

GARRIGUES

2014 Integrated Report

An international firm



Human capital
Intellectual capital
Social and relationship capital
Natural capital
Financial capital

Corporate headquarters in Spain





2014 Integrated Report

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Garrigues
today

Our
assets

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China: Shanghai office





1. Letter from the Chairman

Today Garrigues is truly an international firm. We have offices in 12 countries: Belgium, Brazil, Colombia, China, Spain, the US, Morocco, Mexico, Peru, Poland, Portugal and the UK. All of our offices, which are fully operational, are staffed by renowned professionals, enabling us to offer global tax and legal advisory services on local and interregional matters and transactions.

From the creation of the firm in 1941 to the present day, we have been working hard to position Garrigues among the most solid and capable law firms in the world. Without a doubt, Garrigues now holds an enviable position in an increasingly competitive and demanding legal market. Our hallmarks have always been our proximity to our clients and our ongoing commitment to understand their needs and provide them with value, offering services of the highest quality, both in terms of technical advice and of the standard of conduct required of our professionals, fully respecting the principles and ethical values of the legal profession.

This is only possible thanks to the effort of our team. We know that our people are our main asset and we take good care of them, providing our professionals with all the necessary means and opportunities to enable them to forge a full and satisfactory career at the firm.

The work of our professionals has been recognized by the most important legal directories and publications, which rank Garrigues as one of the most prestigious and innovative law firms, and our lawyers and tax experts as not only committed to customer service but pioneers in their respective areas of expertise. This recognition makes us proud and motivates us to keep striving to be the best in everything we do.

In the last year, we have maintained our leading position, continued our expansion into Latin America, with our new offices up and running, and we have made a firm pledge towards innovation. We have also reinforced our channels of communication and collaboration with our stakeholders (particularly using digital technology) and we have sustained our internship and award programs, as well as our community outreach initiatives.

Over the next few years, we plan to implement action plans with a view to progressing with the second phase of our expansion into Latin America and developing new products and services. Our priorities include, as part of our corporate responsibility towards individuals and society as a whole, improving the internal organization of the firm, developing new training programs and responding to the needs and concerns of our professionals in order to carry out community outreach initiatives and place our legal knowledge at the service of charitable, welfare, cultural or educational organizations that do not have the resources to access high-quality legal services.

This Report contains full details of the different management objectives we have achieved and on future challenges, which evidence our solid commitment to our clients, to our people and to the communities in which we operate.

Lastly, thanks to the support of Antonio Garrigues, the honorary chairman of the firm, Ricardo Gómez, senior partner, and all of the partners, we have taken a decisive step towards institutionalizing the firm by appointing a new chairman.

We hope we are up to the challenge.

We would like to thank you for your support and trust in Garrigues.

Fernando Vives
Executive Chairman



Colombia: Bogota office



Garrigues
today

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2. Garrigues worldwide today

An international firm

The combination of decades of sustained leadership and an ambitious international focus, recently evidenced by the strategic implementation of a major office network, today defines Garrigues as an international firm, with an operating presence in 12 countries across 4 continents.

Garrigues forms part of the select group of firms practicing international business law: a highly specialized discipline required by the majority of our clients, the practice of which, in competitive terms, entails the analysis of the tax and legal risks and consequences deriving simultaneously in two or more jurisdictions.

Own network with a solid culture and identity

Garrigues has a worldwide network of offices located in the main capital cities and in countries in which a major number of our clients operate. The office network plays a key role in consolidating Garrigues' reputation as an international firm.

All of our offices are proprietary and are staffed by firm partners and professionals. Their professional careers are developed according to the plan established by the firm and they are subject to the globally-defined training programs and obliged to observe the same ethical standards required of all firm professionals. Garrigues' international activities are pursued uniformly, in accordance with the highest standards of quality comparable with the major global firms.

All of this shapes Garrigues as an international law firm with a uniform approach and a solid culture and identity worldwide which operates in the global market under a single brand that is recognized and synonymous, both at home and abroad, with legal services of the highest quality.

Leading firm in continental Europe. Based on revenue, Garrigues is the leading non-English-speaking law firm and the only Spanish firm ranked among the top 100 law firms worldwide (according to the Legal Business Global 100 Survey published in July 2014, and The American Lawyer, October 2014).

Geographical diversity. Present in 12 countries across 4 continents, Garrigues placed 31st in the worldwide ranking of the top law firms by geographical diversity (Global 100 Most Global Survey, published in October 2014, The American Lawyer).

Commitment to Latin America. 2014 saw the culmination of the first phase of the firm's expansion into Latin America, with 3 new offices now up and running: Bogota (Colombia), Lima (Peru) and Mexico City (Mexico), joining the foreign law office in São Paulo (Brazil). Our Latin American offices boast more than 50 professionals.

Global mentality. Our team is made up of 2,000 individuals, of more than 20 different nationalities, capable of working on projects that span various jurisdictions.

Market-oriented knowledge. All of our professionals, regardless of their location, receive ongoing, specialist training tailored to the global environment. We also offer internships to university students from different countries, with a special focus on Latin America.

Multilingual dialog with stakeholders. Together with the technical and corporate publications we send out in various languages to clients and our target audience, the Garrigues' website already has a dedicated space for Latin America and is available entirely in Chinese, not to mention Spanish, English and Portuguese. We also have a corporate blog, published in Spanish and English and a trilingual profile (Spanish, English and Portuguese) in LinkedIn, the world's largest professional network.



International reputation. The quality of Garrigues' services has been recognized once again with prestigious awards from international publications. This year Garrigues notably received the 2014 bridge to Latin America award from the Young Presidents' Organization in recognition of its work in improving relations between Spain and Latin America.

Innovation. The 2014 FT Innovative Lawyers Report ranked Garrigues among the top ten most innovative law firms for another year, moving up four places to sixth position since last year. Moreover, the firm was named continental Europe's "Most Innovative Law Firm" for the third time in four years.

Among the top

100

major law firms
worldwide

Present in

12

countries and
4 continents

Latin America

4

offices: Brazil, Colombia,
Mexico and Peru

A team of over

2,000

professionals
of 20 nationalities

Ongoing, specialist

Training

of our professionals tailored
to the global market

Multilingual
Website

and communications:
Spanish, English,
Portuguese and Chinese

Internationally recognized

Quality

services

Innovation

Ranked among the top ten
most innovative law firms
in Europe
(FT Innovative Lawyers 2014)



Global services

Practice areas

We advise both multinational groups and local businesses from different countries on the main matters relating to business law.

- Commercial Contracts and Corporate Law
- Administrative Law
- Banking and Finance Law
- Accounting Law
- Information Technology Law
- Telecommunications and Audiovisual Law
- Securities Market Law
- Sports & Entertainment Law
- EU and Antitrust Law
- Life Sciences and Healthcare Law
- Tax Law
- Real Estate Law
- Labor and Employment Law
- Shipping and Transport Law
- Criminal Law
- Planning and Zoning Law
- Insurance law and regulations
- Mergers & acquisitions
- Human Capital Services
- Litigation and Arbitration
- Environment
- Industrial and Intellectual Property
- Restructuring and Insolvency
- Energy Industry Regulations

Industry Groups

We provide comprehensive advice on the main sectors of activity in the global market.

- Automotive
- Financial Institutions
- Private Equity
- Family Business
- Energy
- Life Sciences and Healthcare
- Corporate Governance and Corporate Social Responsibility
- Technology & Outsourcing
- Real Estate
- Sports & Entertainment
- Telecommunications & Media
- Transport & Shipping
- Tourism and Hotels

International development services

We assist and advise companies interested in expanding and consolidating their activities abroad.

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

3. Latin America: completion of initial expansion phase

Latin America has once again taken center stage in Garrigues' international expansion plans. 2013 saw the announcement of the firm's new strategy for the region, based on the gradual opening of offices offering local law services, and the first phase of the project was completed in 2014 with the opening of three new offices to join the firm's foreign law practice in São Paulo (Brazil), open since 2011. Garrigues' new offices, which are now fully operational, are located in Bogota (Colombia), Lima (Peru) and Mexico City (Mexico).

Over the year, the search for local talent has undoubtedly been one of our main objectives and our offices already have teams of between fifteen and twenty professionals specializing in the main areas of business law.

In addition to extensive knowledge of their respective markets, a great many of these professionals are also familiar with Garrigues' culture. We can boast Latin American lawyers who have previously worked at Garrigues in Spain and other professionals who have studied at prestigious graduate schools in Europe, such as Centro de Estudios Garrigues, and the US. We have also taken on expert lawyers with lengthy and recognized professional careers in their respective countries in order to reinforce certain practice areas.



We know that this expansion does not merely imply presence in a country but rather the creation of a true Garrigues culture in Latin America. Precisely with the aim of preserving our values and philosophy, we chose a proprietary office model. We firmly believe that this strategy will enable us to better control the quality of advice on offer, and guarantee the best client and brand management.

We advise international companies with interests in Latin America and medium-sized and large Latin American companies looking to expand their business. Transactions between Latin American countries are on the increase and Garrigues is ideally placed to provide the perfect link. To our mind, being able to offer companies the opportunity to work with a single firm and a single voice, in a transaction involving several countries, constitutes a clear competitive advantage.

Our challenge is to keep learning, improving and growing in order to become the law firm of choice in Latin America and a fully integrated international firm. 2015 will mark the start of our second expansion phase, with our sights set on other strategic areas of interest for our clients.

4. Clients from all areas and industries

The trust and satisfaction of our clients lies at the heart of our success, the result of our client-centered approach. We seek to build stable, ongoing relationships with our clients, based on trust and mutual understanding, by acting loyally and with transparency.

With this in mind, we view every engagement as a challenge. We fully commit to each engagement and matter entrusted to us. Ongoing, comprehensive, bespoke tax and legal advice and providing professional services of the very highest quality are our chosen route towards attaining success.

We undertake to deliver on every project and engagement entrusted to us and our professionals are aware of the importance of listening to clients, of gaining an in-depth insight into their businesses and activities 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 many informative, refresher and training initiatives, aimed above all at clients (although often also at other parties), such as organizing seminars to provide updates on new legislation, working breakfasts, taking part in conferences and seminars, etc.

Client satisfaction

With a view to integrating client satisfaction into the firm's strategy, Garrigues regularly evaluates satisfaction levels as part of the Client Satisfaction program.

This program allows to analyze the most pronounced and significant trends in the evaluation made by our clients of the services provided. The results of the 2013 client satisfaction survey were available at 2014 year-end (August 31, 2014).

The survey consisted of sending questionnaires and conducting surveys and meetings with a representative sample of 80 clients from all over Spain, linked to the different practice areas.

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.



In 2013 the firm received an overall average rating of 8.67 out of 10. Data from the last five years show a positive trend in the average client rating of the firm (rising from 8.18 in 2009 to 8.67 in 2013), evidencing that excellence in client service forms the backbone of our professionals' work:

Average total by year	
2013	8.67
2012	8.61
2011	8.38
2010	8.33
2009	8.18

Client
satisfaction:
8.67
out of 10

According to the 2013 results, the areas most valued by our clients notably included: the integrity and reputation of the firm, the client trust generated, and our personal approach. For the second year running, the integrity and reputation of the firm was the most valued aspect: over 80% of clients scored the firm's performance very highly (9-10).

Among the areas for improvement, based on the results of the survey, were factors relating to bolstering the international network and providing more detailed break-downs of fees.

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

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 12.5% of our total client base.

The following chart shows the geographic distribution of our clients based outside the Iberian Peninsula:

Geographic origin	%
Africa	6.2
Asia	6.4
Central America	5.2
Europe	57.4
North America	11.7
Oceania	0.5
South America	12.6
Total	100

Garrigues has
clients in all
5
continents

The diverse origin of our clients is first of all down to the vocation and experience of our professionals, accustomed as they are to working on international projects and, secondly, to our extensive office network both in and outside Spain.



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 (further information at www.taxand.com).

The following chart shows the industries our clients come from:

Industry	%
Services	25.3
Construction & infrastructure	11.9
Individuals	18.4
Industrial manufacturing	10.5
Consumption & distribution	8.6
Energy	4.2
Financial services	6.4
Tourism	2.6
Technology, telecommunications & media	2.7
Public authorities	1.6
Transport	2.1
Life sciences and healthcare	1.8
Others	3.9
Total	100

Types of clients

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

91%
of IBEX-35
companies were
Garrigues clients
in 2014

As many as 91% of IBEX-35 listed companies as of August 31, 2014 have been clients of Garrigues in the course of the year, and 60% of the companies listed on the Madrid Stock Exchange Continuous Market on the same date. In addition, 22% of the companies making up the MAB Alternative Stock Exchange at August 31, 2014 have been clients of Garrigues during the year. In Portugal, 28% of the PSI-20 companies on the Lisbon Stock Exchange as of August 31, 2014 were clients of the firm in 2014.

These figures testify to the high standard of the services we offer to the leading and most demanding companies in the countries in which we operate.

5. Compliance, integrity and risk management

Garrigues has clear, well-established hallmarks both internally among those who make up the firm and in its dealings with clients and society at large, based on excellence in the provision of client service, a commitment to people and professional ethics and independence.

The Garrigues Code of Ethics embodies these essential hallmarks and contains the rules and guidelines concerning conduct that are expected and required of all members of Garrigues, both in their relations with the firm and other members, and also with clients and third parties in general. The Code of Ethics forms part of the internal regulations of Garrigues, namely, the set of mandatory internal policies, procedures, programs, regulations, codes and standards approved by the competent bodies of the firm by which all members of Garrigues must abide.



In order to strengthen proper and effective compliance with the Code of Ethics and other internal regulations by all of the firm's members, on September 1, 2013 an internal communications channel was set up, which is reserved and strictly confidential, called the Ethics Channel, through which all of the firm's members can report conduct by members of the firm that may be irregular or contrary to the law, ethical standards, the rules of conduct or the Code of Ethics, or any other provisions of Garrigues' internal regulations.

