

Global Compact Communication on Progress

July 2007



Table of Contents

Statement of continued support	3
Allens Arthur Robinson	3
Description of practical actions taken and process of implementation used	3
Category Of Principles 1: Human Rights	4
<i>Policies</i>	4
<i>Pro Bono</i>	4
<i>Other projects:</i>	5
<i>Law firms encouraging and assisting promising students (LEAPS)</i>	5
<i>AAR Neurology Fellowship, The Sydney Children's Hospital, Randwick</i>	5
Category Of Principles 2: Protection of Labour in the Workplace	6
<i>Policy</i>	6
<i>Employer of Choice for Women</i>	6
<i>Women@AAR</i>	6
<i>Equal Opportunity Briefing Policy</i>	6
Category Of Principles 3: Environmental Responsibility	7
<i>Policy</i>	7
<i>The AAR Footprint Committee</i>	7
<i>Australian Building Greenhouse Rating scheme</i>	8
<i>Earthcare</i>	8
<i>3CBDs environmental initiative</i>	8
Category Of Principles 4: Anti-Corruption	9
<i>Policy</i>	9
<i>Ethics Committee</i>	9

Statement of continued support

Allens Arthur Robinson (**AAR**) is proud to be a signatory to the Global Compact and reiterates its support for the 10 principles. We are pleased to work with the United Nations to increase awareness and improve outcomes in relation to:

- the protection of human rights;
- the protection of labour in the workplace; and
- environmental responsibility.

Allens Arthur Robinson

AAR is a leading law firm in the Asia Pacific. Headquartered in Australia and on the ground in 14 cities and eight countries across the region, the commitment of our 1,700 personnel is to combine technical excellence with commercial insight to provide the clearest of answers. More than half of Australia's top 100 companies, and more than 25 of the world's largest companies, choose AAR as their legal adviser.

AAR demands the highest of ethical standards from its employees and partners. These ethical standards support the 10 principles of the Global Compact while also improving our client service, increasing trust in our business and in the broader legal profession.

Description of practical actions taken and process of implementation used

AAR's practical actions in support of the Global Compact are based on a set of long-standing core values. They are:

Excellence – Excellence is critical – we expect everything we do to be our best work.

Honesty, trustworthiness and integrity - We are committed to acting with integrity in everything we do – with each other, with our clients and with the community. We're honest and trustworthy in what we do and proud of it.

Knowledge sharing - We encourage knowledge-sharing and innovation-sharing by teaching and learning from each other.

Respect - We respect each other, we consider others and we respect people's individuality and their contribution. It is important to us that staff members feel free to be individually distinct and that they feel safe and valued.

Collegiality and commitment - We realise the importance of relationships in a workplace and we hope our staff enjoy being with the people with whom they work. We aim to create a working environment that is challenging, inclusive and enjoyable – one in which we all thrive. We are committed to our clients' success.

AAR looks for, and encourages, similar core values in its contractors and suppliers.

Category Of Principles 1: Human Rights

Policies

Explicit policies and grievance management systems are in place to protect the human rights of workers, including:

- provision of safe and healthy working conditions;
- intolerance of bullying, harassment and violence;
- the rehabilitation of injured workers; and
- respect for the individual without regard to race, gender, creed or other criteria.

Among other things, the policies and grievance management systems help to ensure that the firm's human rights policies have been implemented and are enforced. In particular, nominated grievance officers are trained to act as liaisons in the management of these policies.

In 2006-07, educational seminars were conducted in all offices to raise awareness of the relevant policies.

Pro Bono

AAR's substantial not-for-profit client base enables the firm to use our core expertise as corporate lawyers, while furthering the interests of human rights and the public good. Some of our pro bono clients are:

- Fitzroy Legal Service
- Homeless Persons' Legal Clinics
- Indigenous Justice Project
- Passages resource centre
- Refugee law
- The Arts Law Centre of Australia
- Co-operative Legal Services Delivery Project
- Public Interest Law Clearing Houses
- Native Title Internships Program

Example: AAR is involved in the Homeless Persons' Legal Clinics in Brisbane, Sydney and Melbourne run by the Public Interest Law Clearing Houses. These clinics provide free legal assistance to, and advocacy and law reform work on behalf of, people who are homeless or who are at risk of becoming homeless. More than 60 of our lawyers volunteer to provide advice at clinics that operate at: Edward Eagar Lodge, a crisis accommodation centre; Homeground Services, a drop-in centre; and the Anglican Women's Hostel.

We are always pleased to see that our work with the clinics has many positive outcomes. These include:

- Roy (not his real name) was forced to leave his home about four years ago when the relatives of the deceased co-owner of his home obtained a court order to have the property sold by the Public Trustee. Roy has been homeless ever since. When he saw the Homeless Persons' Legal Service lawyers, he had not received his share of the sale proceeds. The Homeless

Persons' Legal Service lawyers in Sydney obtained details of the sale, made contact with the Public Trustee and with the solicitor for the relatives, and negotiated a settlement. As a result, Roy recently received a cheque for nearly \$200,000.

