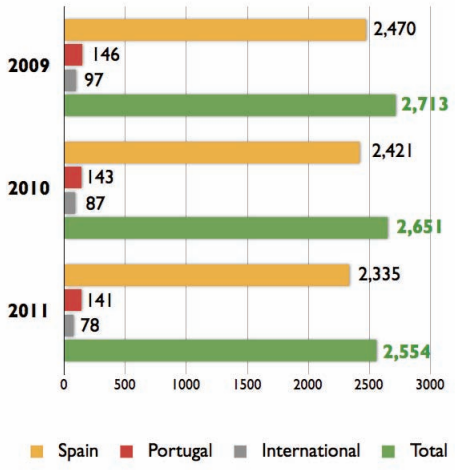
Our commitment to providing excellent service to clients is related to the talent of our people. Consequently, we are under obligation to attract the finest talent to our organization, to retain it and to make all resources and opportunities available to our people to develop and achieve the greatest success in their professional surroundings, collectively within the firm and in society as a whole, adding the value that enables us to provide first-rate tax and legal services.

Our personnel

Our people work in a fiercely competitive market and environment. Garrigues can only manage its human capital properly by having human resources policies as a top priority. These policies are generally coordinated by the Human Resources (HR) Committee, comprising representatives from the firm's various practice areas and members of the HR Department. The Committee prepares, studies and debates proposals, which are then submitted to the Executive Board for approval. The HR Department oversees the launch and follow-up of every new measure adopted.

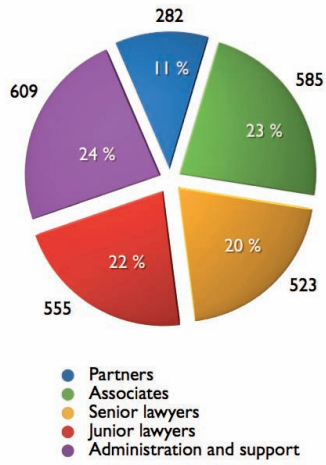
The following chart shows the firm's average headcount in 2011 and the changes over the last past three years.

AVERAGE HEADCOUNT BY YEAR



The structure of our human resources and their distribution by professional and functional category are as follows:

AVERAGE HEADCOUNT
BY PROFESSIONAL CATEGORY

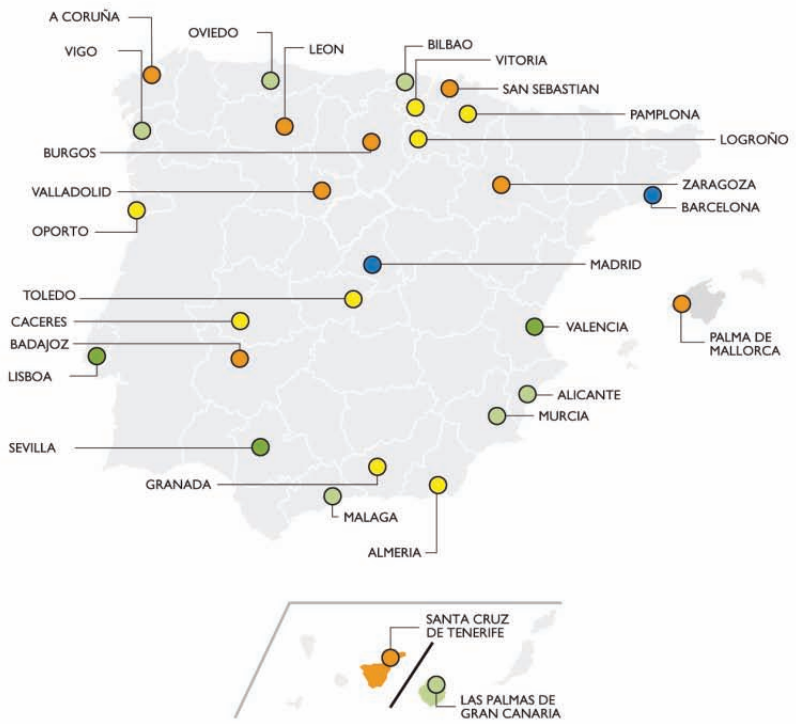


In an industry as competitive as ours, related to providing high-quality professional tax and legal advisory services, the market and clients call for the services of professionals with extensive experience, sound technical know-how and expertise. With this in mind, the teams providing these services have gained a greater amount of seniority input, by having a higher proportion of more experienced professionals.

Additionally, the firm strives each year to carry out its policy of taking on new hires (274 professionals this year), furthering their training and giving them access to the tools and opportunities they need to grow professionally at Garrigues. This is also our unavoidable commitment to young fresh graduates, to give them access to the labor market and put them on the path of their life plan.

GARRIGUES PERSONNEL MAP

SPAIN AND PORTUGAL

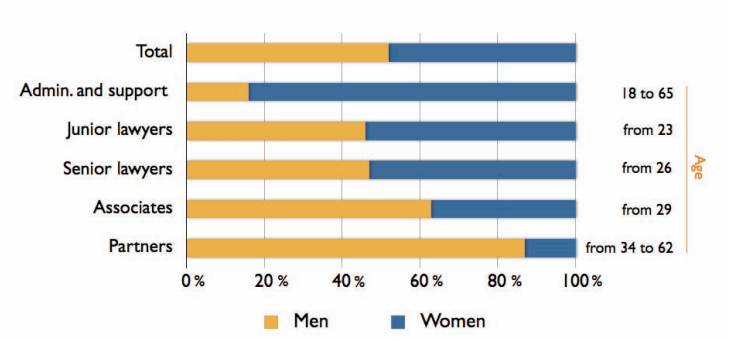


INTERNATIONAL OFFICES

More than 300	Between 50 and 100
Between 200 and 300	Between 20 and 50
Between 100 and 200	Between 1 and 20

The chart below depicts our people by category, gender and age in 2011:

OUR PEOPLE BY CATEGORY, GENDER AND AGE



Garrigues promises completely equal treatment and opportunities for men and women and has policies in place to facilitate a work-life balance.

In 2011, 67 employees out of a total of 77 who took maternity leave were still serving at the firm 12 months after coming back to work, which in percentage terms is 87% of all women taking maternity leave. As for the new fathers, 27 employees out of a total of 33 taking paternity leave were still serving 12 months after coming back to work, a 81.82% slice of the total number taking paternity leave.

2011	Women		Men	
	Nº	%	Nº	%
Left within 12 months of returning after maternity/paternity leave	9	11.69 %	6	18.18 %
Left before returning after maternity/paternity leave	1	1.30 %	-	-
Serving 12 months after returning from maternity/paternity leave	67	87.01 %	27	81.82 %
Total	*77*	*100 %*	*33*	*100 %*

There is also an Equality Committee, which follows up on the measures put into practice, and holds regular meetings to discuss equality matters. We can proudly say that there have been no cases of discrimination at the firm.

As a general rule, Garrigues personnel work full time, except in cases where the firm's HR policies permit, or indeed improve on, opportunities for flexi-time working arrangements, under the Organic Law for Effective Equality between Men and Women, in the case of Spain. For some years now, Garrigues has also applied other conditions designed to facilitate a better work/life balance, such as additional rest days at Christmas and Easter (at the offices in Spain), or an intensive working schedule on Fridays (which allows employees to take the afternoon off).

The firm's policy is to execute indefinite-term employment contracts with our personnel. With junior lawyers in the first two years of their professional career after completing their degrees, however, the firm enters into a work-experience contract[2].

With respect to its entire workforce, Garrigues observes the applicable legislation and collective labor agreements in all of the geographic areas in which it operates.

(2) At the firm's international offices, we use the customary types of contracts according to the local legislation in force.

In the course of their professional careers, some of our people may decide to seek new fresh challenges. Our professionals are highly coveted and recognized in the marketplace and one part of our HR management policy is to gain first-hand knowledge of the reasons that cause employees to make the decision to leave our organization. Only then are we able to identify the areas where we can improve as an organization and work on them.

The chart below provides a breakdown of the personnel turnover figures (by number of people) in recent years:

EMPLOYEE TURNOVER BY CATEGORY AND GENDER

	2009		2010		2011	
	M	W	M	W	M	W
Admin. and Support	17	69	13	70	12	51
Juniors Lawyers	67	108	81	103	84	90
Senior lawyers	26	34	38	58	49	81
Associates	28	14	41	26	61	33
Partners	8	0	7	1	13	0
Total	*146*	*225*	*180*	*258*	*219*	*255*

EMPLOYEE TURNOVER RATE BY REGIONS IN 2011

	M	W	TOTAL
Spain	199	218	**417**
Portugal	5	16	**21**
Other countries	15	21	**36**
Total	*219*	*255*	*474*

Because of the type of activity we carry on, the risk of practices in breach of human rights is all but non-existent, and no circumstances associated with this type of practices have come to light to date.

In another area, the absenteeism rate at Garrigues in 2011, meaning absence from work for more than three working days due to a non-occupational disease, was barely 1.91%.

The variations in absenteeism rates over the last three years and the 2011 absenteeism rate by gender were as follows:

	2009	2010	2011
Absenteeism rate %	2.19	1.85	1.91

Note: the absentee rate figure only refers to Spain

	Total	Hombres	Mujeres
2011 absenteeism rate gender %	1.91	0.38	1.53

Professional development

From the very moment they join the firm, all Garrigues personnel are aware of the opportunities open to them: a highly attractive professional career with outstanding prospects for personal and professional growth. Garrigues has a career plan structured into clearly identified professional levels. All careers information is available on our website (http://www.garrigues.com → Recruitment → What we offer).

Garrigues remains committed to ensuring that new generations of professionals have access to all the resources and opportunities that will give them a rich and rewarding career at our firm. The entry into force of the Law on Access to the Legal Profession in Spain, where most of our future lawyers will practice, brings with it significant changes to the conditions on accessing the profession. Our firm is currently bringing its HR processes and policies into line with the new legislative framework in order to continue drawing on the finest talent and offering attractive professional development opportunities to our lawyers.