With the aim of reinforcing awareness of and compliance with the Code of Ethics by all members of the firm, a specific course on the Code of Ethics and the Ethics Channel was given to all firm personnel in the course of the year, using the e-learning platform. Moreover, at the start of the year, all members of the firm were asked to confirm their commitment to familiarize themselves and comply with the provisions of the Code and a procedure has been put in place to have all Garrigues personnel confirm their compliance with the Code of Ethics on an annual basis.

This year also saw the completion of the review and update of Garrigues' internal regulations, in order to continue promoting the ethical commitment and responsible conduct of all personnel. The related measures adopted include the update of existing internal policies (in terms of both form and content) and the drawing-up of new policies, such as the Quality, Occupational Risk Prevention, Environmental and Corporate Social Responsibility Policy or the Policy on Measures to Prevent Corruption, Bribery and Influence Peddling.

The new measures approved last year with a view to rounding out the Prevention Program (which forms part of Garrigues' in-house rules) have been implemented. The aim of this Program is to identify and monitor potential compliance risks regarding applicable legislation and ethical standards and, where applicable and possible, to adopt measures to mitigate and reduce global exposure to such risks. New specific prevention measures have also been adopted, tailored to the special characteristics of the different practice areas and departments of the firm and the new legislation in force.

During the year, the firm has also implemented various initiatives to train and raise awareness among all Garrigues personnel of the review and overhaul of the internal regulations.

In the area of risk management, 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 arise 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, Garrigues 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.

During the year Garrigues has implemented new measures to facilitate the identification, checking and resolution of potential conflicts of interest, notably including the launch of our first corporate management app, Garrigues Work (for iPhone 5 and BlackBerry 10), that allows the functionalities of the internal conflict checking systems to be accessed via cell phone.

Over the next year, Garrigues will continue to work on improving the internal processes necessary to fully implement the new specific measures of the firm's Prevention Program and to complete the review and update of manuals and other internal documentation used to incorporate the specific new prevention measures approved.

Lastly, Garrigues will work on the design and implementation of new initiatives to provide comprehensive information and training and raise awareness among all personnel of the review and update of the internal regulations.



6. Structure and governing and managing bodies

A professional limited liability company, Garrigues is owned by all of the firm's practicing partners. The management, administration and representation of the Company falls to managing partner Fernando Vives who, since October 1, 2014, is also the Executive Chairman of Garrigues following the resolution adopted by the Partners' Meeting.

In the course of his activities, the managing partner has the support of the senior partner, the Executive Board and the Professional Practice Committee, in addition to other advisory committees, each with their own respective supervision, control and advisory functions.

Following his 80th birthday this year, Antonio Garrigues stepped down as a partner and was named Honorary Chairman by the Partners' Meeting as of October 1, 2014, in recognition of his admirable and estimable professional career and his enormous contribution to the development of the firm.

[For further information.](#) 

7. The value of reputation

Here at Garrigues we believe that values and principles are fundamental in maintaining the identity of an organization. Their care has therefore always held an important place in the management of the firm and has enabled us to build, over the years, a solid corporate reputation and culture.

In the last few years and in particular in this last fiscal year, Garrigues' efforts to remain true to its philosophy and principles have been widely recognized. Prestigious publications such as Forbes, Merco, Actualidad Económica or the Financial Times have singled out Garrigues' reputation, not only as a law firm, but also in other areas, such as human resource or innovation, where companies from other industries have traditionally stood out.

Awards and accolades

International Financial Law Review. European Tax Awards 2014 Law Firm of the Year in Spain. It is now the seventh time that these awards, now in their thirteenth year, have recognized Garrigues' work.

Client Choice Award 2014 (International Law Office). Client Choice Award. It is now the fourth year that the firm has received this award and been singled out for the excellent service it provides to its clients.

Financial Times. Innovative Lawyers 2014. For the third time Garrigues has been named the "Most Innovative Law Firm in Continental Europe" by the Financial Times.

Young Presidents' Organization. Puente Iberoamérica 2014. Recognizes Garrigues work in improving relations between Spain and Latin America and its contribution to boost the country's image in this region.

Chambers Europe Awards for Excellence 2013. Client Service Law Firm of the Year 2013. An important recognition in the legal industry that singles out firms that have accomplished major achievements in the different practice areas of law, and for their excellent client service.

Forbes 2014. Ranking of the most prestigious law firms in Spain. With the help of a group of experts made up of professors, judges and journalists, Forbes Spain has named Garrigues the most prestigious law firm. Furthermore, Fernando Vives, the firm's managing partner, has been named the most influential lawyer in Spain.



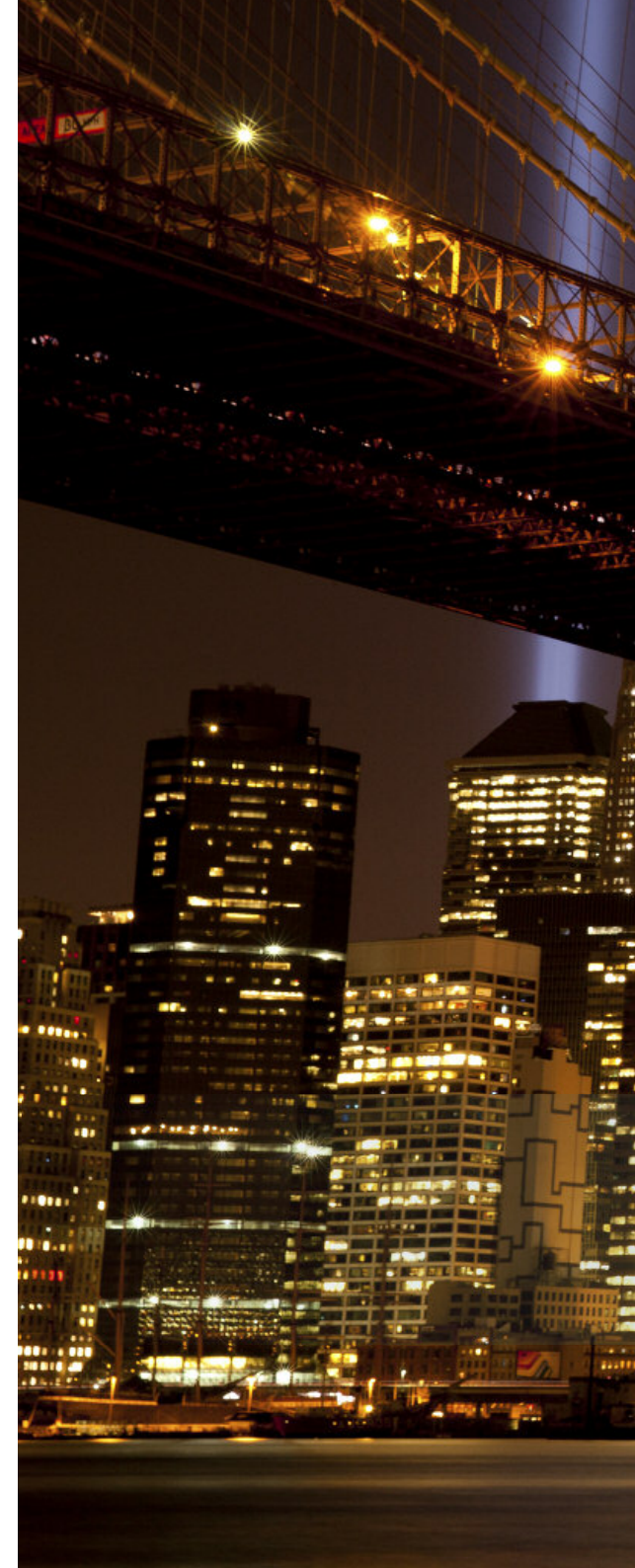
Actualidad Económica 2014. Ranking of the best businesses to work for. Garrigues has been ranked one of the top five businesses to work for in Spain, according to this yearly classification. In fifth place, the firm consolidates its position as the top firm and is, furthermore, the only Spanish brand in the Top 100.

Expansión 2014. Ranking of law firms. For another year running Garrigues heads this ranking, as an authentic benchmark in the industry. The newspaper refers to the firm as a “European leader”.

Merco Businesses 2014. The MERCO (Corporate Reputation Business Monitor) index has for the last six editions featured Garrigues as the only law firm in the top 100 companies with the best reputation. This year Garrigues is in 46th place.

Universum Awards 2014. Top 100 businesses to work for. According to the study by Universum and PeopleMatters (consulting practices specializing in people management), Garrigues is the employer most preferred by law students.

Merco Personas 2013. Garrigues was ranked 29th in this eighth edition of the ranking of the top 100 firms to work for in Spain.



US: New York office



Advice

on local and interregional transactions

Belgium: Brussels office





Our
assets

8.	Human capital	20
9.	Intellectual capital	30
10.	Social and relationship capital	34
11.	Natural capital	44
12.	Financial capital	48





8. Human capital

At Garrigues, our most prized asset is our human capital. Accordingly, our strategy for managing this capital is clear: attract, develop and retain talent. To enable our professionals to provide a top quality service to clients, cater to their needs and adapt to a constantly changing environment, taking advantage of the opportunities on offer, we need to make available all the necessary resources to ensure that their talent and capabilities achieve the highest degree of excellence in order to ensure that their work has a beneficial and positive bearing on their professional surroundings, within the firm and in society as a whole.

2014 achievements

Recruitment of the professional teams for the Latin American offices

More collaboration agreements signed for the Master's program for entry to the legal profession and greater number of professional lecturers

Welcoming of students on the Master's program for entry to the legal profession at all offices in Spain

Almost all Garrigues personnel trained on the Garrigues Code of Ethics using the e-learning platform

Creation of an e-learning course on occupational risk prevention

Training sessions held on the firm's Crime Prevention Program

Establishment of a Mobility Plan at the firm

Our personnel

The adequate management of our human capital requires human resources policies to be a priority at Garrigues. 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 structure of our personnel and their distribution by professional and functional category are as follows:

Average headcount in fiscal year 2014

Partners	291
Counsel	23
Principal Associates	115
Senior Associates	436
Associates	426
Juniors	205
Other professional services (OPS)	49
Admin. and Support	483

Total **2,028**

In 2014, Garrigues was ranked 5th in Actualidad Económica's annual ranking of "The Best Businesses to Work for in Spain." This recognition is due, among other reasons, to our unshakeable commitment to recent graduates, to give them access to the employment market and start them out on life's path. Thus, each year we take on new hires, offering them the chance to forge a professional career, taking part in an



attractive program of tax and legal training and continuing education and the opportunity to grow as professionals in a dynamic environment characterized by a meticulous approach, quality, ethical integrity and an excellent working atmosphere.

Garrigues promises completely equal treatment and opportunities for men and women and has policies in place to facilitate a work-life balance. In this regard, for a number of years Garrigues has applied favorable conditions designed to help strike 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), along with other benefits described in detail below in the "Compensation system" section.

Garrigues is today a global firm with offices in 12 countries and present across 4 continents, providing a diversity of professional and cultural backgrounds that enriches us as an organization. By way of an example, our professionals come from more than 20 different nationalities.

The firm's philosophy is to sign 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 contract¹.

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.

In the course of their professional careers, some of our people may on occasion decide to seek fresh challenges. Our professionals are highly valued and recognized in the market and part of our HR management policy is to understand the factors considered in their decision to leave the firm. Only then are we able to identify the areas where we can improve as an organization and work on them.

The section on GRI performance indicators and content contains detailed employee turnover figures by gender, professional category and region at 2014 year-end.

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

In 2014 the absenteeism rate at Garrigues, meaning absence from work for more than three working days due to a non-occupational disease, was barely 1.58%.

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 around clearly defined professional categories. The names of the different professional categories indicated below reflect the reality of each professional's experience and make them recognizable in the market in general, and among professionals in the legal and tax services industry in particular:

*Junior > Associate >
Senior Associate > Principal Associate >
Counsel > Partner*

Garrigues remains committed to ensuring that up-and-coming generations of professionals have access to all the resources and opportunities that will give them a rich and rewarding career at our firm.

Our HR policy establishes that throughout their time at the firm, our people undergo annual, individual evaluations by competencies, by means of written assessments and face-to-face interviews with their line manager. In their daily tasks our professionals also receive indications about their work, a consequence of the continuous supervision by their managers. 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.

Our continuous pursuit of excellence and the maintenance and improvement of our quality standards in the provision of professional services mean that standards must be maintained at all times as part of the evaluation process of all employees.



Two particularly significant milestones lie along this career path:

- Promotion to the category of senior associate: marking the firm's recognition and the result of excellent performance during the initial years of their career. Professionals thus begin a stage of their career in which they consolidate their knowledge and develop new management and commercial skills, enabling them, with the optimum effort and results, to continue to grow professionally and reach the next level: principal associate, the precursor to promotion to partner.
- Promotion to partner: bringing with it professional recognition by the firm and renown in the professional services market and among clients. Making partner marks the beginning of a new phase, combining maturity and the consolidation of technical expertise with leadership and teambuilding, integral business management and the utmost excellence and innovation in the services and solutions offered to clients. Partner promotions are based on objective principles and meritocracy. 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. Ultimately, the final decision on promotions rests with the Partners' Meeting, which makes its decisions on the basis of the recommendations made by the Committee.

In 2014, we maintained our promotions policy and the offer of an attractive career path for our professionals. As an example, 12 new partners have been promoted this year.

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. In 2014 the classification of personnel providing other professional services ancillary or additional to tax and legal advisory services was also redefined.

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. The Equality Plan is available to all the firm's employees on the corporate intranet.

Garrigues affords equal opportunities to everyone, wherever they work, and not one case of discrimination on any grounds (gender, race, religion, origin, or otherwise) has ever been recorded at the firm.

Similarly, in the recruitment of new graduates, men and women are hired on an entirely equal footing at the firm. Over the last few years more women than men have been hired in global terms.

Another notable achievement in the period 2008-2014 has been the gradual increase in the number of female partners (as a percentage of all partners), which today stands 50% higher than the figure for 2008.

An Equality Commission also exists, comprised of professionals from different areas, which meets periodically to safeguard equality, both from an employment and personal standpoint, and follow up on the measures put in place.

