GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS - SME VERSION

August 31st 2009 **Company Name** Date Basham Unit (if applicable) Address Ave. Los Tamarindos 400 Torre A. Membership date 2005 Country Mexico 500 **Number of** employees Contact name Chantal Williams **Contact Position** Marketing & PR Mngr. Sector Legal Services **Contact telephone** 52 55 5 261 05 70 no.

Brief description of nature of business

Basham is a Mexican law firm that offers fully integrated legal services to its clients. It is a leading international full-service law firms in Latin America. Established in 1912, Basham draws upon nearly a century of experience in assisting its clients in conducting business throughout Mexico and abroad.

Statement of support

Basham is fully committed to the diffusion and pro-active support of the UN Global Compact and has actively encouraged and demanded that its lawyers participate by reporting and condoning any violations.

An important point to mention is that Basham has founded the "Basham Pro Bono Foundation" in 2008 and in 2009 has begun the development of materials in order to communicate and support individuals, institutions and organizations that require guidance and protection of human rights and other social and corporate ethical behaviour.

Signature Position

PRINCIPLE 1 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

Our Commitment or Policy

To respect each individual and foment diversity in thought in regards to political, cultural, and professional and general points of view. To foment professional opportunities for women and men and give special support to single parents and disabled individuals. To continuously strive to improve educational opportunities for the Basham Community. To respect the elderly and to maintain them within the Basham Community by finding them new roles to that enrich both them and the firm with their experience. To offer employees the opportunity of free counsel in case they need direction and legal support in their personal and professional lives via the Pro Bono Foundation.

A brief description of our Processes or Systems

The Pro Bono Foundation is the strongest structure that Basham has in place in regards to the protection of human rights. The Foundation offers legal counselling and resolves difficult legal situations that institutions, non profit and individuals may deal with in regards to human rights violations. It also supports the realization and achievement of a higher standard of living for individuals in difficult economic situations or in poverty stricken communities.

As a law firm Basham takes the topic of human rights very seriously and promotes full respect of internal guidelines that have been developed to ensure an environment that nurtures the respect of these rights.

In order to create a more formal and supportive environment for employees, Basham hired a Human Resources Manager in the beginning of 2009 and created a Human Resources Department so that Basham employees have the counselling needed to feel that they are in a supportive and structured environment where they can voice their opinion and resolve any issues they may have. This structure

is vital since it promotes an atmosphere of respect and dignity.

The Human Resources Manager has developed an open door policy and has communicated this to all employees. She is available to listen and resolve any concerns or problems that could stem from professional and daily work. She continuously monitors the climate at the office and makes sure that human rights are respected and fomented.

For Basham, it is not enough to protect human rights. It is also important to offer a high standard of living and benefits for individuals in order to mitigate the number of people in dire situations. Basham believes that it is important to offer job opportunities to individuals so that they are not faced with situations that could harm their well being.

For this reason Basham is also well-known for its policy of hiring disabled individuals and offering equal opportunities to both men and women. At Basham we currently have two individuals with disabilities and are constantly supporting them so that they lead a productive and content professional experience. An interesting fact proves that Basham is an equal opportunity employer is that 45 % of the employees of the firm are women.

The firm also respects seniority and supports alderfly's rights to continue in a professionally productive environment. For Basham, it is important that elders are given the same professional rights and that if need be, they are shifted into a role that they are happy in and were they can utilize their vast experience. Many employees have been awarded for more than 45 years of work at the firm. Currently, Basham has more than 15 employees with 40 to 45 years of working experience.

Basham takes medical support and assistance very seriously and makes sure that all employees have social security and medical insurance. Apart from all these actions, it is important to mention once again that without a doubt, the Basham Foundation is the guiding pillar in regards to human rights.

Actions implemented in the last year / planned for next year

Pro Bono Foundation

More than 20 legal cases have been taken directly by the Pro-Bono Foundation and the firm has created a strong relationship with Pro Derecho (Pro Human Rights NGO). It has defended adults and children with disabilities, supported NGO's and other institutions.

Value Campaign

Basham's Human Resource Department is developing a campaign based on values of dignity, respect, solidarity and team spirit.