Throughout their time at the firm, our people undergo annual evaluations, both written and in the form of face-to-face interviews with their line manager. During the evaluation process, each individual's performance and career prospects are analyzed and discussed, personal and professional encouragement is given, and feedback is obtained and assessed.

Two particularly significant milestones lie along this career path:

- Promotion to the category of associate: marking the firm's recognition of a job well done during the initial years of their career.

- Promotion to partner: bringing with it professional recognition by the firm and renown in the professional services market and among clients. Making it to partner marks the beginning of a phase in which team leadership, overall business management and the search for the utmost technical quality and innovation in the provision of services and solutions for clients pose exciting challenges. Partner promotions are based on objective principles and achievement through merit. This task falls to the Appointments Committee, which monitors professionals' development after a certain degree of experience has been gained, with a view to annually identifying the profile and potential of candidates and, in short, the extent to which they fulfill the requirements to be partner. Broadly representative and with members from different areas of the firm, this Committee assesses candidates in an objective and democratic election process. The final decision on each promotion rests with the Partners' Meeting, which makes its decisions on the basis of the recommendations made by the Committee.

There are also specific career and professional promotion plans in place for individuals working in internal departments or support services for the legal and advisory practice areas.

A commitment to equal opportunities

Garrigues has had its own Equality Plan in place since 2008, with a view to ensuring that principles of equal treatment and non-discrimination are applied in all the relevant areas or elements of the employment relationships of its people. The plan sets out the mechanisms to prevent any direct or indirect discrimination in processes for recruitment, hiring, professional classification, training, promotion, professional career development, compensation and working conditions.

Our people are afforded equal opportunities wherever they work, and there has not ever been one single case of discrimination on any grounds (gender, race, religion, origin, or otherwise) at the firm.

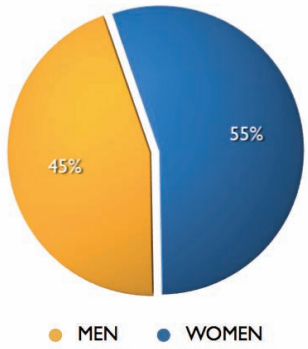
Similarly, in the recruitment of recent graduates, men and women are hired on an entirely equal footing at the firm.

2011 NEW HIRES BY CATEGORY, GENDER AND REGION

CATEGORY	MEN	WOMEN	TOTAL
PARTNERS	100 %	-	1
ASSOCIATES	82 %	18 %	11
SENIOR LAWYERS	52 %	48 %	23
JUNIOR LAWYERS	48 %	52 %	239
ADMIN	20 %	80 %	50
Total	*45 %*	*55 %*	*324*

	MEN	WOMEN	TOTAL
Spain	129	163	292
Portugal	6	3	9
Other countries	11	12	23
Total	*146*	*178*	*324*

NEW HIRES BY GENDER



Garrigues also encourages the hiring of disabled persons and purchases goods and services from a range of foundations and special employment centers. Notable examples in 2011 were the engagement agreements entered into with maintenance and gardening, vending products and office cleaning and hygiene service providers.

Attracting talent

The process of attracting and recruiting talent at Garrigues is the same for all candidates looking to join the firm, wherever we operate.

This is a demanding, rigorous process, based on an assessment of candidates' merits and skills. Garrigues seeks people who combine an outstanding academic track record with good technical and people skills, will strive for excellence in client service, and are looking to grow both personally and professionally alongside us. Our measurement and analysis tools are based on objective methods, tests and interviews.

Our wide geographic reach means we meet candidates from a variety of universities in Spain and worldwide. We have the technology to contact them, meaning they do not have to travel from their places of origin to take part in the interview process.

Activities built around recruitment

Activities to attract talent

- Employment forums and presentations at universities. During the 2010/2011 academic year, Garrigues took part in 80 employment forums and university presentations.

- Open days for students at Garrigues offices. The firm's professionals gave a first-hand account of their experiences to any students who wish to attend.

Teaching-related activities

- Classes and seminars by Garrigues personnel at Spanish and international universities.

- Participation in debating tournaments and moot arbitration competitions.
  Garrigues has many years' experience collaborating with and sponsoring this type of initiative (*Willem C Vis International Commercial Arbitration Moot, Moot Madrid, European Moot Court*). Moreover, in the 2010/2011 academic year, lawyers from Garrigues' Litigation Department coached a university team to participate in the *Willem C Vis International Commercial Arbitration Moot.*

Activities relating to new hires of professionals

- Work-experience policy. One of the student-based activities at Garrigues that has really taken hold in the last few years is its work-experience policy.

WORK EXPERIENCE PROGRAMS

Under the educational cooperation and collaboration agreements signed with universities and training institutions, Garrigues provides work experience at the firm in all of its practice areas.

There are three work-experience programs:

- A summer program: in July or September.
- A program during the academic year: part-time work-experience arrangements that are compatible with academic study
- External practicum: Garrigues also collaborates with certain universities by accepting students for their external practicum (a compulsory subject on certain syllabuses).

Work experience programs are also available for students from foreign universities, such as Instituto Tecnológico y Estudios Superiores de Monterrey (Mexico), Universidad de El Rosario (Colombia) and Georgetown University (U.S.)

We also offer international work experience programs to students from Spanish universities on certain special programs.

In the 2010/2011 academic year, we welcomed 325 students onto our various work-experience programs.

- Candidate referral bonus policy. Garrigues encourages the firm's professionals to assist with this task by offering a bonus for the hiring of candidates referred by firm personnel.

Training

For a firm of Garrigues' stature, which is committed to developing and managing talent, the professionalism of its people is a key factor for its success. With this in mind, one of our top priorities is to provide our personnel with professional training opportunities that enhance their technical know-how and managerial skills, helping them achieve their career goals within the firm. Since training is one of Garrigues' strategic values, its HR policies are steered along the same pathway towards leadership and excellence in client services, striving for ongoing, quality training, through both day-to-day on-the-job training and the firm's Training Program, which will provide our teams with the first-rate coaching they need to perform their work. The firm's ultimate goal is for clients to view its employees as the "professionals of choice," capable of searching for and delivering integrated solutions that meet, or indeed exceed, their expectations.

Given that this commitment to training is one of the firm's core premises, mechanisms have been set in place to ensure that acquired know-how is passed on to and reaches all our people. To this end, the training plan is an ever-present part of our professionals' lives right from their very first day at the firm.

WELCOME PROGRAM

218 people attended the welcome courses

As soon as they join the firm, our professionals go on a three-week welcome program covering everything from a guide to the firm to training on professional and ethical rules and standards, internal policies and technical training.

EXECUTIVE MASTER'S DEGREE IN BUSINESS LAW

364 professionals enrolled on the master's course in September 2010 (of whom 210 were new hires embarking on the course)

Exclusively designed for and addressed to Garrigues professionals, this master's course is delivered by Centro de Estudios Garrigues, with the support of the Faculty of Law at Harvard University.

The teaching staff is made up of prominent professionals from the various companies, firms and institutions relating to the areas studied in the course, alongside lecturers from Harvard Law School.

Since its creation, 1,381 new hires have enrolled on the Executive Master's Degree in Business Law

GARRIGUES SCHOOLS

204 attendees at the Garrigues Schools

Three residential 'Garrigues Schools' (for senior lawyers, new associates and senior associates), are organized each year and last between 3 and 4 days, covering both technical subjects and personal skills and intangible values.

They also serve to encourage networking among professionals from different offices and countries, and create a unique environment for sharing experiences serving to strengthen and capitalize on all relationships and synergies within the firm, which will increase the firm's efficiency by building tight-knit teams and laying the groundwork for high-standard work.

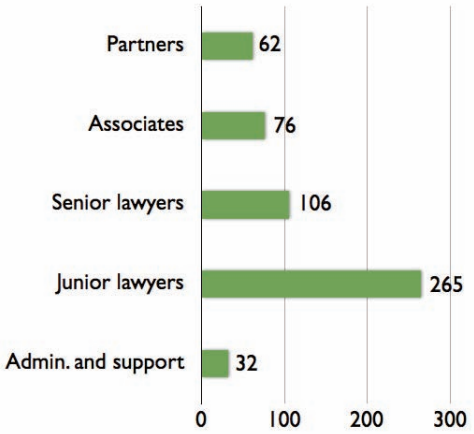
ONGOING TRAINING

The training plan covers all people at the firm, ensuring that each of them can contribute to its progress and excellence in client service as an undisputable value of Garrigues.

Key indicators of the ongoing training program:

	No. of people trained
Specific technical training for each group or speciality	1,731
Training in ethics and in good professional practice	876
Skills training	477
Foreign language training	872
Technology training	615
Knowledge management training	353
Training on the firm's professional image	1,016
External training (delivered outside the firm)	346
Training for admin and support staff	467

HOURS OF TRAINING BY CATEGORY



Training plans are targeted at all employees, regardless of gender.

SCHOLARSHIPS AWARDED FOR THE VARIOUS CENTRO DE ESTUDIOS GARRIGUES PROGRAMS

40 scholarships

In a bid to round out the expertise of its personnel and convinced of the importance of the professional know-how of its people, Garrigues hands out a range of scholarships to its professionals every year to study on the Centro de Estudios Garrigues Executive program that best suits their skills and potential to ensure they take maximum advantage.

This year, scholarships have been awarded for the following programs:

- Tax Advisory Services: 4
- Business and Finance for Lawyers: 2
- Employment Relationships: 1
- Human Resources: 1
- International Taxation: 2
- Corporate Finance: 6

Moreover, for the first time, 2 scholarships were awarded to study on the MBA Program in the Management of Professional Services Organizations.

A further 17 scholarships were handed out to study on the *Anglo-American Law Program*, also taught by Centro de Estudios Garrigues, with the backing of the European Legal Studies Center at New York's Columbia Law School, and, with a view to improving training in Business English, 5 scholarships to study on a preparatory module for the official Cambridge University ILEC (*International Legal English Certificate*) examination.