- The Homeless Persons' Legal Clinic lawyers in Melbourne assisted a client who had borrowed \$600 from a loan company to have that debt waived. The loan company was charging the client 24 per cent interest and, despite our client continuing to pay back the debt, the client owed the loan company \$2000 before the debt was waived. AAR is also involved in many other community projects, including the following.

Other projects

Law firms encouraging and assisting promising students (LEAPS)

LEAPS is a ground-breaking mentoring program that has been run in partnership with the NSW Department of Education for the past two-and-a-half years. AAR has been involved since 2005.

Under this program, school students spend two mornings 'shadowing' their mentor in the offices of AAR, followed by a team-building excursion with their mentors, and then make fortnightly trips to visit their mentors in the city for lunch and interactive group mentoring sessions for the remainder of the school year. These sessions take place at lunchtime every fortnight during the school term. The emphasis of the mentoring program is to encourage student participation and engagement in learning, to motivate students to set career and life goals, and, in particular, to complete high school and undertake some form of further education, broaden students' experiences and their understanding of career options, enhance their decision-making skills, and empower them to deal effectively with challenges and opportunities they will encounter in their lives.

AAR Neurology Fellowship, The Sydney Children's Hospital, Randwick

AAR continues to fund the comprehensive training of a doctor in paediatric neurology at the Sydney Children's Hospital in Randwick. The Fellowship enables a young doctor, selected from applicants throughout Australia and New Zealand, to work with leaders in the neurology field in treating children with a variety of brain, muscle and nerve problems such as epilepsy, mental retardation and cerebral palsy.

The AAR Neurology Fellowship, the only one of its kind in Australasia, has helped train six doctors now working at the forefront of paediatric neurology treatment and research.

After receiving the Fellowship in 1999, Dr John Lawson was awarded a two-year Epilepsy Fellowship at Miami Children's Hospital, a renowned centre for research into epilepsy treatment and care. He has since returned to the Sydney Children's Hospital as a child neurologist and also accepted a Senior Lectureship at the University of New South Wales. Dr Melinda Nolan, the 2000-01 Fellow, specialised in epilepsy and went on to do a further two years of training in Toronto, Canada. She is now a paediatric neurologist at the Starship Children's Hospital in Auckland, New Zealand.

Dr Helen Young, the 2002 Fellow, went on to complete a Masters of Medicine in neuromuscular disease and now works at the Royal North Shore Hospital in Sydney. Dr Michael Fahey, the 2003 Fellow, is currently completing his PhD in Melbourne on neurogenetic diseases such as Huntington's disease and Freidreich's Ataxia. Dr Cameron Dickson, the 2004-05 Fellow, is now a paediatric neurology consultant for Women and Children's Health in Christchurch, New Zealand. The 2006 Fellow, Dr Nicholas Smith, has moved to Sydney from Adelaide where he was working at

the Women's and Children's Hospital, and ultimately hopes to complete a PhD on the molecular biology of neurological disease and emerging treatment options.

We at AAR are proud to be supporting the clinical leadership and world-class research of the Neurology Department at the Sydney Children's Hospital.

Category Of Principles 2: Protection of Labour in the Workplace

Policy

We recognise the dignity of each partner and employee. We do not tolerate discrimination based on gender, race, religious views, marital or maternity status, political beliefs, age, homosexuality, disability or carer responsibilities. We have adopted internal policies that reflect our commitment to equality. Decisions on hiring, remuneration, benefits, advancement, termination or retirement are bound by these policies.

These standards also relate to our dealing with clients, potential clients, suppliers and the community as a whole.

Employer of Choice for Women

AAR is one of only 131 Australian organisations and one of only 10 legal services firms to be awarded a 2007 Employer of Choice for Women citation, awarded by the Australian Government's Equal Opportunity for Women in the Workplace Agency. The citation recognises those who have demonstrated that they have policies and practices that support women across the organisation and that these policies and practices have had a positive outcome for both women and the business.

AAR was first awarded the citation in 2005.

Women@AAR

Our Women@AAR Networks are designed to foster networking, communication and career development opportunities for our women in each of our Australian offices. The networks operate in each of the Brisbane, Melbourne, Perth and Sydney offices, and provide women at AAR (and interested men) with regular opportunities to network with one another and to share experiences about their career development and other issues of interest with other women (both inside and outside the firm), access to information, and education to enhance their career development. The networks generally promote the advancement and retention of talented women - just as we are very keen to continue to advance and retain talented men.

Under the Mentoring Program, each of the women participants is matched with an internal (partner) and external (leading business person) mentor, with a view to supporting them to develop strong professional relationships, providing them with high-level support for their career development and facilitating and supporting effective goal setting and career planning to enhance their development and promotion within the firm.

Equal Opportunity Briefing Policy

AAR has formalised its commitment to equal opportunity in briefing practices. The Law Council of Australia (**LCA**) released its Model Equal Opportunity Briefing Policy, which seeks to eliminate briefing practices that consciously or unconsciously limit opportunities for women barristers and thus preclude lawyers and clients from using the full resources of the Bar.