Garrigues also encourages the hiring of disabled persons and purchases goods and services from a range of foundations and special employment centers, and complies with the relevant legislative provisions in this area in the different countries in which we operate.

Attracting talent

As previously mentioned, Garrigues' main asset is its personnel. The firm seeks talented young people who are keen to pursue a professional career in a dynamic, rigorous and motivating environment. This explains why the firm sets such store by its recruitment



process, as the juniors of today may be the partners of tomorrow. In view of the importance of this process, the methodology is based on rigorous and objective techniques applied uniformly across all of the firm's offices. The aim of these techniques is to evaluate candidates overall, assessing academic and technical know-how and skills such as excellence in client service, commitment and ethical integrity. Garrigues seeks academic excellence, albeit without losing sight of personal achievements. To this end, when evaluating candidates we also take into account extracurricular activities, work experience and participation in social and cultural initiatives.

Our wide geographic reach means we meet candidates from a variety of universities in Spain and worldwide.

Activities built around recruitment

In order to attract the best talent Garrigues adopts various university-related measures:

- Activities aimed at informing students about the firm: employment forums, presentations at universities and open days at the various offices.

The HR Department follows up these activities by analyzing all applications received from these types of events and sends the relevant communications to candidates.

- Classes and seminars by Garrigues personnel at universities and business schools in Spain and abroad.
- Participation in debating tournaments and moot arbitration competitions (such as Moot Madrid).

WORK EXPERIENCE PROGRAMS

We have a commitment to universities and training institutions from various countries with which Garrigues has signed collaboration agreements. Under these agreements, work experience programs are carried out at all our offices and in all areas of expertise, with a view to training students.

Garrigues offers various work experience programs:

- Internships during the academic year and in the summer: work-experience arrangements that are compatible with academic study.
- Curricular activities: Garrigues also collaborates with universities by accepting students for their curricular activities (a compulsory subject on certain syllabuses - practicum).
- Internships granting access to the legal profession: in 2013-2014 the firm signed new agreements with universities for internships granting access to the legal profession.

There are also work experience programs for foreign university students. For example, Instituto Tecnológico de Monterrey (Mexico) and Universidad de El Rosario (Colombia).

The HR Department monitors all students taken on by the firm and organizes welcome, development and end-of-internship meetings. In addition, all students are assigned a tutor who supervises their internship and assists with their training and integration in the firm.

Further information on participation in internship programs can be found at www.garrigues.com.

Training

Garrigues' strength as a professional services firm, the key to its success and the basic element that ensures clients continue to place their trust in the firm is its human capital, made up of professionals dedicated to offering the best service to clients and upholding excellence.

It is therefore incumbent on us to provide the resources to ensure we always have the best people, giving them a place to grow and develop that helps them reach their career goals within the firm and that guarantees excellence in all of our services.



One of the defining characteristics of the firm, established as one of the fundamental principles of the Code of Ethics, is its solid commitment to training its professionals, particularly in the early years of their career. We are a teaching ground for lawyers and our constantly updated training programs accompany our professionals from the moment they join the firm. In their first year, young graduates joining the firm in Spain take an Executive Course in Business Law, taught by Centro de Estudios Garrigues, which offers them comprehensive professional training for the provision of legal advice to domestic and international companies. Our professionals also regularly attend seminars, courses and symposiums to update their technical know-how as part of the various specialist groups, as well as industry training programs that offer further insight into the market and the business of each sector or industry.

The ever-changing legal environment requires a new kind of professional, a much more competitive expert with more all-round training than a traditional lawyer; legal knowledge alone is no longer enough. Moreover, this environment demands ethical conduct, mastery of different languages, speed and flexibility in order to adapt to changes and understand client needs on a daily basis. This is why we believe it is fundamental to train our professionals in aspects such as professional ethics and good practices, management skills (leadership, teamwork, negotiation, communication, etc.) and languages, not to mention new technologies and knowledge management.

Training schemes are aimed at all personnel, irrespective of gender, and are personalized according to the level of experience of each professional.

The section on GRI performance indicators and content shows how the average number of training hours by professional categories has evolved over the last three years.

In most cases, training is managed and provided internally at Garrigues, and it is the partners, principal associates or senior associates (professionals with vast experience both as legal practitioners and, in many cases, as academics) who act as trainers. At other times, we use external collaborators who specialize in different training areas and our partner of choice is Centro de Estudios Garrigues, which offers a broad range of training programs used by our own professionals.

Having our seasoned professionals train our junior lawyers ensures that the programs and methodology are in line with our “teach how to work” goal to show young professionals the business reality and changing demands of society, while transmitting and bolstering our corporate culture and values.

Our ongoing training program is highly diverse and its key indicators are as follows:

Personnel trained in 2014

	Personnel trained
Welcome programs	122
Executive Degree in Business Law	116
Garrigues Schools	204
Technical training specific to each group or specialist area	1,230
Training in professional ethics and good practices	1,893
Personal skills training	799
Language training	571
Training in technology	638
Knowledge management training	527
E-learning	1,908
External training (delivered outside the firm)	299

1,908

people trained
using e-learning
courses

Actualidad Económica
2014 ranking

Over the last year we have expanded our catalog of e-learning courses. One of the areas addressed using this format and with very positive results (1,868 people trained)



has been the dissemination and awareness of the Code of Ethics, which contains the values and principles that underpin the identity of the firm, as well the guidelines on and rules of conduct applying to the members of Garrigues both in their dealings with the Firm itself or other members of the Firm and with clients and third parties in general.

We continue to encourage the use of our training portal, housed on the intranet, in order to publish all training materials to make them accessible to all members of the organization and to share knowledge.

We also monitor and assess training to correct possible defects in relation to satisfying needs and achieving objectives, thereby optimizing the learning process.

In addition to the above, we believe that the best way to learn is through on-the-job training, that is, the experience and training acquired as a result of the participation by our professionals in complex legal matters and transactions at the highest level, which provides an ideal opportunity to develop all of their professional capabilities.

Compensation system

Garrigues rewards the achievements of its people using a performance-linked compensation system. 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 and uniformly 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.

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 at a law firm of our caliber.

Both the fixed and variable components of compensation are reviewed annually in line with the customary schedule and procedure.

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 optional 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 (€) (*)		
	2012	2013	2014
Accident and life insurance premiums	178,689	127,711	121,205
Medical insurance premiums	1,029,650	1,148,600	1,171,350

(*) Data relating to Spain.



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 (the ICH program), training programs and transport vouchers.

Number of participants in the flexible compensation systems (*)

	2012	2013	2014
Luncheon vouchers	176	180	177
Kindergarten vouchers	135	115	112
Computer hardware buyers' program	164	134	115
Training programs	29	22	27
Transport voucher	273	268	250

(*) Data relating to Spain.



UK: London office



Innovation

Among the top ten most innovative firms in Europe
(FT Innovative Lawyers 2014)



The firm encourages and supports voluntary secondments to other Garrigues offices within and outside Spain. This initiative has been expanded by giving our professionals the chance to spend time at other law firms, mainly based in English-speaking countries, with which we have cooperation agreements.

The above incentives form an important part of the global compensation package, the fundamental objective of which is to attract, motivate and retain talent. Other aspects recognized and valued within the broader concept of global compensation are explained in the following sections.

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 among 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 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 our professionals redirect their professional career where so required.

Other special benefits

Our people can take advantage of special conditions and discounts in a broad array of articles and services, thanks to a large number of agreements with leading brands and retailers. These promotions of goods and services are located on the intranet in an area called "e-Bazar". This area is continuously added to with suggestions and contacts facilitated by all of the firm's personnel, which enables us to include a wide range of services.

We also have a virtual notice board on the internet, on which we publish advertisements for purchases, sales or rent among individuals.

Workplace medicine and occupational risk prevention

In October 2013, as part of Garrigues' internal policies, the Policy on Quality, Risk Prevention, the Environment and Corporate Social Responsibility was published, which ensures compliance with occupational risk prevention legislation and offers sufficient health and safety guarantees in all the countries in which the firm operates.

With this aim in mind, Garrigues has had in place in Spain since 1997 a Joint Workplace Medicine and Occupational Risk Prevention Service (PRL), staffed by a team of occupational doctors, nurses and graduate risk prevention experts.

The Service seeks to achieve the best quality of life for Garrigues employees and partners through the integral management of their health and to encourage a preventive culture, both amongst our people, and also at outsourced companies. With this in mind, the different components of the Service work together and collaborate with other departments in the firm related to occupational risk prevention and with suppliers.

In 2014 the Service successfully negotiated the Prevention System Audit carried out by an authorized external auditor, valid for four years, that is from May 2014 until May 2018.

This fiscal year, the intranet has been updated with a view to making it a practical and useful Workplace Medicine and Occupational Risk Prevention tool for all the members of the firm.

In the second quarter of 2014, through the online training platform an occupational risk prevention course has been developed which is compulsory for all of the firm's members.

The Workplace Medicine and Occupational Risk Prevention service provides advice on issues in this area to all of our people, playing an important role in campaigns to raise awareness of primary and secondary prevention of the most important illnesses. It has also broken new ground in the practice of predictive medicine through personalized genetic techniques in relation to tumors and pharmacogenetics and does an important job in providing health monitoring and on-site medical services.



During the period in question, no instances of occupational diseases have been recorded at the firm; there have also been a total of five occupational accidents with sick leave with total disability amounting to forty-five days. 60% of these accidents have been on the way to/from work.

Doctor's surgeries	2012	2013	2014
Doctor appointments	5,960	5,649	5,307
Nurse appointments	3,042	3,148	3,003
Health check-ups	746	710	770
Lab tests	1,249	1,221	1,102
Ergonomics-related queries	231	306	74
Health-related queries and reports	276	201	144
Safety-related reports	28	27	19
Training (attendees)	229	130	339

Accidents with sick leave	2012	2013	2014
Total number of accidents	16	8	5
Accidents to/from work	9	3	3
Accidents at the center	7	5	2
Distribution by gender			
Women	12	6	3
Men	4	2	2
No. of days' sick leave	545	69	45

Future goals

To continue to recruit professionals for the Latin America offices

To increase the number of presentations aimed at students of the Master's Degree granting access to the legal profession at universities and training centers

To adapt the recruitment process to the timetable of the Master's Degree

To disseminate the e-learning course on occupational risk prevention

To create and disseminate an e-learning course on data protection

To pursue the Mobility Plan

To increase awareness among our people of the contents of the "e-bazar" and virtual notice board published on the Intranet



9. Intellectual capital

At Garrigues, innovation is key to maintaining standards. Ever since it was first founded in 1941, Garrigues' main objective in innovation has been oriented towards client service: a service that goes above and beyond tax and legal advisory services and which is defined as the ability to keep one step ahead of clients' needs and adapt to the new challenges they face.

This approach to innovation is present not only in the pursuit of our professional practice (knowledge creation) but also in the provision of instruments that facilitate research and development (knowledge sharing), such as knowledge management and new information technology.

2014 achievements

Creation of the Innovation Department

Approval of a new framework for knowledge management training resources in Garrigues 2014-2015

Generation of training contents for the e-learning platform and dissemination of internal information management tools (corporate search engine, intranet, connectivity and Virtual Library)

Design and launch a monographic course on resources for iPads

Creation of a Knowledge Area on the intranet, with the portals and technical and legal tools used by the lawyers

Complete overhaul of the intranet which is now more intuitive

Increase in the number of business intelligence tools and other resources for market research for our lawyers

Launch of the Knowledge Impact plan in the Tax Law, Labor and Employment Law and Corporate and Commercial Law Departments in Spain, and also in the Portuguese offices

Creation of new channels with the lawyers such as the En10Minutos videos and the online intranet help service

Launch of a new legislation alerts system with comments for clients, via email

Extension of WIFI at our offices including new 802.11ac technology

Extension of lines of communication at our network of offices

Installation of a communications accelerator at some of our offices

Improvement of remote access and access to applications at international offices with Citrix

Implementation of a project to encrypt the storage units of laptops
Development of Garrigues Work mobility platform and implementation of the control process of conflicts of interest on said platform



Innovation at Garrigues

Excellence in the provision of client service defined as the creation of legal solutions that anticipate our clients' needs, thus responding to the new challenges they face, is the ultimate objective of our investment in research, development and innovation.

As a pioneering initiative, with this aim in mind, Garrigues has created an Innovation Department. Its mission is to anticipate the market's future needs and identify trends both in internal and external management and provision of services and implement and develop the most effective solutions for our clients.

The following examples show how this mission helps create pioneering legal products that go beyond individual client satisfaction to create a precedent in the industry, in areas such as:

European law and arbitration

Garrigues has developed its own methodology to implement legally and manage, for the benefit of investment funds and other financial investors not resident in Spain (EU residents and even residents in other countries such as the US), numerous refunds of taxes contrary to EU law, both at an administrative and judicial level. In many cases (clients) handled by Garrigues, this strategy has been transferred, in coordination with the Taxand network, to other European countries, where these clients have the same problem.

Financial law

Garrigues has participated, with one of the largest Spanish financial institutions, in the first issue of cocos (Perpetual Preferred Tier 1 Securities), a unique product in the Spanish financial system, which complies with European Banking Authority rules and with the Basel III regulations.

Private equity funds

Garrigues provided advice on the first acquisition of a Spanish bank by an American investment fund.

Mergers and Acquisitions

Garrigues advised private equity funds, the main shareholders of a leading company in the telecommunications industry, on one of the ten most significant deals in terms of value in recent years by a Spanish company, ranking sixth in the top ten largest sales in Spain.

Social responsibility

Garrigues creates, together with Corporate Excellence, an original tool to identify and monitor cases and emerging problems that may prove to be a source of risks or opportunities for companies, in the short and long term.

By investing in innovation and development, Garrigues intends not only to offer its clients added value, but also to encourage the development of legal practice in Spain and abroad in an increasingly interconnected and global market.