An important contribution to training is the training portal, housed on the Intranet and launched at the start of 2010 with a view to giving our people access to the contents of courses staged at the firm (regardless of the office at which they are taught), which has become a user-friendly, open-access information site, receiving 6,131 hits over the course of this past year.

Aware of the need to take maximum advantage of new technologies, we worked hard this year to design, adapt and launch an e-learning platform based on the mainstays of web 2.0, social and informal learning, all set to become a groundbreaking tool at law firms. This initiative was conceived to support on-site training, but with all of the advantages gained by using an online format, enabling all our people to make a contribution to building up know-how at the firm. This also serves to foster a culture of learning and therefore sharpens the competitive edge of our organization.

The first subject to be tackled on this platform will be anti-money laundering and counter-terrorism financing, a subject on which all our professionals receive ongoing and specific training, as it has become a cornerstone of the Spanish legislation governing the legal profession.

Elsewhere, the Garrigues Manual on Prevention of Money Laundering and the Financing of Terrorism (which contains the internal policies and procedures established in this area) is available for consultation by all personnel on the Intranet, as is the applicable legislation and additional practical information.

Compensation system

Garrigues rewards the achievements of its workforce using a performance-linked compensation system which aims to attract, motivate and retain talent.

The system also drives good professional practice and the growth of the business on terms that create the necessary conditions for our professionals to pursue an attractive professional career. This compensation policy is applied consistently across the board to all Garrigues personnel and is based on:

- Fixed compensation: in the form of salary bands linked to the various internal organization levels and to professional category.
- Variable compensation: generally speaking, calculated on the basis of Garrigues' corporate earnings. Garrigues has also sought to bring the variable compensation of its professionals more into line with profitable management objectives.

Equal opportunities are guaranteed at the firm. This means that opportunities for professional development are based on strictly objective criteria relating to merit and professional ability, and no distinction is made as regards compensation on any basis other than professional considerations. In particular, a person's gender has absolutely no bearing on either their base salary or variable compensation (determined in line with the internal compensation structure for each professional category and level of experience), and there are therefore no discrepancies or conditioning factors whatsoever as regards the amount of compensation in this connection.

We believe that the compensation we offer meets expectations at every level of experience and is, without a doubt, well above the market average. The firm's employees are paid over and above the statutory minimum salary set for every place where it operates and for every professional category.

In view of the current financial downturn, we will continue to take a cautious approach to decisions on the compensation system for our people. Nonetheless, both the fixed and variable components of annual pay will be reviewed, in line with the customary schedule and procedure, and the variable component will once again be linked to the performance of the business. In the future, even if economic uncertainty remains the order of the day, we do not envisage any changes to our promotion and professional development policy.

On top of salary-based compensation, the firm also offers a wide range of employee welfare benefits, such as payment of 100% of an accident insurance premium for all employees, 50% of the premium for optional life insurance for employees, and 50% of the premium for health insurance, both for employees and their families, should they choose to take up this offer.

The total amount contributed by the firm in relation to the above insurance policies is:

Premium payments (€)	2009	2010	2011
Accident and life insurance premiums	207,026	223,611	148,586
Medical insurance premiums	831,743	916,133	891,000

Garrigues also gives employees the option to sign up to flexible compensation programs that allow them to optimize their net income using certain products: luncheon vouchers, kindergarten vouchers, computer hardware buyers' program and training programs.

NUMBER OF PARTICIPANTS IN THE FLEXIBLE COMPENSATION SYSTEMS

	2009	2010	2011
Luncheon vouchers	160	154	152
Kindergarten vouchers	98	91	112
Computer hardware buyers' program	45	52	29
Training programs	-	25	23

Furthermore, Garrigues employees also benefit from special deals with leading brands and retailers in the form of better terms or discounts on a wide range of goods and services. These deals can be found by everyone at the firm in the e-Bazaar section of our Intranet.

The firm encourages and supports voluntary secondments to other Garrigues offices within and outside Spain. This initiative has been expanded by giving our lawyers the chance to spend time at other law firms, mainly based in English-speaking countries with which we have cooperation agreements. There is also an exchange program for lawyers with Latin American firms belonging to the Affinitas network.

Working atmosphere

Working atmosphere is one of the aspects that is most highly rated by our people. The relationships among colleagues, teamwork and the spirit fostered in each work group at Garrigues are some of our greatest assets.

Among the leisure activities scheduled for Garrigues' employees, parties are held in December at our various offices for the children of those who work at the firm. These parties offer a perfect opportunity for the little ones to visit the facilities and offices and to get to know their parents' colleagues and the place where they spend their daily working lives.

Lastly, our HR Department provides an outplacement service to help professionals find new openings for their career outside the firm should the need arise.

Health and safety at work

The activity of Garrigues' Shared Workplace Medicine and Occupational Risk Prevention (ORP) Service, staffed by a team of occupational doctors, company nurses and graduate risk prevention experts, revolves around the following four preventative disciplines: occupational medicine, hygiene, ergonomics and safety.

In May 2010, the Shared Workplace Medicine and Occupational Risk Prevention Service successfully negotiated the Prevention System Audit carried out by Cerne Auditores de Prevención, S. L., valid for four years, i.e., from May 2010 to May 2014.

OCCUPATIONAL MEDICINE

Preventive medicine

Area: throughout Spain

- Health check-ups using in-house and external resources: 904
- Office check-ups managed from Madrid: 523
- Encouraging a healthy lifestyle through vaccination campaigns, promoting healthy habits and health education (face-to-face appointments and publication of guides on the Intranet).

Area: Madrid and Barcelona

	2009	*2010*	*2011*
Health check-ups	397	389	381

Doctor's surgeries

Areas: Madrid and Barcelona

- Daily surgeries in Madrid and Barcelona offering personalized diagnoses and treatment:

	2009	*2010*	*2011*
Doctor appointments	6,122	6,062	6,082
Nurse appointments	1,476	1,848	2,730
Clinical lab. tests	1,189	954	1.381

Health advice

Area: throughout Spain

- The most important work focuses on the preparation of expert analyses and advice for employees regarding any health-related disputes that may arise with the National Health Service, private insurance companies, mutual insurance companies and other sectors with a bearing on employees' health.

HYGIENE

Area: throughout Spain

- Compliance with current legislation on the prevention and control of legionnaires' disease.
- Quarterly analyses of indoor air quality and food in vending machines at the Madrid and Barcelona offices by taking environmental samples and microbiological cultures. A total of 256 industrial hygiene reports were prepared.

ERGONOMICS

Area: throughout Spain

- Ergonomics-related queries resolved: 269
- Ergonomic equipment to improve workstation posture.
- Preparation of ergonomic studies and personalized recommendations to improve workstation conditions.
- Making a manual on ergonomics available to employees.

SAFETY

Area: throughout Spain

- Periodic health and safety audits at all Garrigues offices.
- Updating of the safety equipment at each office.
- Basic safety reports: 30
- Low occupational accident rate. Investigation into the possible causes and implementation of the relevant measures should any take place

	2009 (*)	2010 (*)	2011 (*)
No. of cases of occupational accidents with sick leave	**12**	**5**	**12**
no. of occupational accidents on the way to/from work	8	3	7
no. of occupational accidents at the workplace or on journeys made in working hours	4	2	5
No. of cases of occupational diseases	**0**	**0**	**0**
No. of days' sick leave due to occupational accidents	**270**	**23**	**275**
no. of days' sick leave due to occupational accidents: on the way to/from work	239	14	212
at the workplace or on journeys made in working hours	31	9	63

(*) Figures are for calendar years

2011 (*)	No. of accidents	Región	Gender
	1	Barcelona	Woman
	1	Las Palmas	Woman
	5	Madrid	5 Women
	2	Madrid	1Man (2 accidents)
	1	Seville	Woman
	1	Valencia	Man
	1	Zaragoza	Man
Total	12	-	11

- Note that there have been no fatal accidents.
- Occupational Risk Prevention (ORP) training:
  ORP training courses (269 new professionals)
  Initial Response Teams (IRT) / Alarm and Evacuation Teams (AET) (90 employees)
  Other ORP training (137 employees)

7 *Watching closely what is happening around*

Innovation at the service of quality

Information technology 55

Knowledge management 55

The Garrigues Catalog and the Virtual Library 55

‹‹‹ Content

Information technology

True to our goal of giving our people access to the very latest technology in order to provide a better, more efficient service, this year the firm has continued to invest in the technology that will enable us to do just that.

To this end, an array of initiatives and projects were set in motion, notable examples including:

DRP (Disaster Recover Plan)
The use of a second DPC (Data Processing Center) has been obtained in order to fully exploit all of the critical applications and data, and cover any contingencies with the main DPC, as well as enabling recovery time to be reduced in the event of a potential disaster.

Backup project
A plan has been carried out to upgrade the backup system, with the aim to cut down on length times and assimilate the increase in data on applications. Thus, recovery times have been improved, using disc backup technology.

Project to change the electronics on the main DPC
A project has been carried out to change the network electronics on the main DPC to guarantee growth in the coming years and improve performance. To this end, we have acquired the most cutting edge network interconnection technology.

WAN amplification plan
This year saw the amplification of WAN network access and channels uniting all offices with the DPC, with a view to improving application access times.

Fórmat-e: an e-learning project
Garrigues' online training platform (Fórmat-e) has been launched, getting underway with a course on anti-money laundering and counter-terrorism financing.

Knowledge management

In July 2011, the CEDRO digital and reproduction license was acquired for the Garrigues Group. This license replaces the reproduction permit signed in 2007 and enables the firm not only to photocopy, but also to digitally reuse content from the CEDRO collection of works. The license has a host of advantages:

- It gives access to journal pieces and book extracts previously only available on paper, which saves time and effort for professionals and library staff.
- Our clients also benefit, as the license allows copies to be sent to them, provided the documentation bears a direct relation to the engagement entrusted to the firm.
- Documents can now be digitalized, cutting down significantly on the amount of paper and toner required to make copies, as well as office-to-office courier costs. In a single step, digitalized information is now available firm-wide and can be consulted on employees' computer screens.