The Policy encourages those making briefing decisions to give measured consideration to whom they will brief, regardless of gender. In committing to the Policy, we are required to collect data on the nature of our briefing practices and to provide periodic reports to the LCA.

Category Of Principles 3: Environmental Responsibility

Policy

AAR promotes the increase of awareness of relevant environmental issues in its business network, by encouraging a precautionary approach and permanently monitoring its own environmental impact and those of its suppliers.

The AAR Footprint Committee

The Footprint Committee has been formed in response to partners', staff and clients' growing appreciation of the need to act responsibly in relation to our environment. This accords with AAR's core value of having respect for our colleagues, our clients and suppliers, and the broader community.

The Committee's aim is quite simple: to reduce our environmental footprint as much as possible. This is achieved by minimising our resource (input) usage, selecting the most environmentally friendly inputs, and through the appropriate disposal of waste (outputs). The Committee's main areas of interest are:

- energy;
- water;
- waste (reuse, recycling);
- greenhouse emissions; and
- procurement.

Although the Committee has found that the firm's environmental performance is relatively strong, its work has already produced some excellent structural changes to the way the firm operates. For example, the Committee has been urging that double-sided (duplex) printing be the default setting on printers across all Australian offices. In just one month, moving to duplex printing saved 2.2 million pieces of paper versus single-sided printing. The paper saved in that month, if stacked, would be far taller than any of the office towers in which AAR's Australian premises are based. This paper reduction does not only reduce our demand for wood pulp. It also reduces the greenhouse gas emissions emitted in the production, trucking and ultimate recycling of the paper and the amount of chemicals used such as bleach.

Other initiatives being undertaken by the Committee include:

- replacement of bottled water in meeting rooms with water jugs;
- the movement to more efficient movement-sensitive lights; and
- installation of new water-saving devices in all bathrooms.

These initiatives do not just occur within the firm. Through procurement policies that specifically take into account environmental concerns and through firm-wide staff awareness campaigns, the Committee hopes its actions will translate to environmentally friendly practices among our suppliers and among our staff when they are outside the workplace.

Australian Building Greenhouse Rating scheme

AAR takes its environmental responsibilities very seriously, both in our internal practices and in our involvement in outside programs. The firm has joined a scheme that commits us to considering energy efficiency when we make changes to our offices or look for new premises. AAR is the first large business tenant in Australia to sign up to the Australian Building Greenhouse Rating scheme, run by the NSW Government's Sustainable Energy Development Authority.

The idea of the scheme is that commercial tenants who sign up will both improve their existing buildings and look for good greenhouse performance when they're choosing new offices. This should, in turn, encourage the building sector to make energy efficiency a priority.

Earthcare

AAR has completed a review of its commitment to 'green' offices. It has made all our offices greener through improvements such as:

- using movement sensors for our lighting system: if the office is empty, the lights are off;
- placing paper recycling bins under every desk;
- placing plastic and glass recycling bins on each floor;
- using glasses instead of polystyrene cups;
- encouraging staff to use less paper by using double-sided printing - or even two-to-a-page printing – and reviewing documents on screen;
- using recycled paper in photocopiers and printers;
- recycling all paper waste from our photocopiers and printers;
- recycling toner cartridges: we collect used cartridges and send them to Planet Ark;
- recycling stationery items where practicable, eg folders and unusable paper stocks are turned into notepads etc;
- returning all obsolete computers and monitors to the supplier for recycling; and
- installing water-saving devices in internal shower systems, reducing water usage and cost by 60 per cent.

3CBDs environmental initiative

As part of the Sydney office's relocation, we have become a partner of the 3CBDs environmental initiative, joining 20 other companies in committing to:

- benchmark the current greenhouse performance of their offices using the Australian Building Greenhouse Rating (**ABGR**);
- exceed current best market practice;
- develop an action plan to achieve greenhouse commitments; and
- report to local mayors on their achievements.

While AAR has committed to reduce greenhouse gas emissions on its own, the building owner has also committed to a 'Greenhouse Guarantee' so that the building meets an agreed greenhouse emissions target.

Category Of Principles 4: Anti-Corruption

Policy

As a leading professional services firm providing legal services, we are committed to ensuring that our partners and employees abide by the law. AAR does not, and will not, condone illegal conduct by anyone at the firm.

When we work in countries other than Australia, we must comply with local laws. We must also comply with Australian laws that have effect outside Australia. In particular, we must not be involved, directly or indirectly, with bribery of foreign public officials and we recognise that it is a criminal offence under Australian law to be so involved.

Ethics Committee

AAR has established an Ethics Committee to help our people deal with difficult ethical issues encountered in the course of their work, including situations where it might be suspected that a party to a transaction is engaging in corrupt conduct. The Ethics Committee has conducted a series of 'hypotheticals' in all Australian offices which touched on a broad range of ethical issues, including corruption. Approximately 90 per cent of legal staff attended these seminars.