This has been borne out by the Financial Times in its annual ranking of the most innovative law firms in Europe in the last four years, in which Garrigues has been in the top ten in legal innovation. Specifically, last year (October, 2014), Garrigues came sixth in this ranking and picked up the "Most Innovative Law Firm in continental Europe" award and was a finalist in the other four categories:

Most Innovative Law Firm in Europe

Most Innovative Law Firm in Arbitration and Litigation

Most Innovative Law Firm in Financial Law

Most Innovative Law Firm in Social Responsibility



Knowledge management

Knowledge Impact

The focal point of knowledge management at Garrigues hinges on lawyers, their needs and their professional practice.

The Knowledge Impact plan was launched in this context, and its main priority is to improve, and where necessary expand, the services provided to departments and offices, and to increase the use of the resources the firm places at their disposal.

In the first phase, interviews have been held with the range of professionals in the Tax Law, Employment and Labor Law and Corporate and Commercial Law categories. The other departments will follow in 2015. An analysis has been carried out of the use they make of the services and resources that the Documentation Department and Knowledge Management Department places at their disposal, in order to detect any needs or aspects that can be improved upon. A report providing conclusions and an action plan were prepared subsequently for each department in order to implement the appropriate measures.

The results have been very positive: 11 offices and 68 lawyers participated and over 150 steps have been identified, many of which have already been undertaken. In addition, the project is currently in an expansion phase at various offices.

Tools at the service of our professionals

Continuing with the trend to provide lawyers with management instruments that are easier to use, that are innovative and provide swifter access to relevant and useful information, a new area has been created on the intranet containing these instruments, called "Our products".

One of these tools is "Theme Dossiers". Through these dossiers, the firm's lawyers can consult a collection of links to academic articles, case law, legislation and bibliography that has come to light following particularly relevant searches for

information requested by lawyers from the different documentation centers. These dossiers enable lawyers to start out with solid, carefully selected documentation when they need to look back over previous matters, consequently saving them time and giving them the certainty that they will be able to consult the documentation on which a specific opinion or report has been based.

Another new product is "The law observatory", which seeks to provide specific, topical information on important legislative changes that are underway. Updated daily and easy to consult, the observatory provides lawyers with an orderly compendium of the milestones, publications and opinions, both in-house and external, of the legislative reform in question. This product is an example of the process of selecting information centered on the needs of our professionals that is performed by the documentation and knowledge management department.

In order to provide information on these and other tools, tailor-made videos have been prepared under the generic name En10Minutos (i.e. In 10 Minutes). En10Minutos also seeks to be a new communication channel between lawyers.

Another equally innovative initiative is the launch of the "Online Help" service, which enables users to resolve their doubts about the location of information on the intranet easily and immediately, in real time. It is based on an in-house instant messaging system, so it is fully integrated with the firm's systems and is accessible from corporate mobile devices.

Information Technology

As every year, in our effort to maintain the highest technological standards that enable us to provide the best technological service to our clients, we have set up different projects of which we highlight the following:

- We have installed a communications accelerator in our Latin American offices, which we also intend to install in all our offices outside Spain and Portugal. It makes available to users at these offices, the same technological resources that are enjoyed by the other employees and partners at Garrigues.



- We have renewed our mobile devices adopting new technologies, iOS and Black-Berry 10, which has also enabled us to develop and expand the tools to access

our systems, improving some of the key processes of our business, such as conflict of interest checks in the acceptance of new engagements.

Future goals

To develop the structure and content of the Innovation Department

To continue to implement the Knowledge Impact plan in the rest of the firm's departments and groups

To improve the functionality of the daily alerts system for lawyers, for an optimum individual filtering of the information received by our lawyers

To implement effectively the data-room and client collaboration tool and train the professionals involved

To include more content in the corporate search engine to achieve more effective searches

To launch a new credentials archive, based on the best cases and the documents selected by the lawyers themselves

To establish a more exacting technical and legal validation of documentation services

To digitalize and upload in-house courses to the intranet, in lieu of recording on-loan CD-Roms

To enrich and extend the number of electronic resources of the Virtual Library through the implementation of an SFX system

To launch an electronic invoicing system that replaces the invoices on paper that are sent to clients

To launch IP telephony at our network of offices, starting with the Madrid office, the new international offices and the offices that might be changing their location

To continue to provide new App Garrigues Work functions for mobile devices in order to increase our lawyers productivity when they are outside our offices

To automate the management of the process of clearing out the physical archive of documentation

To renew the infrastructures that support the centralized storage of information and the virtualization platform



10. Social and relationship capital

Garrigues is committed to serving the general interests of society through applied legal research, internship programs and awards, community outreach initiatives, providing pro bono tax and legal advice to charitable, welfare, cultural and educational entities who do not have the resources to access high quality legal services, and the quality training programs offered by Centro de Estudios Garrigues in areas related to the firm's professional activity. Garrigues also puts stock in its relationships with stakeholders.

Pro bono program

Garrigues has always demonstrated a firm commitment to social responsibility and, in this area, the provision of pro bono services takes on a particular importance. In this context, the firm has a pro bono program in place which covers the main characteristics of the pro bono legal and tax advisory services provided by the firm free of charge to not-for-profit entities for charitable, welfare, cultural and educational purposes and activities.

The pro bono program was set up in 2012 in order to formalize the pro bono activity that the firm had been performing for years and to provide all professionals who wish to participate with the tools to carry out this initiative. According to the results of the

2014 achievements

Provision of pro bono tax and legal services to 26 institutions

Preparation of an internal CSR survey

Holding of the Rock in Law charity concert in Lisbon

Publication of the Garrigues Pro Bono Manual

Publication of the INTERnos international newsletter in English

Dissemination of corporate outreach projects and initiatives by Garrigues personnel in the "Social Corner/Rincón Social" section of the in-house newsletter InterNos. Increased participation by firm personnel

Consolidation of the Master's Degree for Access to the Legal Profession, with the intake rising from 40 students (2013/2014 academic year) to 80 students (2014/2015 academic year)

Teaching of new editions of existing international programs (International Business Law with Harvard Law School, the "Training the Global Lawyer" program with Instituto Tecnológico de Monterrey and the Anglo-American Law and International Legal English and Business English Certificate courses), and teaching of a new international program (International Business Law, with Universidad San Ignacio de Loyola in Peru)

Launch of new tax workshops (4 programs taught), in addition to the existing HR workshops



in-house CSR survey performed in 2014, almost all firm personnel consider it appropriate to offer pro bono services.

General coordination of the pro bono program lies with the Pro Bono Committee, made up of professionals from various offices and departments. The committee's duties include approving new projects and seeking to ensure compliance with the mechanisms in place to guarantee the quality of the services provided.

Over the year, we have provided pro bono legal advice to 26 not-for-profit entities on subjects as diverse as: the formation of companies, bylaw amendments, contracts, recurring advice on commercial, tax and labor matters, advice on subsidies from public entities, advice on real estate matters, and integral advice to companies supporting enterprise.

A recent addition to the pro bono area is our collaboration with Clínicas Jurídicas (Legal Clinics). This year we have assisted Universidad Pontificia Comillas by supervising and mentoring students who combine their specific training with social commitment and provide legal assistance to not-for-profit entities that request their help. We have signed a new collaboration agreement with Instituto de Empresa with the same objective.

Fundación Garrigues: Corporate outreach

Our corporate outreach initiatives are carried out through Fundación Garrigues, whose core premise is to align the firm's social commitments closely with its strategic goals.

At the firm, corporate outreach takes shape through the following initiatives:

- Scholarships and awards
- Voluntary work initiatives
- Donation of assets
- Socially responsible procurement
- Charitable campaigns and initiatives

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) Educational and cultural activities

(a) Legal research

- Garrigues Chair in Law and Business Studies, Universidad de Zaragoza.
- Garrigues Chair in the Modernization of Business Law, Universidad Pontificia Comillas, ICADE.

(b) The Young Lawyers Awards

In order to foster excellence in knowledge and the practice of business law, Fundación Garrigues, together with publishing house Thomson Reuters Aranzadi and Centro de Estudios Garrigues, held the 14th edition of the awards, which was presided over by the Minister of Justice.

(c) Scholarships program

As in previous years, scholarships were awarded, targeted at higher education and, specifically, the field of law, for young students approaching the end of their studies at various universities in the different Spanish cities where Garrigues has an office.

2) Corporate outreach

Our corporate outreach initiatives are organized by Fundación Garrigues and the Human Resources Department and take the form of corporate voluntary work, charitable campaigns, events and programs, and the donation of second-hand items.



Some of our most notable initiatives include:

Rock in Law Lisbon. A concert was held for charity in which bands made up of professionals from several law firms participated. "The Walkers", a group from the Lisbon office, participated in this 6th edition to raise funds for the institution Re-Food which seeks to transform food surpluses from hotels, restaurants and supermarkets and give it to the groups that most need it.

"Operation Kilo". To collect food for ACCEM, which assists and offers shelter to socially excluded persons. Over 3,000 kilos of food were collected and the firm contributed the same amount, achieving a Double Operation Kilo.

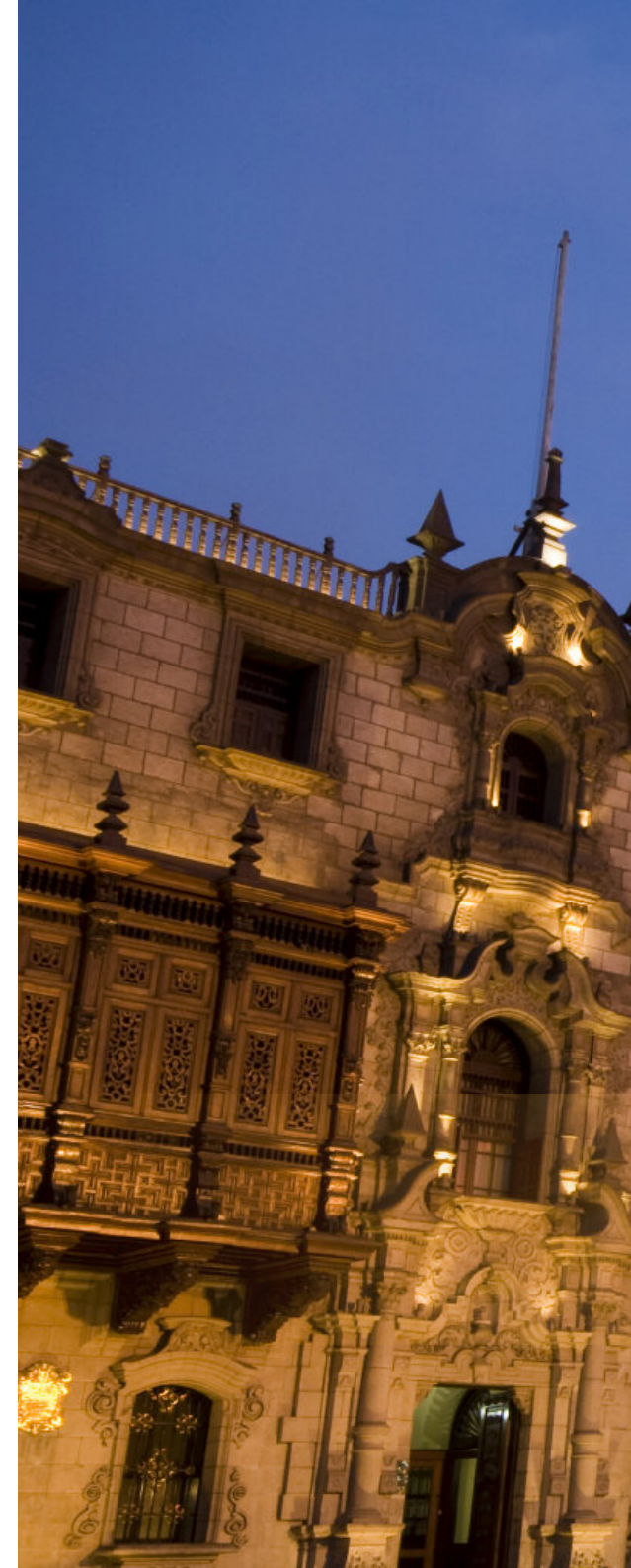
Participation in the program "Know your laws" at the Centro de Integración y Participación Hispano Colombiano, in coordination with the Madrid Autonomous Community Government, which seeks to disseminate knowledge of the values and principles of our legal system among the immigrant population that lives in Madrid, in order to improve their integration. Volunteers from the Madrid office participated in giving training sessions.

Participation in the educational program "LanAndi, Lanetan Blai" with Fundación Novia Salcedo; high school pupils share a working day with our professionals.

Book donation campaign for the NGO AIDA (Ayuda, Intercambio y Desarrollo); over 300 books were donated for their online charity library; the amounts collected will be used for charity projects.

Blood donation campaigns in collaboration with the Madrid Autonomous Community Transfusion Center.

Collaboration with Fundación ONCE using a digital corporate Christmas card to celebrate Christmas 2013.





Peru: Lima office

Latin America:
offices in Brazil, Colombia, Mexico and Peru



We also continued with our Rincón Social (Social Corner), a communication channel featuring social outreach initiatives, contained in our in-house weekly digital newsletter. This altruistic, now firmly established space, which is published weekly, recounts the personal experiences of colleagues committed to organizations, activities and charitable campaigns, proposes initiatives in which to participate and explains the projects with which the firm is collaborating.

94% of the people who completed the CSR survey this year were interested in the community outreach initiatives coordinated by the firm and 65% were interested in participating in them.

Garrigues and education: Centro de Estudios Garrigues

2014 was an important year for Centro de Estudios Garrigues (CEG), as we celebrated the 20th anniversary of its creation.

Centro de Estudios Garrigues (CEG), a subsidiary of Garrigues, was set up in 1994 in order 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 enterprise, 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 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.
- Ad hoc programs for foreign university students, particularly from Latin America.
- Other open-access courses and seminars: looking at the latest issues and matters of particular law and business-related interest.