But perhaps most importantly, Garrigues has made sure that the intellectual property rights of book and journal authors are observed in the performance of its activities. Digital copying makes it possible to monitor documentation more exhaustively than photocopying, and we have therefore enhanced checks on usage and brought our practices as far as possible into line with the license conditions.

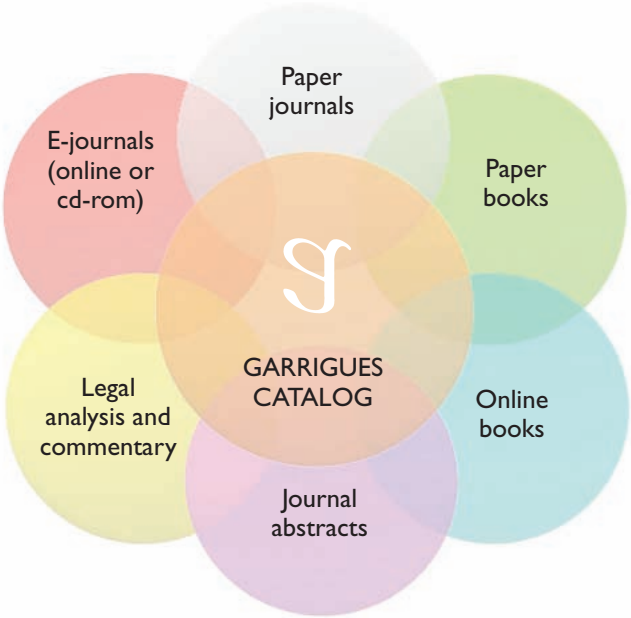
The Garrigues Catalog and the Virtual Library

The new Garrigues Catalog has been available across the firm since March 2011. The catalog means that, for the first time, the book and journal collection of 19 of the firm's offices can now be accessed in one place and from one search engine. This tool makes it possible to search the bibliography, journals and legal articles incorporated from various offices in a coordinated effort with cumulative results.

Thus, the catalog means that certain traditionally on-site services (book browsing, loans, renewals, returns and reservations) can be provided online, doing away with the need to make a trip. It has also made it possible to expedite Garrigues' intra-office book loans, which, although already in existence, is now transparent and standard across the organization.

Works for the collection are sought out and assessed by specialist staff and the professionals themselves, thereby ensuring both quality and that the works are in line with the firm's practices and day-to-day reality.

Our next goal is the Garrigues Virtual Library, a project started this year and for the exclusive use of our professionals. Given how large Garrigues is, the fact that its people are scattered far and wide and the importance of investment in external information sources and resources, it became clear that this solution, traditionally the preserve of universities and scientific institutions, was one worth aspiring to.



Drawing on the work performed for the Catalog and the experience amassed since 2007 with our e-resources manager, work is already underway on the start-up of this virtual library, all set to offer not only resources and references selected by qualified professionals (databases, journal summaries, websites, links to specialist journals, bibliographic references, etc.), but also complete documents (academic articles, extracts from books and e-books).

A special effort has been made this year to select and incorporate online content from accredited providers with which the firm has signed agreements, above all in relation to journals and articles. This ongoing task of uploading content will be rounded out with the acquisition of e-books.

8 *Helping to protect*

Eco-efficiency program

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Responsible consumption 60
Waste management 61
Climate change commitment 63

‹‹‹ Content

Year after year, our commitment and experience help us make progress with performing our professional activities in an environmentally responsible way.

The Garrigues business model is based on sustainability in its broadest sense. Although sustainability is not a particularly prominent factor given the nature of our activity, this model enables us to ensure that we not only comply with the applicable environmental legislation but also eliminate or reduce all impacts caused by our activities and adopt measures aimed at raising environmental awareness among our people.

All of our activities related to eco-friendly management and good practices at our offices are contained in the Garrigues Eco-efficiency Program. This program contains initiatives on raising awareness of the environment, responsible consumption, waste management and our commitment regarding climate change, in line with the commitments acquired under the United Nations Global Compact, to which Garrigues signed up in 2002.

CONTENTS OF THE ECO-EFFICIENCY PROGRAM

- Raising environmental awareness
- Responsible consumption
- Waste management
- Commitment regarding climate change

Internally, eco-friendly management is the responsibility of the General Services, Logistics and Infrastructure Department (SGLEI), which is advised by Garrigues professionals specializing in environmental matters.

Environmental awareness

As part of its commitment to environmental responsibility, Garrigues continually creates measures to educate and raise environmental awareness among its people and stakeholders, an area in which the positive impact far outweighs any measures we may apply at our offices. The following table details the environmental communications systems designed by Garrigues:

	Objectives	Tools	Frequency
Internal awareness raising	Awareness raising and information on good environmental practices	Notice boards on good practices placed at strategic locations at our offices	Permanent
	Communicating the results obtained by the firm, tips and information on environmental matters	Comunicación *Garrigues Sostenible/Sustainable Garrigues* newsletter (in Spanish and English)	Quarterly
External awareness raising	Environmental information and communication	Environmental Newsletter	Monthly
		Special newsletters	Regular
	Sharing and discussion of environmental concerns	Free training seminars and working breakfasts and informative sessions on environmental matters	Regular

These communications systems are two-way, meaning that they serve as a channel for dialog with the stakeholders they are targeted at.

Responsible consumption

Sustainable procurement

At Garrigues we are convinced that large organizations have a duty to promote respect for the environment and corporate social responsibility, generally, in the business environment.

With this purpose in mind, we have created the new Procurement Portal which, in addition to a lot of other information, includes all contracts for services or procurement of materials. These contracts include the 67 contracts signed in this period which contain sustainability clauses.

The parameters included in contracts are:

- The obligation and undertaking to observe all ethical, environmental and conduct rules generally accepted in their business.
- Acceptance of the undertaking not to contravene any of the principles established in the United Nations Global Compact, to which Garrigues had signed up, and to offer, in the course of their work, effective compliance with all obligations flowing from those principles.
- Submission by bidders of quality and environmental certifications, which are greatly valued in the selection process.

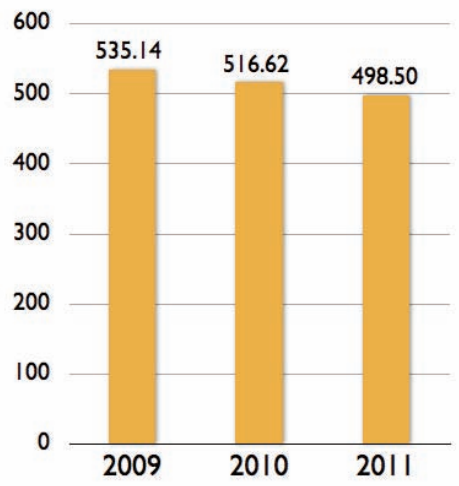
Garrigues is firmly committed to using suppliers that comply with or are prepared to carry out the undertakings outlined above. The firm's policy does not contain specific requirements in relation to procurement from local suppliers. Moreover, in light of the services obtained by Garrigues, there is not considered to be any direct risk of violation of human rights. To date, there have been no complaints or information in this regard.

Energy consumption

The energy we consume most of continues to be electricity, and all of our electricity is obtained from outside sources. We also use fossil fuels in boilers for heating and sanitary hot water at some of our offices. No data are available on the consumption of these fuels since almost all of these boilers are controlled by the owners of the buildings housing our offices.

The following graph shows the variation in the energy consumption of our offices (per m2) over the past three years:

ELECTRICITY CONSUMPTION (GJ/m²)



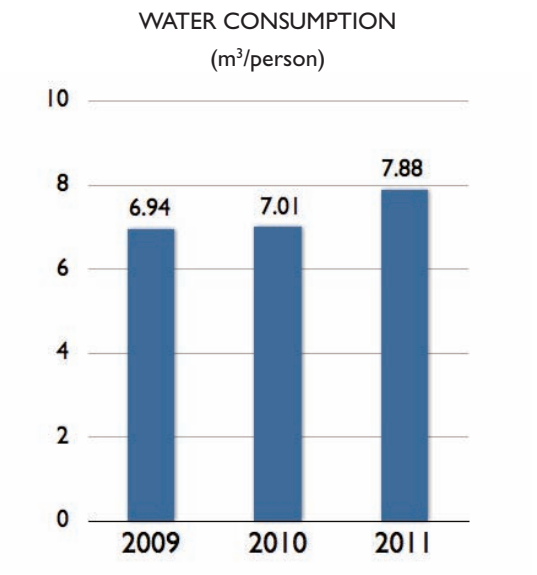
As the chart shows, electricity consumption at all of our offices fell significantly in 2011, with consumption per m2 down 3.6% on 2010. We owe this success to a combination of awareness-raising activities and the partial or total renovation of our offices, in which we installed or requested that the owners install and implement new devices and designs in keeping with advances in technology.

We also assume, as a reasonable conclusion in our environment, that the energy sources from which we obtain our electricity form part of the national energy generation mix.

Water consumption

Individual awareness is vital in order to make progress in an area as complex and important as rational water consumption. As with electricity, however, we are committed to installing or having the owners of our buildings install and implement mechanisms which, combined with the use of new technologies, help to reduce consumption.

2011 was not a good year, however, in terms of saving water. The average annual water consumption at our offices is shown in the following graph:



Water consumption has risen at some of our offices and this year we will place particular emphasis on monitoring consumption at those offices.