PRINCIPLE 2 BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Our Commitment or Policy

Basham is committed to respecting human rights and punishing human rights violations. The firm does not accept any clients that may have illicit actions (Basham does a background check on its clients and makes sure that companies are legal and that they do not hire minors or have any problems with the law and specially human rights abuses).

A brief description of our Processes or Systems

Basham makes background checks on current and potential clients to make sure they are not red listed in any way in regards to legal matters and human rights violations.

The Human Resources Manager continuously monitors how individuals feel with their work and their work load (on a monthly basis). She has one on one discussion with individuals to make sure that employees feel respected and are feeling productive as well as emotionally and physically safe.

Actions implemented in the last year / planned for next year

Continued monthly monitoring and mass diffusion of open door policy form the Human Resources Department via an internal communication campaign promoting human rights.

.

PRINCIPLE 3 BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Our Commitment or Policy

Basham believes in the freedom of association and the effective recognition of the right to collective bargaining. Basham is in compliance with current laws in Mexico regarding freedom of association and the effective recognition of the right to collective bargaining.

Balham's employees are not limited in regards to any topic of freedom of association and collective bargaining. Individuals are free and are expected to associate with whomever they chose. They are also expected to have a voice and defend their points of view on a personal and professional basis.

A brief description of our Processes or Systems

Basham foments diversity in thought, cultural background, religion, sexual preferences. Basham does not approve and punishes any type of prejudice within its organization.

The Human Resource Department is constantly monitoring any negative comment or generated by prejudice.

Basham employees can report any type of discrimination or hostile actions to the Human Resource Department.

Actions implemented in the last year / planned for next year

Values Campaign that diffuses general diversity in the firm by the Human Resources Department. Basham, Team Building Conferences that promoted diversity and team spirit (April, September 2009).

PRINCIPLE 4 BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

Our Commitment or Policy

Basham has never supported forced or compulsory labour on any employee. In fact, Basham promotes having a healthy lifestyle and a balanced professional and personal life. Everyday, afterhours a list is created with names of individuals that are working late or on weekends. If this is a regular occurrence, the Human Resources Department has a talk with the individual in order to offer support and figure out if additional people are necessary to get the individuals work done or if there is an underlying issue that must be addressed.

In special cases, additional work may arise from a client with a legal emergency. In such cases, additional employees may be needed and will be hired on a temporary basis.

Individuals that wish to work extra hours on special cases may do so. They are paid extra for any work that they do. This is an important policy for single parents that wish to work for additional payment. T Partners of the firm are the only ones that can approve extra hours - as they wish to make sure that extra hours are paid promptly and that individuals are given additional bonus for working extra (special taxi rides paid by the firm, food money), if working mothers wish to work overtime their children are allowed to visit their mothers in the office.

Human Resources makes sure that anybody is forced to work in a compulsory way and that individuals respect their lunch hour as well as their vacations.

Basham has never had a client that has been involved with any type of forced or compulsory labour.

A brief description of our Processes or Systems

List of individuals that are staying on after working hour and on weekends. Possibility of signing up on special projects and getting additional benefits and extra pay.

Actions implemented in the last year / planned for next year

Continue with the implementation of the creation of lists and the possibility to sign up on special projects for extra pay.

PRINCIPLE 5 BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR

Our Commitment or Policy

Basham has never hired either young adults or children for any type of job at the firm. At the same time, Basham makes a background check on clients in order to make sure that they do not violate this agreement and are not hiring young adults or children in their offices. Basham has never defended any company or individual that hires young adults or children in any type of professional or business setting.

A brief description of our Processes or Systems

Basham makes sure it hires adults. The only work that Basham does in regards to children is in defending abused children or disabled children via the Pro Bono Foundation.

Actions implemented in the last year / planned for next year

The Human Resource Department does a background check on all individuals that are hired at Basham, making sure they are not children or young adults.

All employees at Basham are legally adults.

PRINCIPLE 6 BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Our Commitment or Policy

Basham foments a healthy professional atmosphere and does not tolerate any type of discrimination in respect of employment and occupation. No form of discrimination is allowed at Basham (race, sex, religion, disabilities, political view, origin, age, social status or any other).

Men and women are both given the same opportunities. In fact, opportunities for women have risen as more lawyers (women) are being hired at Basham than before. Men and women are promoted and recognized for their work. Women are being given leading roles in the firm and are offered new opportunities, (Finance Director, Marketing Manager, Human Resources Manager are all women).