The following long-term programs were taught in the 2013/2014 academic year (which began in October 2013):

Centro de Estudios Garrigues students on long-term programs, 2013/2014

Program	First intake	Total students
MASTER'S DEGREE PROGRAMS		
Master's Degree in Taxation	1994/1995	173
Master's Degree in Business Law	1996/1997	
Master's Degree in Human Resources	1997/1998	
Master's Degree in Labor Law Counseling	1999/2000	
Master's Degree in Banking and Finance	2000/2001	
Master's Degree in Legal Practice (Entry to the Legal Profession)	2013/2014	
EXECUTIVE PROGRAMS		
Executive Master's Degree in Human Resources (and specialization modules)	2004/2005	238
Executive Program in Employment Relations	2004/2005	
Executive Master's Degree in Tax Advice	2007/2008	
Executive Master's Degree in Corporate Finance	2008/2009	
Executive Master's Degree in International Taxation	2009/2010	
Executive Master's Degree in Business Law	2013/2014	
Master's Degree in Business Law (for Garrigues professionals)	2007/2009	411
TOTAL STUDENTS 2013/2014		



Variations in total student numbers over the last three academic years were as follows:

Variations in total student numbers

	2011/2012	2012/2013	2013/2014
Total students	647	522	411

The reduction in student numbers in the 2013/2014 academic year was solely with respect to the Executive programs (aimed at practicing professionals) and is explained by the reduction in the length of the Executive Master's Degree in Business Law, aimed at Garrigues professionals, from two years to one, meaning that student numbers for the year dropped from 255 to 116.

At October 2014, a total number of 203 students were enrolled in the 2014/2015 Master's Degree programs, an increase of 17.3% on last year (173 students). The definitive data for the Executive programs is not yet available, as the registration period runs until February 2015.

All of the programs referred to above are open to the public at large, except the Executive Master's Degree in Business Law, which is aimed exclusively at 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 success of our Master's programs is borne out by various facts and figures, such as the following:

Percentage of students employed on completion of the Master's Degree program

Program	Placement		
	2011/2012 academic year (in October 2012)	2012/2013 academic year (in October 2013)	2013/2014 academic year (in October 2014)
Master's Degree in Taxation	94.4 %	81.0 %	88.9 %
Master's Degree in Business Law	89.7 %	89.5 %	82.5 %
Master's Degree in Human Resources	100 %	94.1 %	85.3 %
Master's Degree in Labor Law Counseling	96.3 %	95.8 %	95.7 %
Master's Degree in Banking and Finance	88.9 %	90.0 %	90.9 %
Master's Degree in International Law	N/A	N/A	90.9 %
Average placement percentage	93.7 %	89.2 %	89.0 %

Placement of our programs in the ranking of Master's Degree programs drawn up by El Mundo, June 2014

2013/2014 Programs

Place in ranking *El Mundo* (by specialty)

Master's Degree in Taxation	1st
Master's Degree in Business Law	1st
Master's Degree in Labor Law Counseling	1st
Master's Degree in Banking and Finance	1st
Master's Degree in Human Resources	1st



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 tax and law.

In this regard, it is worth noting the agreements the Center has executed with ONCE and Fundación Universia to secure grants for disabled students, whereby a total of 6 students received a grant in the 2013/2014 academic year. These students had their fees reduced for the relevant programs by 25% in relation to the usual fees.

With respect to Latin America, the Center has signed collaboration agreements with Instituto Tecnológico de Monterrey (Mexico), Universidad Austral (Argentina), Universidad de los Andes (Chile), Universidad Javeriana de Cali (Colombia) and Universidad San Ignacio de Loyola (Peru), and with Fundación Euroamérica, Fundación Carolina and Funglode (Dominican Republic).

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.

In addition, since 2012 CEG has had the necessary administrative clearance to be able to deliver the Master's Degree in Legal Practice for entry to the legal profession which was taught for the first time in the 2013/2014 academic year, with the following four specialties: tax law, corporate/commercial law, labor and employment law and international business law.

With this new master's program, CEG's goal is to set itself up as a center of choice for quality legal training.

In the 2013/2014 academic year, CEG set up a new volunteer program to offer students the possibility of participating in several activities that will take place on Saturdays. Four NGOs collaborated with this program (Banco de Alimentos, Desarrollo y Asistencia, Pueblos Unidos and Accem Madrid).

Moreover, in conjunction with Fundación Garrigues and the publishing house Thompson Reuters Aranzadi, CEG once again organized and publicized the annual Young Lawyers Awards, which were handed out in 2014 at CEG's headquarters at an event attended by the Spanish Justice Minister.

Publications

Our commitment to impeccable legal practice and the firm's deep-seated interest in training and research in the field of law gave rise to the "Garrigues Collection", which saw the light of day in 1999 with the publication *El gobierno de las sociedades cotizadas* (Governance of Listed Companies). It contains works of considerable legal interest such as *La sociedad cotizada* (Listed companies), *El derecho español en el siglo XX* (Spanish law in the 20th Century), *La licencia de marca* (Trademark Licenses) or *Comentarios a la Ley Concursal* (Commentary on the Insolvency Law), among others. That "Garrigues spirit", halfway between tradition and reform, remains intact and is faithfully reflected in the Collection. With the Collection we seek to actively participate in the legal debate, to help to rethink the institutions and concepts of traditional law and to contribute to the definition of new legal ideas.

Garrigues also collaborates with the Official State Gazette State Agency in selecting, ordering and reviewing the provisions of electronic codes. These codes, a compilation of the main provisions in force in the Spanish legal system, are constantly updated and are offered for free download in electronic pdf formats and ePub to facilitate their storage and reading on various electronic devices. The Electronic Pharmaceutical Code was published in this fiscal year.

Dialog with stakeholders

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

The stakeholders identified by Garrigues are indicated in its Code of Ethics and are its clients, personnel, partners, alliances, entities (other firms, suppliers, the media and other organizations), authorities, regulatory bodies and public authorities, and society. (Detailed information on our "client" stakeholders is available in section 4 of this Report).



Garrigues 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.

To this end Garrigues periodically reviews the identification of its stakeholders and completes this review with an analysis of relevance and materiality in order to identify key aspects. The pertinent information associated with material aspects is notified to the relevant stakeholders in different ways, usually through the Integrated Report.

The following table contains Garrigues stakeholders and the main channels of communication in place:

	Clients	Partners	Human Resources	Regulatory Bodies and Public Authorities	Alliances	Entities	Firm
Integrated Report	•	•	•	•	•	•	•
Client satisfaction and other surveys	•	•	•				
Direct comments / informal meetings	•	•	•		•	•	
Reports by specifiers and specialized media	•			•		•	•
Client and ethical requirements	•			•			
Press and media (including social networks)				•			•
Meetings, committees and external working groups	•			•	•	•	•
Legislation				•			•
Formal meetings and internal committees		•				•	•

The firm's most important stakeholders are addressed through the most direct channels of communication (surveys, meetings, face-to-face conversations), in addition to the indirect channels used for the majority of stakeholders (stakeholders' Integrated Report or CSR Reports, reports by specifiers and media – specialized or general – requirements, external working groups, regulations, etc.). One of the firm's principle stakeholder groups are its employees and Garrigues prepares an internal CSR survey in order to identify employee expectations.

In addition to the channels set out in the above table, other means of communication are used with stakeholders, such as training and information sessions, the website and blogs, and corporate social networks. The latter have been used as an institutional communication channel to help promote Garrigues' identity and corporate culture.

The firm also actively disseminates information to clients, contacts and its target public through the publication of bulletins, commentaries and digital alerts on legal and legislative matters. Other communication channels include the Garrigues Law Collection, personnel evaluations, the in-house newsletter InterNos and the Integrated Report.



Future goals

To increase the number of entities benefitting from free legal advice (pro bono)

To strength our collaboration with the legal clinics

To hold the Rock in Law charity concert in Madrid

To increase the number of charity campaigns in collaboration with Garrigues personnel

To provide information on new corporate outreach projects and initiatives in the “Social Corner” section of the InterNos newsletter

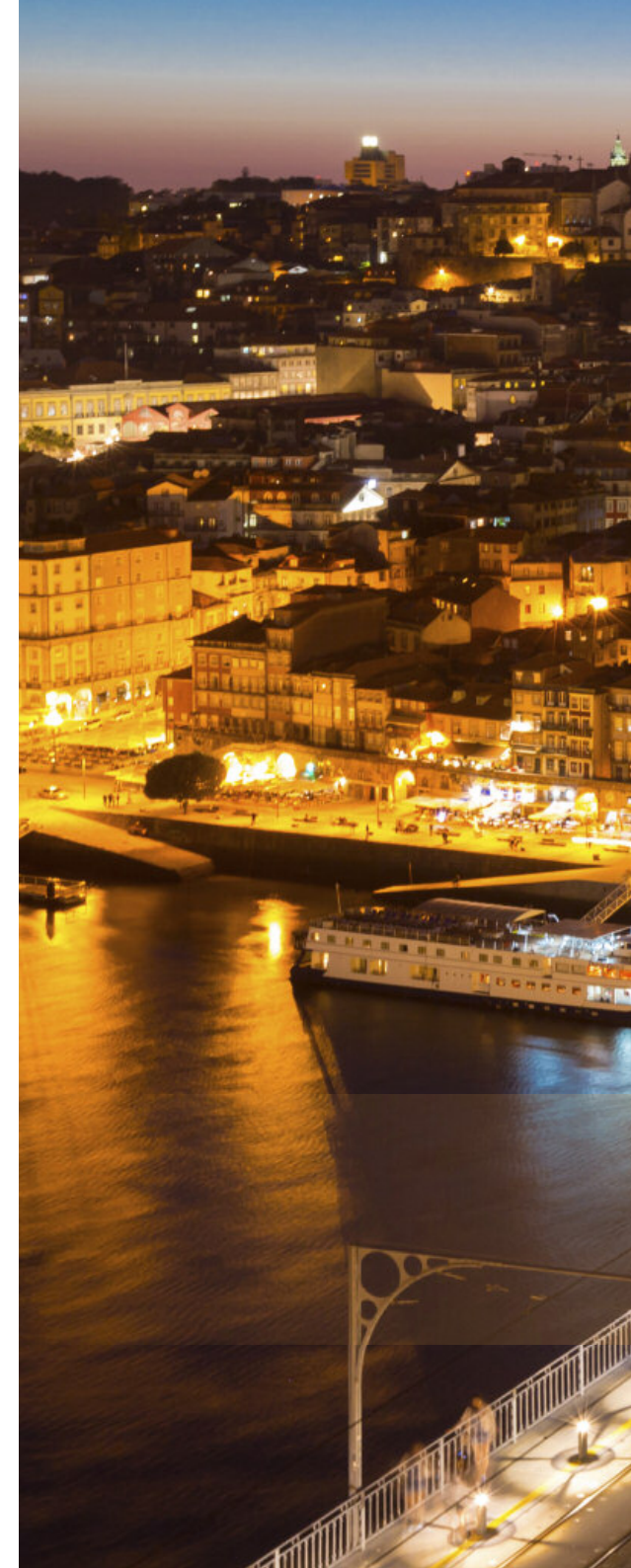
To draw up the Garrigues Volunteer Program


To continue the internationalization of Centro de Estudios Garrigues, with a particular focus on courses taught for Latin American and Asian universities and other entities

To consolidate the master’s program for entry to the legal profession as a benchmark master’s program in the market

To run a pilot scheme to phase out delivery of documents on paper in favor of documents in digital format on the Executive Master’s Degree in Human Resources

To collaborate with the Official State Gazette (BOE) on the issue of the new electronic codes





Portugal: offices in Lisbon and Oporto

Among the top 100 law firms worldwide

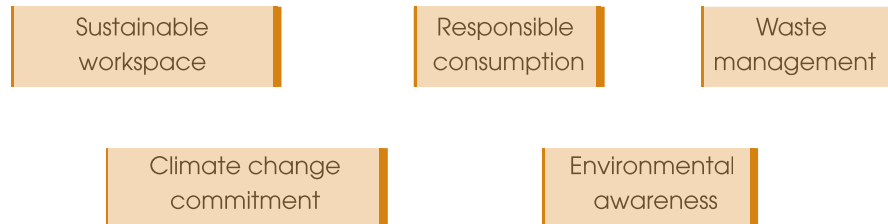


11. Environmental capital

Our strategy of ongoing improvement in all aspects of Garrigues' business naturally also applies to environmental sustainability.

At Garrigues, we pursue an environmentally responsible business model, which enables us not only to ensure compliance with applicable environmental legislation, but also to eliminate and mitigate all of the impacts of our business.

The main environmental initiatives on which the company works form part of Garrigues' Eco-efficiency Program (as part of the commitments acquired under the United Nations Global Compact):



Sustainable workspaces

In 2006, the date on which the firm changed its registered office, the decision was reached to standardize its infrastructures, both at a national and international level, giving precedence to environmental aspects that make our personnel more comfortable.

At our new offices, and in the refurbishment of the old offices, we try to separate areas using as much glass as possible in order to make the most of natural light. A large part of the front of our offices and partitions are made entirely of glass, which greatly improves luminosity in the interior areas.

The materials used indoors are as ecological as possible. This is the case of our furniture, where we favor wood from sustainably-managed forests (FSC). A very large percentage of metals, both from furniture and chairs are recycled. The vinyl siding we use on our walls is made of a raw material that also comes from forestry and which can also be recycled.

Almost 50% of our carpets' components are made from recycled materials.

The vast majority of our lighting complies with energy efficiency standards recommended by the EU Greenlight Program and the new infrastructures and refurbishments use LED or low-energy lighting as far as possible.

2014 achievements

Regularization of agreements/addenda held steady

Partial inclusion of LED or energy-saving technology at the Malaga, Mexico and Bogota offices, and in the Las Palmas and Alicante areas

Installation of timed taps in the bathroom areas of the Barcelona office and dual flush mechanisms in the bathrooms of the Valencia office

21.65% reduction in battery consumption with respect to the previous year

Replacement of 38 multifunctional devices with other more efficient devices

Launch of the collection of lighting consumables at Centro de Estudios Garrigues and at the Madrid, Bilbao and Seville offices

Implementation of 2,483.28 m² of new "sustainable offices" (making the most of natural light, recycled materials and recyclables, FSC, LED or energy-saving systems and systems to reduce water consumption)



Both in new works as well as with refurbishments, we try to use intelligent taps and dual flush toilets (irrespective of whether they are at our own facilities), helping to save natural resources as far as possible.