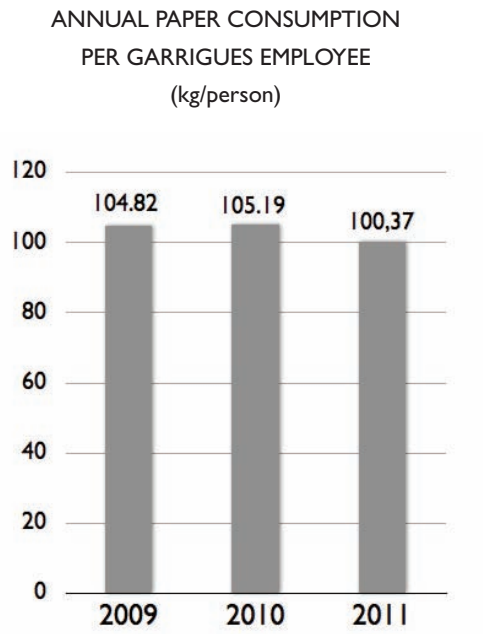
Paper consumption

In line with our commitment to the environment, we now source all of the paper we use from sustainably managed forests. We also constantly ask our professionals to recycle all paper that is no longer in use. All offices are equipped with sufficient containers for paper destruction and recycling, which also guarantees the safe and confidential destruction of all documentation, no matter what type.

But our commitment goes even further towards effectively reducing paper consumption. In addition to the increased awareness among our personnel and the advances in library and knowledge management, we have latest generation multi-functional printers that have double-sided printing and four sheets to one page options and a print blocking system to ensure we only print what we want, and can step in to prevent mistakes. These machines can also send and receive faxes in pdf format, which saves paper and offers excellent performance in terms of energy consumption and printer consumables.

Total paper consumption at Garrigues offices in 2011 was 100.37 kg/person[3], down almost 5% on previous years.

(3) The calculation of paper consumption includes an estimation of the amount of paper consumed in the foreign offices.



Waste management

The waste generated by Garrigues is typical office waste and basically consists of urban waste: paper, packaging and organic waste. The estimated amount of urban waste generated by all of our offices in 2011 was approximately 327 tons.

All our offices have separate bins for packaging and, as mentioned, paper only. Our larger offices also have designated bins on each floor.

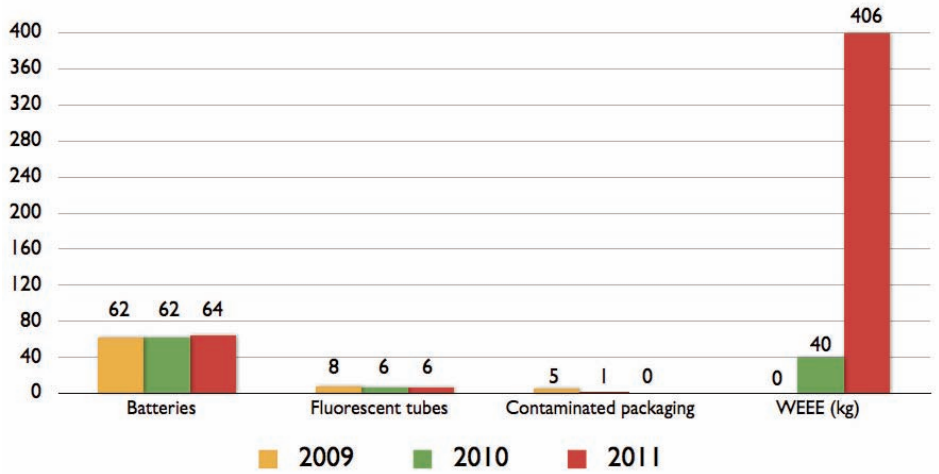
With a view to reducing our environmental impact, last year we implemented a specific project to replace all plastic water bottles used in meetings and seminars with returnable glass bottles. In our attempts to reach this target, however, we have come across logistical problems with our suppliers , since we cannot guarantee that bottles can be returned and reused, although we know they can be recycled. Our intention is to continue this practice although circumstances beyond our control may stand in our way.

Our offices continue to generate some hazardous waste which is managed directly by us at our head office, where it is stored and delivered to authorized waste managers to be transported and treated as required. The waste comes mainly from office cleaning products, IT equipment and batteries. We are working to reduce this waste as

shown by the practice followed at the Madrid office, where we ask our cleaning contractors to use greener products and larger capacity containers.

The breakdown of hazardous waste generated at the Garrigues Madrid office[4] over the past three years is summarized below:

HAZARDOUS WASTE GENERATED AT THE GARRIGUES MADRID OFFICES (kg)



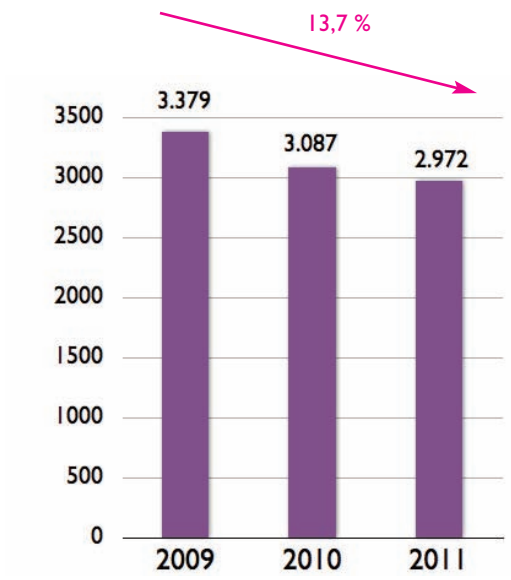
With respect to waste electrical and electronic equipment (WEEE), we have disposed of obsolete desk phones that were no longer reusable as well as some older printers and fax machines that we received from the different offices and could not feasibly be reused.

Our policy is to donate equipment that can still be reused, as occurred with some IT and audiovisual equipment following the relocation of our Seville office this year. A number of cell phone devices (Blackberry) have also been donated to Intermon Oxfam.

As regards the toner cartridges used at our offices, as well as ensuring they are duly managed (recycled) we also strive to reduce toner consumption. Thanks to our new printers and their characteristics (printing options, lower consumption of energy and consumables), we have managed to reduce our toner consumption every year for the last four years.

We also continue to collect the waste generated at the facilities used by Garrigues Medical Services. The waste is stored in special containers and delivered to an authorized waste manager for treatment.

TOTAL TONER CONSUMPTION AT GARRIGUES (units)



(4) The only available data is for the Madrid office since the other offices are not managed directly by Garrigues. We estimate that the Madrid office figures account for more than half of the hazardous waste generated at Garrigues.

Climate change commitment

Driven by our firm commitment to respecting the environment and combating climate change, Garrigues actively participates in initiatives to control climate change and raise awareness of the issue, and prepares an annual inventory of the GHG emissions produced by our business.

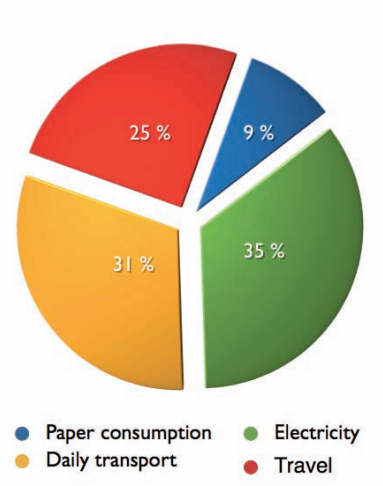
The main sources of indirect GHG emissions at Garrigues are from paper and electricity consumption at our offices, and the transport needs of our people (for either business travel or daily commuting). Emissions from these sources are quantified according to the Greenhouse Gas Protocol, produced by the World Business Council for Sustainable Development in conjunction with the World Resources Institute (www.ghgprotocol.org), and included in our GHG Inventory.

Set forth below is the Garrigues GHG Inventory for the last three years. The emissions figures are for all of the entities listed in Exhibit II of this Report.

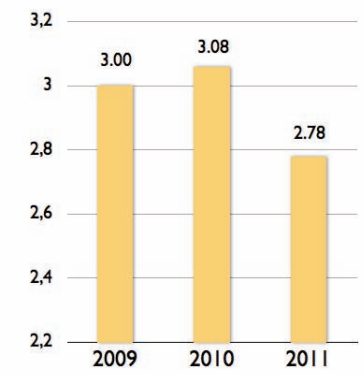
GREENHOUSE GAS EMISSIONS INVENTORY
(Tons CO_2e)

	2009	2010	2011
Electricity	**2,774.26**	**2,767.57**	**2,255.99**
Daily commuting	**2,322.77**	**2,135.77**	**2,002.00**
Private vehicle (gasoline)	717.35	528.29	495.43
Private vehicle (diesel)	867.22	950.32	893.08
Bus	345.75	293.91	273.76
Motorbike	64.23	86.49	81.41
Subway / train	328.22	276.77	258.32
Trips	**2,071.82**	**2,128.68**	**1,644.53**
Plane	1,824.18	1,847.27	1,389.19
Train	179.26	172.54	207.89
Car	68.32	108.82	47.42
Boat	0.07	0.06	0.02
Paper consumption	**710.79**	**679.62**	**607.98**
Total CO_2e emissions (tonnes)	*7,879.64*	*7,711.64*	*6,510.51*
CO_2e emizssions (tonnes/person)	*3.00*	*3.08*	*2.78*

CO_2e EMISSIONS



CO_2e EMISSIONS
(tonnes/person)

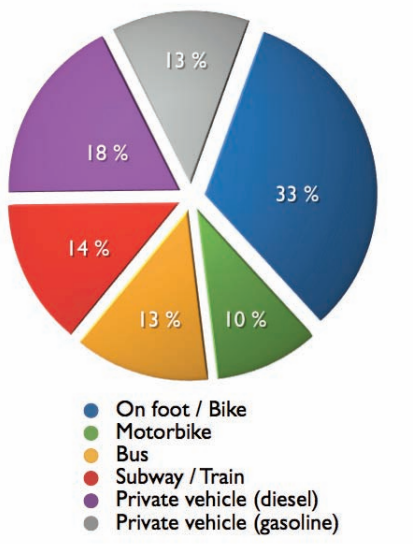


By energy source, 9% of indirect GHG emissions come from paper consumption, while the remaining 91% is distributed more or less equally among the other sources (electricity, business trips and daily transportation). Therefore, in recent years the main efforts to reduce GHG emissions at our offices have targeted energy consumption (discussed in the "Energy Consumption" section) and business trips.