International and national employees are hired and offer diverse cultural backgrounds at the firm. Currently the firm is employing Mexican, American, Canadian and English citizens.

A brief description of our Processes or Systems

The Human Resources Department is continuously looking to make sure they find potential employees with varied experiences, point of view, religion and backgrounds to be part of the firm. More foreigners have become part of Basham in the last year, giving the Mexican employees a different point of view in regards to professional ways of solving problems, allowing them to be more culturally aware than before.

Actions implemented in the last year / planned for next year

The Human Resources Department is creating a professional career plan so that all employees have clear professional objectives and opportunities (without taking into account their race, religion, political or cultural background).

PRINCIPLE 7 BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

Our Commitment or Policy

Basham is deeply concerned about the environment and is taking precautionary measures in order to face the environmental challenges currently faced. We are also concerned and are acting to minimize any negative impact we may have on the environment.

Basham is committed to respecting nature and has supported several organizations that are trying to foment a sustainable way of living and improve living conditions for isolated and poverty stricken communities. One of these communities is "Engineers without Borders".

The IT, PR & Human Resources Department are working on a plan to minimize damage done to the environment by: strengthening the current recycling campaign (printers, paper, toners, light savings) and by creating a Committee that deals with monitoring the guidelines in regards to printers, toners, paper and light savings).

A brief description of our Processes or Systems

Paper in printers are recycled and a light savings system is in place (lights and computers must be off when employees are not in their offices).

The IT Department is developing a measurement program in order to quantify the number of print outs that each employee makes and has limited the number of people that can print in colour.

The PR & Human Resource Department are generating a communication plan that will communicate and then ensure that the environmentally friendly program is in effect and being respected.

Actions implemented in the last year / planned for next year

Measurement of paper and print use by each employee.

Recycling of paper in printers.

Limits on colour printing.

Light saving plan for individuals that are not in their offices.

Green Campaign

Basham is planning a full fledged "Green Campaign" in order to increase recycling and consciousness in regard to the environment. The idea is to increase the actions in regards to recycling of products and resources.

Pro Bono Foundation

Taking up cases that promote friendly environment projects.

PRINCIPLE 8 BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Our Commitment or Policy

Basham is committed to reducing the negative impact of its operations on the environment by enforcing its guidelines but also by supporting individuals and organizations that are supportive of the environment and have best case practices.

A brief description of our Processes or Systems

Development and monitoring of environmental friendly programs (recycling, light savings).

Actions implemented in the last year / planned for next year

Basham is supporting Mr. Mario Molina, winner of the Nobel Prize for the Environment regarding legal solutions and counselling for his projects.

Green Campaign

Basham is planning a full fledged "Green Campaign" in order to increase recycling and consciousness in regard to the environment. The idea is to increase the actions in regards to recycling of products and resources.

Pro Bono Foundation

Taking up cases that promote friendly environment projects.

PRINCIPLE 9 BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Our Commitment or Policy

Basham is committed to the diffusion of environmentally friendly technologies by making sure that it is responsible with the technologies it buys for the firm.

A brief description of our Processes or Systems

The IT Department buys printers are configured for energy savings mode when not is use.

We make sure that the equipment we buy can be set up for energy savings.

Buying of equipment and technology requires that our equipment is from an environmentally responsible company.

IT Department makes sure equipment is in good shape and on energy savings mode.

Actions implemented in the last year / planned for next year

Have implemented virtual servers, thus reducing our space and energy requirements.

The IT Department and Marketing Department will support the Human Resources Department in the campaign that will reduce paper usage, consumption.

Obsolete equipment that has passed its lifetime or that cannot be recycled is being disposed of in an environmentally safe manner.

PRINCIPLE BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

Our Commitment or Policy

Basham does not condone or tolerate any corruption practices such as extortion or bribery in dealings with any government officials, clients and other law firms.

A brief description of our Processes or Systems

Any employee engaging in corruption, extortion and bribery will be terminated.

Actions implemented in the last year / planned for next year

The Executive Committee will have bimonthly meetings to review and discuss any cases that could be suspicious in regards to corruption, bribery and extortion.

How do you intend to make this COP available to your stakeholders?

We will be sending it to them via email.