We have currently implemented this philosophy of a sustainable, efficient office that respects the environment in 65.06% of the total surface area occupied by our facilities worldwide.

Responsible consumption

Initiatives were launched during the year aimed at managing the supply chain in a sustainable manner and at minimizing both the consumption of natural resources and the generation of waste.

Sustainable procurement

Garrigues' supply chain is standard in the legal advisory services industry, mainly made up of suppliers of office materials, IT and communications products and services, office rental, building upkeep and travel agency services. Garrigues' suppliers include both the leading companies in its industry that advocate for sustainable development publicly, as well as smaller enterprises.

In any event, Garrigues is firmly committed to working with suppliers who meet, or are willing to take on board, the social responsibility and environmental commitments assumed by the firm²:

- Acceptance of the undertaking not to contravene any of the principles established in the United Nations Global Compact, to which Garrigues signed up in 2002.
- The obligation and undertaking to observe all ethical, environmental and conduct rules generally accepted in their business.

2.- Garrigues' policy does not contain specific requirements in relation to procurement from local suppliers.

3.- We 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.

- Submission by bidders of quality and environmental certifications, which are valued in the selection process.

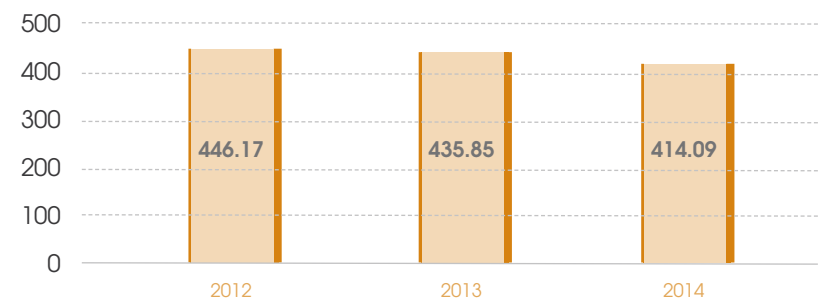
Consumption of resources

Energy

The energy we consume above all is electricity³ 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.

Thanks to the combination of awareness-raising initiatives and the installation of efficient lighting systems and energy-saving computers and printers, the consumption of electricity at our offices has been significantly reduced in recent years. In 2014 it stood at 414.09 GJ/m².

Electricity consumption (GJ/m²)

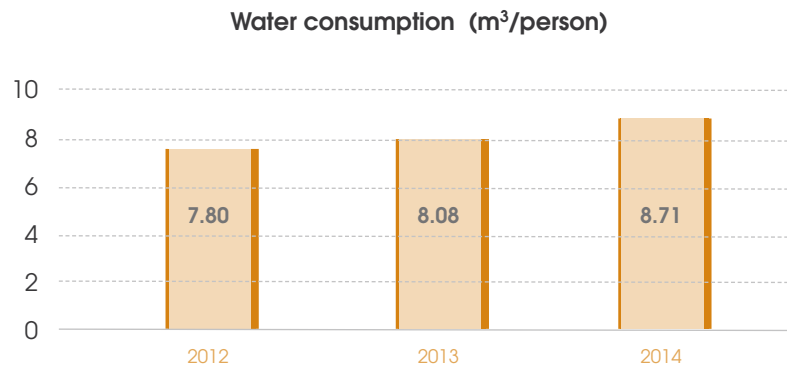




Water

At Garrigues we pursue initiatives aimed at raising awareness among our people of the importance of the saving and efficient use of water and we believe in the importance of installing (or having the owners of our buildings install) mechanisms which, together with the use of new technologies, help to reduce consumption.

2014 saw a slight increase in annual average water consumption per person with respect to the preceding year.



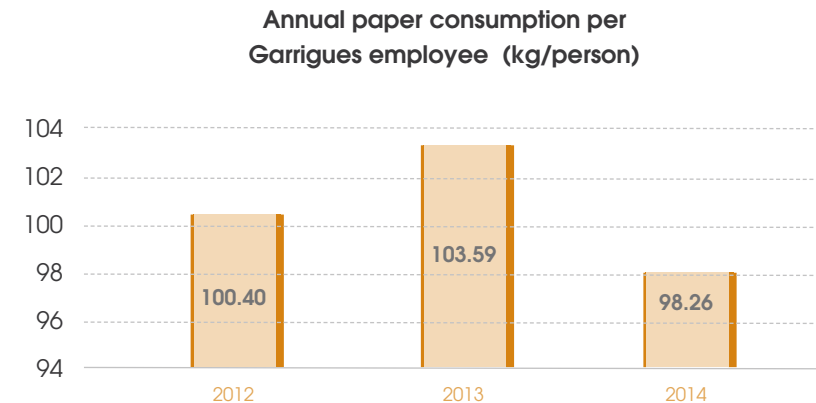
The General Services, Logistics and Infrastructure Department (SGLEI) continually monitors electricity and water consumption via a platform where each offices inputs, on a monthly basis, the figures contained in its invoices. This system enables us not only to obtain consumption figures on a global and itemized basis, but also to make comparisons among the various offices, observe progress or setbacks, detect anomalies, and establish corrective measures.

Paper

We use multifunctional printers with state of the art technology that helps reduce paper consumption (default double-sided, locked printing, using equipment with energy saving systems that can also send and receive faxes) and this equipment is also constantly being upgraded.

In addition, practically 100% of the paper consumed at our offices comes from sustainably managed forests, and any used paper is destroyed and recycled by authorized managers.

Thanks to these measures, total paper consumption at Garrigues offices in 2014 was 98.26 kg/person, down 5% on 2013.



Waste management

The waste generated at Garrigues is mostly domestic and non-hazardous in nature (233 tons). All Garrigues' offices have specific containers for the selective collection of light packaging, paper and organic material.

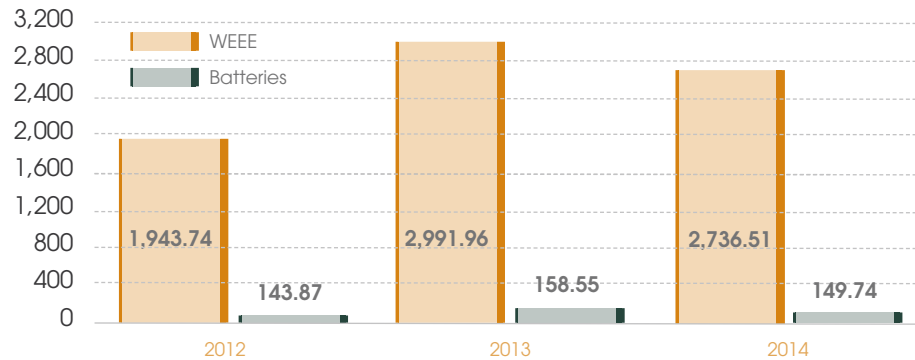
In addition, some hazardous waste is generated, such as fluorescent light bulbs, toner cartridges, batteries and end-of-life IT equipment that cannot be donated to NGOs. This waste is stored and delivered to authorized waste managers to be transported and treated as required.

The hazardous waste generated at Garrigues⁴ offices in the last three years is summarized below:

4.- Estimated data. The only available data is for the Madrid office since hazardous waste generated at the other offices is not managed directly by Garrigues, except in the case of WEEE. We estimate that the Madrid office figures account for 90% of the hazardous waste generated at Garrigues.



Hazardous waste generated by Garrigues offices (kg)



Climate change commitment

Garrigues wants to keep moving forward to a more sustainable world, developing initiatives aimed at reducing CO₂ emissions. The firm actively participates in initiatives to control climate change and raise awareness of the issue, and prepares an annual inventory of the GHG emissions produced directly or indirectly 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, both direct and indirect, are quantified according to the Greenhouse Gas Protocol (www.ghgprotocol.org).

Set forth below is the Garrigues GHG Inventory for the last three years:

Greenhouse gas emissions inventory (CO₂e t)

	2012	2013	2014
Electricity	2,660.67	2,503.50	2,372.78
Daily commuting	1,725.22	1,589.47	1,561.19
Trips	1,368.50	1,662.91	2,040.79
Paper consumption	553.97	526.59	493.21
Total CO ₂ e emissions (tons)	6,308.37	6,282.46	6,467.96
CO ₂ e emissions per person (ton/person)	2.95	3.19	3.34

Environmental awareness

We continually develop initiatives aimed at environmental training and awareness-raising, both internally, by informing on procedures at our offices (posters detailing good practices in specific areas and sending the informative quarterly newsletter Garrigues Sostenible, in English and Spanish, to all members of the firm), and externally, by preparing the Environment newsletter and free-of-charge informative sessions on the latest developments in this area, aimed at clients and firm collaborators.

Future goals

To maintain the inclusion of environmental clauses in new contracts/addenda and regularize existing contracts

To promote the introduction of advanced technologies in order to reduce consumption and emissions

To continue cutting down on battery consumption

To continue replacing multifunctional equipment with other more efficient equipment when they come up for renewal

To continue collecting and transporting lighting consumables from our offices for recycling at the end of their useful life

To continue to raise awareness in order to reduce electricity and water consumption and ensure appropriate waste management, etc.



12. Financial capital

2014 achievements

Revenues held steady with respect to previous year

The firm delivered a solid performance in 2014, with a slight increase in revenues (0.16%), which enabled us to retain our leading position among tax and legal firms in the main markets in which we operate.

In 2014, revenues from client engagements amounted to 332.4 million euros, up from 331.9 million euros in 2013.

Revenues for the last two years, plus the key financial aggregates relating to the group of companies that form part of Garrigues' consolidated tax group were as follows:

KEY FINANCIAL AGGREGATES Garrigues group aggregates (thousands of euros)

	2013	2014
Direct economic value generated	342,978	329,650
<i>a) Income</i>	<i>342,978</i>	<i>329,650</i>
Revenues	324,719	325,890
Inventory variation	17,251	2,621
Other operating revenues	446	542
Financial revenues	562	597
Economic value distributed	339,932	326,545
<i>b) Operating costs</i>	<i>95,899</i>	<i>87,764</i>
Depreciation and amortization expense	6,860	6,644
Variation in working capital provisions	16,244	9,013
Outside services	72,449	71,480
Extraordinary expenses	346	627
<i>c) Personnel and professional expenses</i>	<i>219,635</i>	<i>213,957</i>
<i>d) Payments to capital providers</i>	<i>6,440</i>	<i>5,053</i>
<i>e) Payments to public authorities</i>	<i>17,589</i>	<i>19,316</i>
Tax on economic activities and other non-income taxes	552	636
Corporate income tax	-189	869
Social security	17,226	17,811
<i>f) Donations and other community investments</i>	<i>369</i>	<i>455</i>
INCOME FOR THE YEAR	3,046	3,105



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 in respect of employees' and partners' social security contributions, personal income tax withholdings, and the corporate income tax and VAT on the activities of the firms and their partners. The following table shows the figures for the above-mentioned items in Spain and Portugal, as these are the most significant.

Variations in personal income tax, VAT and partner and company social security contributions, and corporate income tax for Spain and Portugal

Spain (thousands of euros)	2013	2014
Personal income tax of partners, professionals and employees	72,386	79,915
VAT for the firm and the partners	44,007	44,679
Social security contributions of the firm, employees and professionals	22,226	23,531
Corporate income tax	4,029	2,791
TOTAL	142,648	150,916
Portugal (thousands of euros)	2013	2014
Personal income tax of partners, professionals and employees	2,063	2,189
VAT for the firm and the partners	1,228	1,296
Social security contributions of the firm, employees and professionals	1,070	1,044
Corporate income tax	2	16
TOTAL	4,363	4,545

Future goals

To ensure that revenues from operations and productivity perform consistently with market and economic conditions and with the firm's past record.

Mexico: Mexico city office





About this
Report

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13. Guiding principles

Analysis of materiality

In the context of this Integrated Report, “material aspect” means an aspect that may substantively influence a stakeholder’s opinion in relation to Garrigues and that may also result in a decision that could significantly affect Garrigues’ results and objectives as a business group.

We have identified—through the information sources relating to each stakeholder (see “Social and relationship capital” section)—the following factors for each aspect of the list contained in the Standard Disclosures of the Global Reporting Initiative:

The stakeholder’s expectation of Garrigues regarding the aspect in question, which reflects a combination of (i) the importance that the stakeholder attaches to the aspect; (ii) Garrigues’ actual ability to control this aspect; and (iii) the actual impact of the aspect caused by Garrigues.

The stakeholder’s ability to influence Garrigues’ results and objectives.

Garrigues considers both these factors to ascertain the aspects that will be considered material in preparing the Integrated Report. The material aspects identified for this Report were as follows:

GRI economic aspects

- Economic performance
- Market presence
- Indirect impacts (pro bono)

GRI environmental aspects

- Materials
- Energy
- Water
- Emissions (CO₂)
- Effluents and waste
- Compliance
- Environmental expenditure and investment

GRI social aspects

- *Labor sub-category:*
 - Employment
 - Labor/Management relations
 - Occupational health and safety
 - Training and education
 - Diversity and equal opportunity
 - Equal remuneration for men and women
 - Labor practices grievance mechanisms
- *Human rights sub-category:*
 - Non-discrimination
- *Society sub-category:*
 - Anti-corruption
 - Public policy
 - Anti-competitive behavior
 - Compliance
- *Product responsibility sub-category:*
 - Product/service labeling (client satisfaction surveys)
 - Marketing communications
 - Privacy
 - Compliance



Management approach

With respect to the set of labor practice aspects indicated above, which we wish to highlight first, their materiality mainly stems from the importance of human capital at professional services firms, especially in the legal field. Accordingly, all the GRI aspects that result in an improvement for personnel have been material. At Garrigues we have a specific department and committee to manage these aspects. The information relating to these aspects is set out in detail throughout this Report.

The economic aspects noted have been material in preparing this Report mainly due to the expectation that the personnel and the partners of the firm have in relation to certain issues addressed by GRI (value generated and distributed, entry-level wages and pro bono work). This information is reflected by GRI in the aspects included in the above table and is described in the sections of the Report dedicated to pro bono, personnel and economic aspects.