Factors	Measures
Energy consumption	Efficient lighting systems
	Low consumption IT and printing equipment with certified savings and energy efficiency
	Raising awareness
Business trips	Reduction in business trips by encouraging the use of videoconferencing

According to the second mobility survey carried out by Garrigues in 2010, public transport plays an increasing role in the daily travel of the firm's personnel (used by 37% of our people), along with the most sustainable transport of them all: traveling on foot or by bicycle, is the preferred way for 33% of our people.

MODE OF TRANSPORT USED BY GARRIGUES PERSONNEL ON THEIR COMMUTE TO WORK



In 2011, Garrigues organized a total 4,668 videoconferences, up 84 on 2010. We estimate that this avoided the need to make 9,337 business trips by plane, train or car. Besides the large cost saved for the firm, this caused a net reduction of 1,625 tons of CO_2 equivalent emissions, as well as bringing greater productivity and making life easier for our people.

On the subject of climate change, Garrigues not only endeavors to reduce its own emissions but also takes part in initiatives with other public and private organizations through its Climate Change, Energy Efficiency and Renewable Energy service areas.

The most prominent among these initiatives is the international Affinitas CO_2 Network, forming part of Affinitas, our Latin American alliance. This international network specializes in climate change services and boasts over 60 professionals across 13 countries.

Garrigues does not generate significant emissions of non-GHG gases.

MAIN AGGREGATES FOR THE GARRIGUES VIDEOCONFERENCING SYSTEMS

	2009	*2010*	*2011*
Videoconferencing	3,440 connections	4,584 connections	4,668 connections
Business trips saved (*)	4,846 trips	6,457 trips	9,337 trips
Air travel	3,499 trips	4,679 trips	6,737 trips
Train travel	1,207 trips	1,593 trips	2,331 trips
Car travel	139 trips	184 trips	269 trips
Reduction in GHGs (transportation)	905.06 t CO_2e	1,197.01 t CO_2e	1,626.07 t CO_2e
Increase in GHGs (electricity)	0.70 t CO_2e	0.94 t CO_2e	0.81 t CO_2e
Net reduction in GHGs	*904.36 t CO_2e*	*1,196.07 t CO_2e*	*1,625.26 t CO_2e*

(*) It was assumed that 50% of the individuals that participated in videoconference calls and did not belong to the source provider would have made a business trip in the absence of this technology.

9 *Exhibits*

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VI - Offices 80

‹‹‹ Content

I. Table of Global Reporting Initiative contents and performance indicators

CSR REPORT CONTENTS

GRI Section	Content	Location in the Report: Section	Location in the Report: Page
STRATEGY AND ANALYSIS			
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1.2	Description of key impacts, risks and opportunities	1 and 2	6 and 8
ORGANIZATIONAL PROFILE			
2.1	Name of the organization	Exhibit II	74
2.2	Primary brands, products, and/or services	2 and "Practice Areas" section at www.garrigues.com	10 and "Practice Areas" section at www.garrigues.com
2.3	Operational structure of the organization	2, Exhibit II and Exhibit VI	9, 74 and 80
2.4	Location of organization's headquarters	C/ Hermosilla, 3 28001 Madrid (Spain)	C/ Hermosilla, 3 28001 Madrid (Spain)
2.5	Number of countries where the organization operates	Exhibit VI	80
2.6	Nature of ownership and legal form	2 and Exhibit II	9 and 74
2.7	Markets served	4 and Practice Areas section at www.garrigues.com	28 and Practice Areas section at www.garrigues.com
2.8	Scale of the reporting organization	1 and 2 (1)	6 and 16
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REPORT PARAMETERS			
Report profile			
3.1	Reporting period for information provided	Exhibit II	74
3.2	Date of most recent previous report	Exhibit II	74
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3.10	Explanation of the effect of any re-statements of information provided in earlier reports	Exhibit II	74
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Assurance			
3.13	Policy and current practice with regard to seeking external assurance for the report	Exhibit II	74

CSR REPORT CONTENTS

GRI Section	Content	Location in the Report: Section	Location in the Report: Page
GOVERNANCE, COMMITMENTS, AND ENGAGEMENT			
Governance			
4.1	Governance structure of the organization	2	9
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	2	9
4.3	State the number of members of the highest governance body that are independent and/or non-executive members	2	9
4.4	Mechanisms for shareholders and employees to provide recommendations or directions to the highest governance body	Exhibit III	76
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the organization's performance	2 and 6	9 and 51
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	2 and 4	14 and 32
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics	2 and 6	9 and 46
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance	1, 2, and "Practice Areas" section at www.garrigues.com	6, 9 and 14 and "Practice Areas" www.garrigues.com
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance	2 and Exhibit IIII	9 and 76
4.10	Processes for evaluating the highest governance body's own performance	2 and Exhibit III	9 and 76
Commitments to external initiatives			
4.11	Explanation of how the precautionary approach or principle is addressed by the organization	2	14
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	5, 8 and Exhibit III	35, 58 and 76
4.13	Memberships in associations	Exhibit III	76
Stakeholder engagement			
4.14	List of stakeholder groups engaged by the organization	2 and Exhibit III	15 and 76
4.15	Basis for identification and selection of stakeholders with whom to engage	2, Exhibit II and Exhibit III	15, 74 and 76
4.16	Approaches to stakeholder engagement	2 and Exhibit III	15 and 76
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	1, 2, 4 and and Exhibit II	6, 15, 16, 18, 30 and 74
Management approach			
5	Information on economic, social and environmental management approach	1 and 2	6, 14 and 16

PERFORMANCE INDICATORS

GRI numbering	Indicator type	Name of indicator	Location in the Report: Section	Location in the Report: Page
ECONOMIC PERFORMANCE INDICATORS				
EC1	Core	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	3	24
EC2	Core	Financial implications and other risks and opportunities for the organization's activities due to climate change	8 and "Practice Areas" section: within each area, select "Our services" at www.garrigues.com	63 and Practice Areas section: within each area, select "Our services" at www.garrigues.com
EC3	Core	Coverage of the organization's defined benefit plan obligations	6	51
EC4	Core	Significant financial assistance received from government	3	24
EC5	Additional	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	6	51
EC6	Core	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	8	60
EC7	Core	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	6 and 8	46 and 60
EC8	Core	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind or pro bono engagement	5	35
EC9	Additional	Understanding and describing significant indirect economic impacts, including the extent of impacts	N. D.	-
ENVIRONMENTAL PERFORMANCE INDICATORS				
EN1	Core	Materials used by weight or volume	8	60 and 61
EN2	Core	Percentage of materials used that are recycled input materials	8	60 and 61
EN3	Core	Direct energy consumption by primary energy source	8	60
EN4	Core	Indirect energy consumption by primary source	8	60
EN5	Additional	Energy saved due to conservation and efficiency improvements	8	59 and 60
EN6	Additional	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	8	59 and 60
EN7	Additional	Initiatives to reduce indirect energy consumption and reductions achieved	8	59 and 60
EN8	Core	Total water withdrawal by source	8	60
EN9	Additional	Water sources significantly affected by withdrawal of water	N. A.	-
EN10	Additional	Percentage and total volume of water recycled and reused	N. A.	-
EN11	Core	Description of land adjacent to or within protected areas or unprotected areas with a high biodiversity. Location and size of land owned, leased, or managed, with high biodiversity value and outside protected areas.	N. A. (2)	-
EN12	Core	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas s	N. A. (2)	-
EN13	Additional	Habitats protected or restored	N. A.	-
EN14	Additional	Strategies, current actions, and future plans for managing impacts on biodiversity	N. A.	-

PERFORMANCE INDICATORS

GRI numbering	Indicator type	Name of indicator	Location in the Report Section	Page
ENVIRONMENTAL PERFORMANCE INDICATORS				
EN15	Additional	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of risk of extinction	N.A.	-
EN16	Core	Total direct and indirect greenhouse gas emissions by weight	8	63
EN17	Core	Other indirect greenhouse gas emissions by weight	8	63
EN18	Additional	Initiatives to reduce greenhouse gas emissions and reductions achieved	8	63
EN19	Core	Emissions of ozone-depleting substances by weight	8	63
EN20	Core	NO, SO, and other significant air emissions by type and weight	8	63
EN21	Core	VTotal waste water discharge by quality and destination	8	60
EN22	Core	Total weight of waste by type and disposal method	8	61
EN23	Core	Total number and volume of most significant spills	N.A. (3)	-
EN24	Additional	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	8	61
EN25	Additional	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	N.A.	-
EN26	Core	IInitiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	8	59
EN27	Core	Percentage of products sold and their packaging materials that are reclaimed by category	N.A. (4)	-
EN28	Core	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	8	59
EN29	Additional	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	8	59, 60 and 63
EN30	Additional	Total environmental protection expenditures and investments by type	N.D.	-
PERFORMANCE INDICATORS FOR LABOR PRACTICES AND ETHICS IN THE WORKPLACE				
LA1	Core	Total workforce by employment type, employment contract, and region	6 (5)	43
LA2	Core	Total number and rate of new employee hired and employee turnover by age group, gender, and region	6 (5) and (6)	43
LA3	Additional	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	6	46 and 51
LA15	Core	Return to work and retention rates after parental leave, by gender	6	43
LA4	Core	Percentage of employees covered by collective bargaining agreements	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com

PERFORMANCE INDICATORS

GRI numbering	Indicator type	Name of indicator	Location in the Report Section	Page
PERFORMANCE INDICATORS FOR LABOR PRACTICES AND ETHICS IN THE WORKPLACE				
LA5	Core	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com
LA6	Additional	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	N. D.	-
LA7	Core	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region and by gender	6	43 and 52
LA8	Core	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	6	52
LA9	Additional	Health and safety topics covered in formal agreements with trade unions	N. A.	-
LA10	Core	Average hours of training per year per employee by gender, and by employee category	6	49
LA11	Additional	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	6	49
LA12	Additional	Percentage of employees receiving regular performance and career development reviews, by gender	6	46
LA13	Core	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6	43
LA14	Core	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	6	46
HUMAN RIGHTS PERFORMANCE INDICATORS				
HR1	Core	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns or that have undergone human rights screening	N. A. (7)	-
HR2	Core	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening and actions taken	N. A. (8)	-
HR3	Additional	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	2 and 6	14 and 49
HR4	Core	Total number of incidents of discrimination and corrective actions taken	6	46 and 47
HR5	Core	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com
HR6	Core	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	2 and 8 (9)	14 and 60
HR7	Core	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	2 (9)	14
HR8	Additional	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	N. A.	-

PERFORMANCE INDICATORS

GRI numbering	Indicator type	Name of indicator	Location in the Report: Section	Location in the Report: Page
HUMAN RIGHTS PERFORMANCE INDICATORS				
HR9	Additional	Total number of incidents of violations involving rights of indigenous people and actions taken	N.A.	-
HR10	Core	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	N.A. (10)	-
HR11	Core	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms	No human rights-related grievances have been received	-
SOCIETY PERFORMANCE INDICATORS				
SO1	Core	Percentage of operations with implemented local community engagement, impact assessments, and development programs	N.A. (10)	-
SO9	Core	Operations with significant potential or actual negative impacts on local communities	N.A. (10)	-
SO10	Core	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	N.A. (10)	-
SO2	Core	Percentage and total number of business units analyzed for risks related to corruption	2	14
SO3	Core	Percentage of employees trained in the organization's anti-corruption policies and procedures	2 and 6	14 and 49
SO4	Core	Actions taken in response to incidents of corruption	2 No incidents whatsoeve involving corruption, money-laundering or other type of corporate crime have taken place	14
SO5	Core	Public policy positions and participation in public policy development and lobbying	2 and Exhibit III	14 and 76
SO6	Additional	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	N.A. (11)	-
SO7	Additional	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes	N.A.	-
SO8	Core	Monetary value of significant fines and total number of non-monetary anctions for noncompliance with laws and regulations	2	14
PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS				
PR1	Core	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	2, 4 and 7 (12)	14, 30, 32 and 54
PR2	Additional	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	6 (12)	52
PR3	Core	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	N.A. (13)	-
PR4	Additional	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	N.A.	-
PR5	Additional	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	4 There are no client claims or complaints that have given rise to a fine or penalty	30

PERFORMANCE INDICATORS

GRI numbering	Indicator type	Name of indicator	Location in the Report: Section	Location in the Report: Page
PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS				
PR6	Core	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	See 2009 CSR Report, section 4, page 25 available at www.garrigues.com	See 2009 CSR Report, section 4, page 25 available at www.garrigues.com
PR7	Additional	Total number of incidents of non-compliance with regulations concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	4	32
PR8	Additional	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	4	32
PR9	Core	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	2 and 4	14 and 32

Notes:

N.A. = Not applicable

N. D. = Not available

(1) The main indicators specific to the business are: number of persons, number of partners and billings.

(2) All Garrigues offices are built on urban land. There is no protected area adjacent to our offices or any environmental impact on biodiversity.

(3) Given the activities carried on at our offices, only sanitary waste water is produced and this is discharged via the municipal network. There are no spills of any kind.

(4) Given Garrigues' activities, no reclaimable packaging is generated by our service.

(5) Data on headcount by region and professional categories at the 2011-year end:

By region	2009	2010	2011
Spain	2,385	2,281	2,147
Portugal	142	143	131
International	97	76	66
Total	2,624	2,500	2,344

By professional categories	2009	2010	2011
Partners	255	274	279
Associates	565	555	535
Senior Lawyers	392	425	460
Junior Lawyers	784	637	478
Admin.	628	609	592
Total	2,624	2,500	2,344

(6) Our Firm has never undergone any process in its history as a result of which jobs were lost (collective layoff procedures, etc.).

(7) Garrigues has not concluded any significant agreements in this respect.

(8) Given that practically all of Garrigues' suppliers are from Spain, a country that respects the human and labor rights of its workers, and that they are suppliers of office materials, it was not deemed necessary to conduct screening on human rights.

(9) Garrigues does not engage in activities in which work is produced by child labor, or by forced or compulsory labor. The firm scrupulously complies with the labor legislation in force and has signed up to the United Nations Global Compact.

(10) Garrigues' activities do not pose any risk to the local communities in which it operates. However, the Report describes the social and environmental actions taken to improve the local communities in which it operates.

(11) Garrigues does not make any financial or in-kind contributions to political parties or related institutions.

(12) Garrigues complies with the laws and regulations on the health and safety of clients. There are no known infringements or breaches in this respect.

(13) Garrigues' services do not generate any social or environmental impact that must be notified to our clients or end users. Garrigues scrupulously complies with the legislation applicable to it and has signed up to the United Nations Global Compact.

II. Guiding Principles

Scope

This Report contains information on Garrigues' activities in the countries in which it operated in fiscal year 2011 (September 1, 2010 through August 31, 2011). It also sets out quantitative indicators and data for the past 3 years.

The figures provided relate to the year-ends, except where circumstances require figures to relate to a calendar year, in which case this will be duly indicated and explained in the text.

The entities referred to in this Report are:

J & A Garrigues, S. L. P.

Garrigues Portugal, S. L. P.

Garrigues Human Capital Services, S. L. P. (*)

Garrigues, LLP (USA) (*)

Garrigues Maroc SARLAU (Marruecos) (*)

Garrigues Polska I Pablo Olabarri Gortázar, Spolka Komandytowa

Garrigues Norte, S. L. P. (*)

Ribalta Abogados, S. L. P. (*)

Rino Asesores, S. L. P. (*)

Garrigues Medio Ambiente, Consultoría Técnica y de Gestión Integrada del Medio Ambiente, S. L. P.

Centro Europeo de Estudios y Formación Empresarial Garrigues, S. L. P. (*)

Garrigues IP, S. L. P.

Garrigues IP, L. D. A. (*)

Garrigues Sports & Entertainment, S. L. P. (*)

Garrigues Consultoría de Empresa Familiar, S. L. P.

Garrigues UK, LLP.

Entities that have collaboration agreements with Garrigues, such as the member firms of the Affinitas or Taxand networks, are not included in this Report.

(*) Sole-shareholder companies

Frequency

The Report is published annually, this being the sixth CSR Report published by Garrigues. The first edition, in relation to fiscal year 2006, was released in 2007.

Consultation with stakeholders

Alongside the activities that form part of the initiatives for dialog with, and management of, Garrigues' stakeholders (as defined in Exhibit III of this document), and with a view to constantly improving the quality of the Report's contents, Garrigues periodically consults internal departments regarding the CSR Report, as well as a range of stakeholders from outside the organization. Moreover, the entire contents of this Report were reviewed by the various persons in charge of the departments involved.

Accuracy

The information in this Report is taken from the data available on Garrigues' information systems.

The Report was based on the G3.1 guidelines published in 2011 by the Global Reporting Initiative (GRI). The 'Making the Connection' report was also borne in mind as a means of cross-referencing the guidelines with the principles of the United Nations Global Compact, of which Garrigues is a signatory.

Other international benchmarks were also taken into consideration by Garrigues, such as the Greenhouse Gas Protocol (WRI/WBCSD) and the UNE-EN ISO 26000 family of standards.

Garrigues has in place the means to ensure the quality and accuracy of the information included in this Report. All of the areas involved in preparing the Report have information systems that provide a reliable source of content, all of which is backed up by the audit performed out by an external assurance provider.

Materiality of the topics analyzed

The contents of this Report have been selected according to the materiality principle and accordingly only business-related aspects that have a significant or material bearing on CSR have been included. The factors taken into account in order to define the materiality of topics included the following: the CSR goals of stakeholders, any problems, risks and challenges facing the industry, and current legislation affecting Garrigues.

Application level

The application level of this Report is A+, the most exacting of all the possible levels of the GRI Guidelines, as confirmed by the external assurance given by AENOR (see Exhibit V).[5]

(5) The GRI G3.1 Guidelines set application levels ranging from C to A+ (C, C+, B, B+, A and A+).

Information consolidation and validation criteria

The following diagram shows the procedure for preparing, consolidating and validating the Report, as well as the departments involved at each stage:

QUALITY CONTROL

Phases	Consultation with stakeholders	Preparation of drafts	Review and consolidation	Content and style review	Final approval	Layout and distribution
Persons in charge	Internal agents: employees chosen at random External agents (CSR experts) CSR06 Report task forces	Human Resources General Services, Logistics and Infrastructure Communication, Marketing and Institutional Relations Knowledge Management Technology Administration and Finance Professional Practice Medical Service Centro de Estudios Garrigues Fundación Garrigues Garrigues Medio Ambiente	Garrigues Medio Ambiente	Centro de Estudios Garrigues Fundación Garrigues Professional Practice Human Resources Garrigues Medio Ambiente	Managing Partner Executive Board Meeting Partners' Meeting	Communication, Marketing and Institutional Relations