With respect to the aspects included under “human rights,” “society” and “product responsibility,” their inclusion stems from the relevance that ethical and compliance issues have for Garrigues, and for practically all of its stakeholders. The indicators chosen for these aspects are the ones where the GRI describe these kinds of concerns. The chapter on compliance and integrity at Garrigues provides detailed information on the organization and the steps taken by the firm in this respect, with the exception of the “product/service labeling” aspect the inclusion of which is solely due to the importance that the client survey has for the firm, its personnel and its clients, a matter addressed by GRI under this aspect. It is a key aspect for the firm, and its operating and organizational structure seeks to ensure the highest levels of client satisfaction.

Lastly, the environmental aspects identified as material reflect the expectations that exist for the firm in this respect, although in a manner that is not as intense as in the case of the previous aspects. The impetus behind these expectations varies depending on the stakeholder, spanning from legal compliance and cost cutting as a part of adequate environmental management to the sensitivity of partners, clients, society and personnel toward certain issues (e.g., CO₂ emissions, water consumption, recycling, etc.).

Accordingly, at Garrigues we expressly recognize environmental management as an activity under everyone’s responsibility, with the coordination of a specific department that carries out periodic reviews and proposes environment-related goals depending on the results achieved.

Scope, period and limits

The information supplied in the Integrated Report in relation to the material aspects includes the Garrigues companies and excludes the impact on the upstream and downstream value chain, unless expressly indicated otherwise in each aspect. The impacts on the value chain are described (where appropriate as a result of the materiality analysis) in the relevant section on each aspect. Likewise, the information supplied relates to Garrigues’ fiscal year (September 1, 2013 through August 31, 2014), unless indicated otherwise. The report also includes data and quantitative indicators from the two immediately preceding years. Regarding economic performance, aggregated information from the immediately preceding year is included⁵.

The entities referred to in this Report are:

J & A Garrigues, S. L. P.
 Garrigues Portugal, S. L. P.
 Garrigues, LLP (USA) (*)
 Garrigues UK, LLP.
 Garrigues Human Capital Services, S. L. P. (*)
 Garrigues Maroc SARL (Morocco) (*)
 Garrigues Polska I Pablo Olabarri Gortázar, Spółka Komandytowa
 Rino Asesores, S. L. P. (*)
 G-advisory Consultoría Técnica, Económica y Estratégica, S. L. P. (**)
 Centro Europeo de Estudios y Formación Empresarial Garrigues, S. L. P. (*)
 Garrigues I P, S. L. P.
 Garrigues I P, L. D. A. (*)
 Garrigues Sports & Entertainment, S. L. P. (*)
 Garrigues Consultoría de Empresa Familiar, S. L. P.
 J & A Garrigues Consultores em Direito Estrangeiro/Direito Espanhol

5.- Information available in Corporate Social Responsibility Reports from previous years (see www.garrigues.com > The Firm > CSR > Previous editions).



Garrigues Colombia SAS
J & A Garrigues Perú Sociedad Civil de Responsabilidad Limitada
Garrigues México, S. C.

(*) Sole-shareholder companies.

(**) Company formerly known as Garrigues Medio Ambiente, Consultoría Técnica y de Gestión Integrada del Medio Ambiente, S.L.P.

Frequency

The Integrated Report is published annually. This Report is the first report published by Garrigues on the basis of the integrated reporting framework developed by the International Integrated Reporting Council (IIRC), and is the ninth edition of our CSR Report. The first edition, in relation to fiscal year 2006, was released in 2007.

Garrigues has resolved to change its fiscal year so that it will coincide with the calendar year from January 1, 2015 onwards. Accordingly, the next Report will correspond to the 2015 calendar year and will include comparative information on prior years.

Accuracy

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

The Report was based on the G4 guidelines published in 2013 by the Global Reporting Initiative (GRI).

Furthermore, in keeping with its commitment to continuous improvement, Garrigues has taken into account the guidelines and recommendations of the new integrated reporting framework published by the International Integrated Reporting Council (IIRC) in December 2013, adapting them to the degree of advancement of the issue in question and to the activity and reality of Garrigues. In this first step towards the

roadmap set by the IIRC, in addition to reporting to the stakeholders on economic, social and environmental performance, this Report identifies and describes its main assets: human capital, intellectual capital, natural capital, social and relationship capital, and financial capital. We have also taken into account the principles of strategic focus and future orientation, connectivity of information, stakeholder relationships, materiality, conciseness, reliability and completeness, and consistency and comparability.

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 Company, which Garrigues signed 2002.

Garrigues also considers other international standards such as the Greenhouse Gas Protocol (GHG Protocol WRI/WBCSD), the UNE-ISO 26000 Standard (2012), the OECD Guidelines for Multinational Enterprises (revised in 2011), the UN Guiding Principles on Business and Human Rights (2011).

In addition, in drafting this Report, we took into account the guidelines set out in Garrigues' Style Manual (Centro de Estudios Garrigues; publisher Thomson Reuters Aranzadi), which tackles the most common linguistic and format-related doubts that arise when drafting legal documents. The *Llibre d'estil jurídic* was also published in Catalan in 2010, with its own, specific identity and contents.

Lastly, Garrigues has in place the means to ensure the quality and accuracy of the information included in this report. The areas that participate in its preparation have information systems in place that provide a solid source of content. All of the above is completed with the work performed by an external auditor.

This Report has been verified in accordance with the G4 guidelines of the Global Reporting Initiative (GRI) by the independent entity AENOR on October 22, 2014.



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 External agents (CSR experts)	Human Sources 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 G-advisory	G-advisory CSR	Centro de Estudios Garrigues Fundación Garrigues Professional Practice Human Sources G-advisory CSR	Managing partner Partners' Meeting	Communication, Marketing and Institutional Relations



14. Verification report

SUSTAINABLE VERIFICATION REPORT

VMS-N° 025/14

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

GARRIGUES

Entitled **INTEGRATED REPORT 2014**

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.

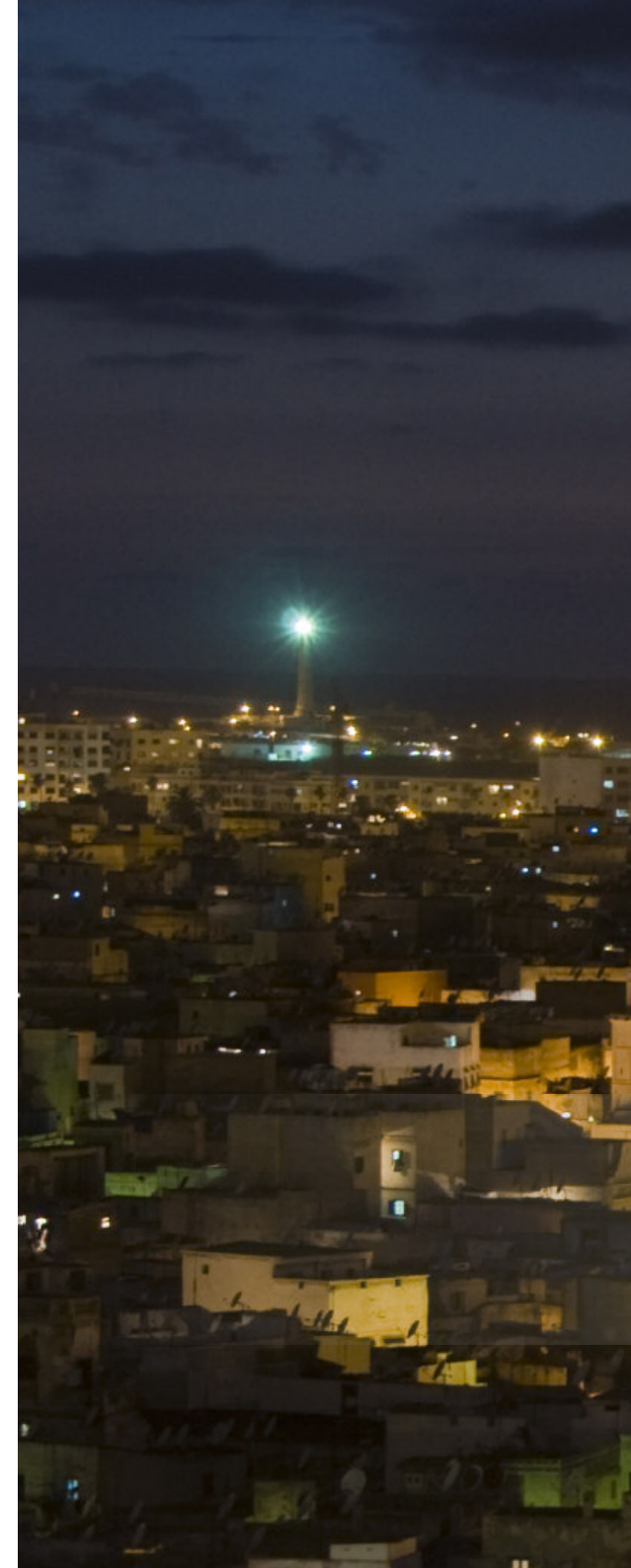
This external assurance is in accordance with the **Core Option** of the G4 Guide developed by the Global Reporting Initiative (GRI). The verification has been fulfilled on 21st October, 2014 and no subsequent performances can be considered.

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 n° 2014019955/GRI/01 dated 4th August, 2014 and to the General Regulation of January 2009, 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://databaseglobalreporting.org>.

Issued on: 22nd October 2014


Avelino BRITO
Chief Executive Officer





2,000 professionals,
20 nationalities



15. Table of GRI contents and performance indicators

CSR REPORT CONTENTS

GRI Section	Description	Section	Page	Notes
1. Strategy and analysis				
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	1	5	
2. Organizational profile				
G4-3	Name of the organization.	2	8	
G4-4	Primary brands, products and services.	2 and 9	8 and 30	
G4-5	Location of organization's headquarters.	c/ Hermosilla, 3 - 28001 Madrid (España).		
G4-6	Number of countries where the organization operates.	2 and 3	8 and 10	
G4-7	Nature of ownership and legal form.	2 and 13	8 and 52	
G4-8	Markets served.	2 and 4	8 and 11	
G4-9	Scale of the organization.	2, 8 and 12	8, 20 and 48	(1)
G4-10	Total workforce by employment type, employment contract, region and gender. Significant variations in employment numbers.	8	20	(3), (4), (5), (6), (7)
G4-11	Percentage of total employees covered by collective bargaining agreements.	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com > The firm > RSE > Previous editions		
G4-12	Describe the organization's supply chain.	11	44	(12)
G4-13	Significant changes regarding the organization's size, structure, ownership, or its supply chain.	1, 2, 3 and 13	5, 8, 10 and 52	
G4-14	Explanation of how the precautionary approach or principle is addressed by the organization.	13	52	



CSR REPORT CONTENTS

GRI Section	Description	Section	Page	Notes
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	10, 11 and 12	34, 44 and 48	
G4-16	Main national and international associations to which the organization belongs or which it supports.	Member of more than 90 associations, professional groups and similar entities, domestically and internationally, in the public and private arenas (bar and economists' associations in the jurisdictions in which we operate, business associations, universities, etc.).		
3. Identified material aspects and boundaries				
G4-17	Entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity is not covered by the report.	13	52	
G4-18	Explain process for defining the report content and the Aspect Boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	13	52	
G4-19	Identified material aspects	13	52	
G4-20	Aspect boundary within the organization for each material aspect	13	52	
G4-21	Aspect boundary outside the organization for each material aspect	13	52	
G4-22	Explanation of the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	13	52	
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries.	13	52	
4. Stakeholder engagement				
G4-24	List of stakeholder groups engaged by the organization.	10	34	
G4-25	Explain the basis for identification and selection of stakeholders.	10	34	
G4-26	Approaches to stakeholder engagement.	10	34	
G4-27	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	4 and 10	11 and 34	



CSR REPORT CONTENTS

GRI Section	Description	Section	Page	Notes
5. Report profile				
G4-28	Reporting period for information provided.	13	52	
G4-29	Date of most recent previous report.	13	52	
G4-30	Reporting cycle.	13	52	
G4-31	Contact point for questions regarding the report or its contents.	«Contact us» section at www.garrigues.com		
G4-32	Table indicating the “in accordance” option chosen (core or comprehensive). Reference to External Assurance Report.	14 and 15	56 and 58	
G4-33	Explain the organization’s policy and current practice with regard to seeking external assurance for the report. Explain the relationship between organization and the assurance providers. Explain whether the highest governance body or senior executives are involved in seeking assurance for the organization’s sustainability report.	13 and 14	52 and 56	The report has been verified by an independent third party
6. Governance				
G4-34	Governance structure of the organization. Identify any committees responsible for decision-making on economic, environmental and social impacts.	6	1915	
7. Ethics and integrity				
G4-56	Describe the organization’s values, principles, standards and norms of behavior.	2, 5 and 7	8, 13 and 15	

ECONOMIC (EC)

GRI Section	Description	Section	Page	Notes
Disclosures on management approach				
G4-DMA	Information on economic management approach related to material aspects.	12 and 13	48 and 52	



ECONOMIC (EC)

GRI Section	Description	Section	Page	Notes
Economic performance				
G4-EC1	Direct economic value generated and distributed.	12	48	
Market presence				
G4-EC5	Ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	8	20	
Indirect economic impacts				
G4-EC7	Development and impact of infrastructure investments and services supported.	10	34	

ENVIRONMENTAL (EN)

GRI Section	Description	Section	Page	Notes
Disclosures on management approach				
G4-DMA	Information on environmental management approach related to material aspects.	11 and 13	44 and 52	
Materials				
G4-EN1	Materials used by weight or volume.	11	44	
G4-EN2	Percentage of materials used that are recycled input materials.	11	44	
Energy				
G4-EN3	Energy consumption within the organization.	11	44	
G4-EN6	Reduction of energy consumption.	11	44	
Water				
G4-EN8	Total water withdrawal by source.	11	44	
Emissions				
G4-EN15	Direct CO ₂ emissions (Scope 1).	11	44	
G4-EN16	Energy indirect CO ₂ emissions (Scope 2).	11	44	(13)
G4-EN17	Other indirect CO ₂ emissions (Scope 3).	11	44	
G4-EN19	Reduction of CO ₂ emissions.	11	44	(13)