III. Channels of communication

Groups	GARRIGUES STAKEHOLDERS *Main channels of communication between Garrigues and its stakeholders*	*Objective*
Partners • Chairman • Managing Partner • Senior Partner • Partners	• CSR Report • Partners' Meeting • Direct communication with all of the firm's offices and departments • Information for partners on the Garrigues Intranet • E-mails from the managing partner and senior partner with information of interest to partners • Financial statements and strategic plans • Press roundup with a list of the most relevant or interesting news items • Regular e-newsletters on the firm's various practice areas • Training • Feedback surveys on the CSR Report	• To strengthen internal cohesion in order to enhance a comprehensive service for clients, to transfer knowledge and to avoid conflicts of interest. • To act ethically and with integrity at all times in our work. • To ensure that the work is done by the best team of professionals, thereby making it possible to deliver excellent client care and provide cutting-edge services of the highest quality.
Garrigues Personnel • Associates • Senior lawyers • Junior lawyers • Administrative and support personnel	• CSR Report • Direct communication with managing and governing bodies and with the partners • Training • Intranet site (news, forums, databases, information, etc.) • SAP management system portal • *InterNos*, the firm's in-house weekly and monthly newsletter • Press roundup with a list of the most relevant or interesting news items • Regular e-newsletters on the firm's various practice areas • Garrigues Style Manual • Regular internal progress meetings on fulfillment of objectives • Half-yearly employee performance evaluations • Offsite seminars and conferences • Garrigues School for the various professional categories • Fun days • Feedback surveys on the CSR Report • *Garrigues Sostenible/Sustainable* Garrigues newsletters	• To pursue a structured professional career, to receive ongoing training, to raise awareness of the firm's corporate culture, and to strike a better work/life balance. • To act ethically and with integrity at all times in our work.
Clients • Private enterprises • Public authorities • Foundations and organizations • Industry associations • Individuals • Target clients	• CSR Report • Website • Direct communication with the firm's partners and personnel • Newsletter updates on new legislation and reports on relevant news items to our clients • Training courses tailored to our clients' needs • Seminars and working breakfasts on current issues, hosted by the firm's professionals • Online communication tools, such as the Extranet • Client satisfaction survey • Awards granted by the firm • Feedback surveys on the CSR Report	• To achieve excellence in our services, to be in constant communication with clients, understanding their needs and exceeding their expectations of Garrigues. • To improve recognition and enhance the reputation of the Garrigues brand.
Alliances • Affinitas • Taxand • Membership of over 90 associations, professional groupings and the like, at local and international level, in the public and private sphere (bar and economists' associations in the jurisdictions in which we operate, business associations, universities, etc.)	• CSR Report • Direct communication and constant exchange of information • Executive committees • Reports on the activities of associations • Online communication via specific association websites • Intranet-based forums • Feedback surveys on the CSR Report	• To improve the services provided to our clients by engaging with and working alongside institutions that help enhance our work capabilities.

GARRIGUES STAKEHOLDERS

Groups	*Main channels of communication between Garrigues and its stakeholders*	*Objective*
Public Authorities • Local, autonomous community, central government and international institutions and organizations	• CSR Report • Direct cooperation to implement new legislation and advise on the application of legislation in force • Participation in task forces with the public authorities • Feedback surveys on the CSR Report	• To fulfill efficiently all of the firm's commitments to public authorities and cooperate on all matters on which Garrigues can add value to institutional activities, without ever engaging in lobbying.
Society • People from the personal circles of the members of our firm • The more disadvantaged groups of society • NGOs • Other professional sectors • Other groups in society	• CSR Report • HR Department • Marketing, Communication and Institutional Relations Department • Fundación Garrigues • Centro de Estudios Garrigues • Garrigues Chair • Website • Garrigues mailbox • Participation in trade fairs, seminars, conferences, etc. • Press features and other publications • The Garrigues Collection • Garrigues Style Manual • Awards granted by the firm • Leisure activities for the families of members of our firm • Feedback surveys on the CSR Report	• To do our work with the utmost consideration for the social and environmental aspects of our community, promoting good practices in everything we do and contributing towards sustainable growth of the Spanish economy.
Competitors • Law firms • Tax firms • Enterprises from other industries in which Garrigues is active	• CSR Report • Direct communication through the firm's personnel • Professional associations • Participation in legal seminars • Participation in task forces, industry associations, etc. • Feedback surveys on the CSR Report	• To act ethically and to engage in fair trading practices
Garrigues Alumni • Retired Garrigues employees • Former colleagues now working at other firms or companies	• CSR Report • Website • Direct communication with the firm's personnel • Participation in technical seminars organized by the firm • Regular communication of newsworthy events involving or at Garrigues	• To keep in touch on a regular basis with all Garrigues alumni.
Potential Garrigues personnel • University students • Postgraduate students • Government employees • Other practicing professionals	• CSR Report • HR Department • Garrigues website: Garrigues mailbox and online CV application form • Participation in university employment forums, master's degrees, business schools, etc. • Lecturing at universities and on master's degree courses and other training programs • Internships • Open days at our offices • Feedback surveys on the CSR Report	• To implement a transparent and fair recruitment process with objective requirements and open to society as a whole.
Suppliers • (Office supplies, cleaning services, courier services, technology services and external professional services)	• CSR Report • Permanent contact via the General Services, Logistics and Infrastructure Department • Regular meetings with suppliers • Regular evaluations of suppliers • Feedback surveys on the CSR Report	• To engage suppliers that can assure compliance with good social and environmental practices. • To build loyalty and enter into long-term engagement agreements.
The Media • Newspapers, reviews and journals, and other publications, television, radio and Internet	• CSR Report • Website • Internet • Marketing, Communication and Institutional Relations Department. • Regular contributions of articles to the press, reviews, journals, and other publications • Television, radio and press interviews • Press conferences to present new services • Feedback surveys on the CSR Report	• To present accurate and true information on the firm .

IV. Awards and accolades

The following table features an overview of the main awards and accolades received by Garrigues during the 2011 calendar year:

Award/ Accolade	*Category*	*Date*	*From*
The Global 100	Garrigues placed 70th among the 100 top grossing firms worldwide.	October 2010	The American Lawyer
World Tax 2011	Garrigues placed by the directory among the leading firms in Spain for the seventh year in a row. In Portugal, the tax practice claimed a place among the top firms for the fifth year in a row.	October 2010	International Tax Review
IFLR 1000 2011	*Top Tier Firm*. Tier 1 in the areas of Restructuring and Insolvency, Project Finance, Capital Markets – Debt and Capital Markets – Securitization – M&A	November 2010	IFLR (International Financial Law Review)
Ranking *Tax Directors Handbook 2011*	The firm is ranked as a leading firm in Spain and Portugal and takes third place in China, as the only Iberian law firm on the ranking for China.	December 2010	Tax Directors Handbook 2011
Ranking *Best Lawyers*	Garrigues claimed the runner-up spot on the list of Spain's leading professionals, with a total of 76 professionals.	January 2011	Best Lawyers
Ranking *Chambers and partners global - The world´s leading lawyers for business 2011*	In the section on Spain, Garrigues was named leader in five of the eight areas analyzed (Corporate/M&A; Dispute Resolution; Restructuring/Insolvency; Energy and Natural Resources and Tax).	March 2011	Chambers and Partners
The Legal 500	*First Tier Firm* in nine of the fifteen areas analyzed (Corporate and M&A; Dispute Resolution; Employment; Project Finance; Environment; Tax; Real Estate; Insurance and Capital Markets).	March 2011	Legalease
Europe Awards 2011	For the second year running, Garrigues picked up the Europe Award for Firm of the Year in Spain. The judging panel assessed the work performed by Garrigues professionals as a whole over the course of the year, above all its advice on groundbreaking, high-profile transactions taking in various jurisdictions.	March 2011	International Financial Law Review (International)
Ranking *European 100*	Garrigues topped the ranking as the first law firm in continental Europe to break the 350 million-barrier, just as it was the first to hit the 300 million-mark. This ranking includes the one hundred highest-earning firms on the continent.	April 2011	The Lawyer
XVI Universidad – Sociedad Awards	Garrigues singled out in the work experience category .	April 2011	Consell Social de la Universitat de València
MercoEMPRESAS 2011	Garrigues continues to be the only firm ranked among the top 100 companies with the best reputation in Spain (ranked 49th).	April 2011	MERCO (Monitor Empresarial de Reputación Corp.)
Ranking *Chambers & Partners Europe - Europe´s leading lawyers for business 2011*	Band 1 in 15 areas (Dispute Resolution; Employment; Environment; Environment: Climate Change; Energy and Natural Resources; Planning; Private Equity; Project Finance; Public Law; Restructuring/Insolvency; Tax; Corporate/M&A; Sports Law; TMT: Information Technology; and TMT: Telecommunications).	May 2011	Chambers and Partners
European Tax Awards	*Tax Firm of the Year in Spain and Portugal.* Garrigues received the Spanish award for the sixth year running and is the only firm to have won in all editions of the European Tax Awards. The firm was also nominated for Transfer Pricing Firm of the Year.	May 2011	International Tax Review
Ranking *de Expansión 2011*	The firm once again heads the ranking with the largest turnover and headcount.	June 2011	Diario Expansión
Ranking *The Global 100*	Garrigues is the only Iberian law firm included in the ranking of the world's 100 highest-grossing law firms (ranked 70).	July 2011	Legal Business
Ranking *Las mejores empresas para trabajar*	The firm ranks 28th in the general ranking of the 173 best companies to work for.	August 2011	Actualidad Económica

V. Assurance Document

AENOR Asociación Española de Normalización y Certificación

SUSTAINABLE VERIFICATION REPORT

VMS-Nº 004/12

The Spanish Association for Standardisation and Certification (AENOR) has verified that the Report of the following firm:

GARRIGUES

Entitled ***CORPORATE SOCIAL RESPONSIBILITY REPORT 2011***

Provides a reasonable image and a balanced view of its performance, taking into account not only the data veracity but also the general content of the report, being its application level: **A+**

This external assurance is in accordance with the requirements of the G3.1 Guide developed by the Global Reporting Initiative (GRI). The verification has been fulfilled on 31th January, 2012 and no subsequent performances can be considered.

The present verification will be in force, unless it is cancelled or withdrawn upon AENOR's written notification and according to specific terms of the contract – application nº GRI-008/12 dated 20th January, 2012 and to the General Regulation of January 2007, which require, amongst other commitments, the permission to visit the installations by the technical services of AENOR to verify the veracity of stated data.

This declaration does not condition the decision that Global Reporting Initiative can adopt to incorporate GARRIGUES, in the "GRI Reports List" which is published in its Web: http://database.globalreporting.org.

Issued on: 12th March 2012

AENOR Asociación Española de Normalización y Certificación

Avelino BRITO
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