ENVIRONMENTAL (EN)

GRI Section	Description	Section	Page	Notes
Effluents and Waste				
G4-EN22	Total water discharge by quality and destination.	11	44	(2)
G4-EN23	Total weight of waste by type and disposal method.	11	44	
Compliance				
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	None		
Total				
G4-EN31	Total environmental protection expenditures and investments by type.	Environmental investment: € 310,175.33 Breakdown by type: • SC stationery: € 241,495.20 • Glass water bottles (Madrid): € 6,554.80 • Destruction / paper recycling: € 61,252.41 • Waste recycling: € 872.92		

SOCIAL

GRI Section	Description	Section	Page	Notes
Disclosures on management approach				
G4-DMA	Information on social management approach related to material aspects.	8, 10 and 13	20, 34 and 52	

SOCIAL: Labor practices and decent work (LA)

GRI Section	Description	Section	Page	Notes
Employment				
G4-LA1	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	15	58	(5), (6)
G4-LA2	Benefits provided to full-time employees that are not provide to temporary or part-time employees, by significant locations of operations.	8	20	
G4-LA3	Return to work and retention rates after parental leave, by gender.	15	58	(9)



SOCIAL: Labor practices and decent work (LA)

GRI Section	Description	Section	Page	Notes
Labor/Management relations				
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	See 2009 CSR Report, section 6, page 59 available at www.garrigues.com > The firm > RSE > Previous editions		
Occupational health and safety				
G4-LA6	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region and by gender.	8 and 15	20 and 58	(8)
Training and education				
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	8 and 15	20 and 58	(10)
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	8	20	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender.	8	20	
Diversity and equal opportunity				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	8 and 15	20 and 58	(3), (4)
Equal remuneration for women and men				
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	8	20	(11)
Labor practices grievance mechanisms				
G4-LA16	Number of grievances about labor practices filed, addressed and resolved through formal grievance mechanisms.		None	



SOCIAL: Human Rights (HR)

GRI Section	Description	Section	Page	Notes
Non-discrimination				
G4-HR3	Total number of incidents of discrimination and corrective actions taken.		None	

SOCIAL: Society (SO)

GRI Section	Description	Section	Page	Notes
Anti-corruption				
G4-SO3	Total number and percentage of operation assessed for risks related to corruption and the significant risks identified.		100 %	
G4-SO4	Communication and training on anti-corruption policies and procedures.	5	13	
G4-SO5	Confirmed incidents of corruption and actions taken.		None	
Public policy				
G4-SO6	Total value of political contributions by country and beneficiary.		0	
Anti-competitive behavior				
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		None	
Compliance				
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	0		

SOCIAL: Product responsibility (PR)

GRI Section	Description	Section	Page	Notes
Product and service labeling				
G4-PR5	Results of surveys measuring customer satisfaction.	4	11	
Marketing communications				
G4-PR7	Total number of incidents of non-compliance with regulations concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.		None	



SOCIAL: Product responsibility (PR)

GRI Section	Description	Section	Page	Notes
Customer privacy				
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		None	
Compliance				
G4-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.		0	

Notes:

- (1) By industry type and type of company ownership, the only indicators that accurately reflect the firm's size are: number of persons, number of partners and billings.
- (2) The water supply at all our offices comes from the municipal water supply network and is only used for office purposes. Thus, the only waste water we generate is sanitary water, which is channeled via the municipal treatment network. No accidental spillages have occurred.
- (3) Variation in personnel numbers by professional category and region (year-end figures):

Headcount by professional category

Category	2012	Category	2013	2014
Partner	284	Partner	287	287
Associate	504	Counsel	11	24
		Principal Associate	110	111
		Senior Associate	394	411
Senior Lawyer	376	Associate	421	385
Junior	417	Junior	218	191
OPS	0	OPS	0	64
Admin. and Support	554	Admin. and Support	526	462
Total	2,135	Total	1,967	1,935

Note: Changes to the nomenclature of the different professional categories were introduced in 2013. In 2013, the Associate category includes an extra year of experience (previously included under junior). A new professional category, Other Professional Services (OPS), was created in 2014 and includes individuals who provide other professional services that are ancillary or additional to tax and legal advisory services.



Headcount by region

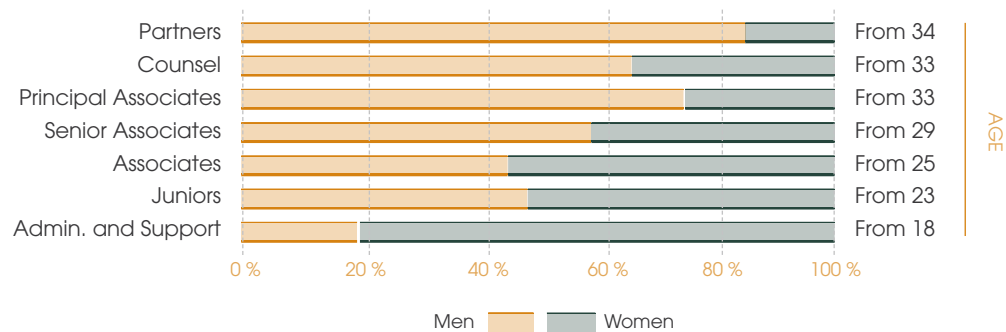
Region	2012	2013	2014
Spain	1,954	1,780	1,732
Portugal	115	109	105
Other offices	66	78	98
Total	2,135	1,967	1,935

(4) Data on headcount by professional category, gender and age at the 2014 year-end:

Headcount by professional category and gender

Category	Men	%	Women	%	Total
Partners	245	85	42	15	287
Counsel	17	71	7	29	24
Principal Associate	80	72	31	28	111
Senior Associate	217	53	194	47	411
Associate	180	47	205	53	385
Junior	93	49	98	51	191
OPS	17	27	47	73	64
Admin. and Support	72	16	390	84	462
Total	921	48	1,014	52	1,935

Personnel by category, gender and age



Brazil: São Paulo office



Internationally
acclaimed service quality



(5) New hires by gender, professional category and region at 2014 year-end:

New hires by professional category and gender			
Category	Men	Women	Total
Partners	0%	0%	0
Counsel	100%	0%	1
Principal Associate	100%	0%	2
Senior Associate	73%	27%	11
Associate	58%	42%	12
Junior	52%	48%	135
OPS	46%	54%	13
Admin. and Support	10%	90%	20
Total	49 %	51 %	194

Note: For information on internal promotions, see the "Career Development" section of this Report.

New hires by region

Region	Men	Women	Total
Spain	74	77	151
Portugal	6	3	9
International	16	18	34
Total	96	98	194

(6) Total employee turnover, by professional category, gender and region:

Variations in employee turnover

2012	464
2013	333
2014	226

Employee turnover by professional category and gender

Men (M) / Women (W)		2012		Men (M) / Women (W)		2013		2014	
		M	W			M	W	M	W
Partner		10	0	Partner		5	0	8	1
Associate		70	45	Counsel		0	0	0	0
				Principal Associate		7	0	3	1
				Senior Associate		37	24	34	20
Senior Lawyer		73	81	Associate		58	68	26	51
Junior		64	53	Junior		39	45	21	23
OPS		0	0	OPS		0	0	2	2
Admin. and Support		8	60	Admin. and Support		4	46	5	29
Total		225	239	Total		150	183	99	127

Note: Changes to the nomenclature of the different professional categories were introduced in 2013. In 2013, the Associate category includes an extra year of experience (previously included under junior). A new professional category, Other Professional Services (OPS), was created in 2014 and includes individuals who provide other professional services that are ancillary or additional to tax and legal advisory services.

Employee turnover by region

	2014		Total
	M	W	
Spain	87	109	196
Portugal	7	6	13
International	5	12	17
Total	99	127	226



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

(8) Absentee rate:

	Total	Men	Women
2014 absentee rate by gender (%)	1.58	0.23	1.35
	2012	2013	2014
Variations in the absentee rate (%)	2.16	1.72	1.58

Note: The absentee rate calculated refers only to Spain.

Note that there have been no fatal accidents.

(9) In 2014, 64 employees out of a total of 82 who took maternity leave were still serving at the firm 12 months after coming back to work, which in percentage terms is 78% of all women taking maternity leave. As for the new fathers, 20 employees out of a total of 24 taking paternity leave were still serving 12 months after coming back to work, 83% of the total number taking paternity leave.

Staff returning after maternity/paternity leave

	Women		Men	
	No.	%	No.	%
Left within 12 months of returning after maternity/paternity leave	18	22	4	17
Left before returning after maternity/paternity leave	0	0	0	0
Serving 12 months after returning from maternity/paternity leave	64	78	20	83
Total	82	100	24	100

(10) Variation in average number of training hours:

Variation in average number of training hours

Category	2012	Category	2013	2014
Partner	61	Partner	57	57
Associate	78	Counsel	44	69
		Principal Associate	73	68
		Senior Associate	86	78
Senior Lawyer	103	Associate	107	100
Junior	243	Junior	224	229
OPS	0	OPS	0	30
Admin. and Support	36	Admin. and Support	36	37

Note: Changes to the nomenclature of the different professional categories were introduced in 2013. In 2013, the Associate category includes an extra year of experience (previously included under junior A new professional category, Other Professional Services (OPS), was created in 2014 and includes individuals who provide other professional services that are ancillary or additional to tax and legal advisory services.

11) 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.

(12) In light of the nature and volume of the services obtained by Garrigues, there is not considered to be any direct risk of violation of human rights in the supply chain, and the firm is not considered even to have a significant influence on it. To date, there have been no complaints or claims in this regard.

(13) Breakdown of GHG emissions by energy source:

By energy source, 8% of indirect GHG emissions come from paper consumption, while the remaining 92% is distributed 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 (promoting the use of videoconferencing).



Thanks to the use of videoconferencing, this has avoided the need to make 11,012 business trips, not to mention the large cost saved for the firm, a net reduction of 2,282 tons of CO₂ equivalent emissions, as well as bringing greater productivity and making life easier for our people.

In terms of daily transport and according to the mobility survey conducted in 2013, public transport remains the most popular mode of transport (used by 29% of our people), along with the most sustainable transport of them all: traveling on foot or by bicycle, which is the preferred way for 33% of our people.

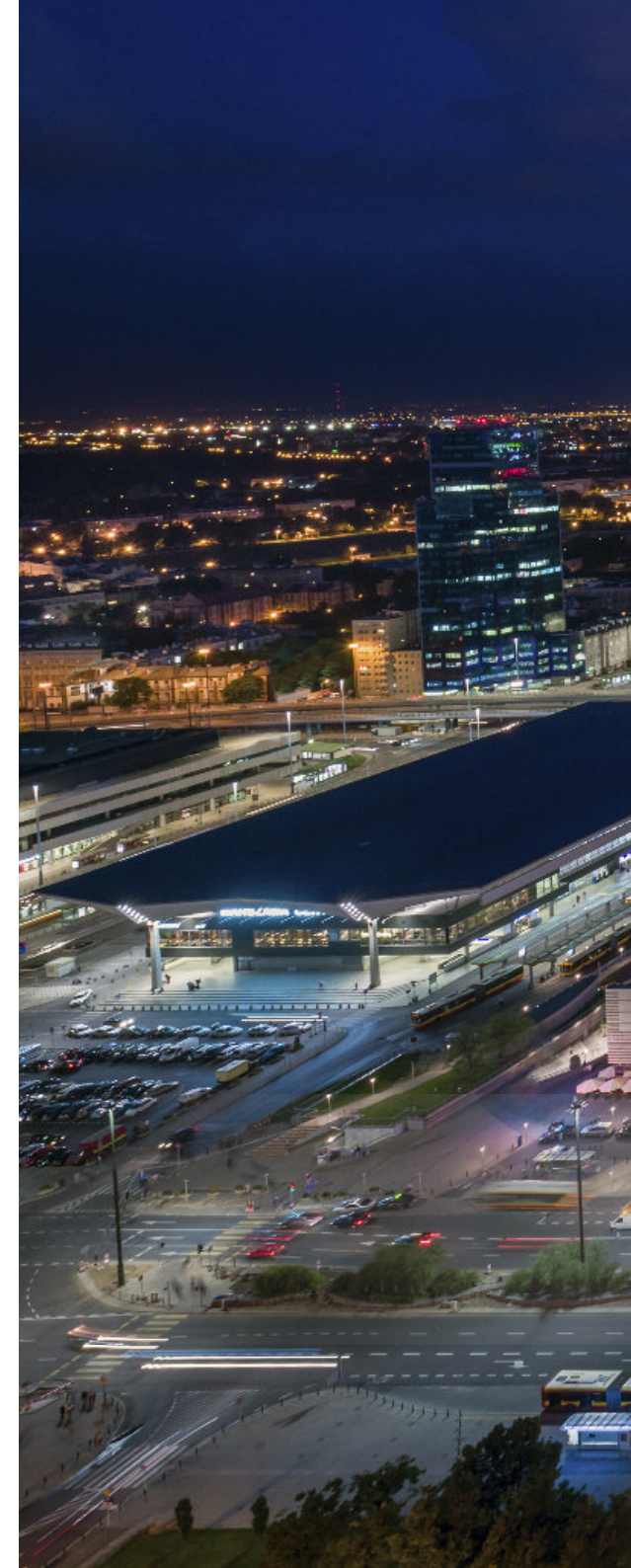
Garries does not generate significant emissions of other non-GHG gases.

CO₂e emissions

Paper consumption	8%
Daily commuting	24%
Trips	31%
Electricity	37%

Modes of transport used by Garrigues personnel on their commute to work

By foot	32%
Bus	13%
Bicycle	1%
Subway / train	16%
Motorbike	10%
Private vehicle (electric)	0%
Private vehicle (hybrid)	0%
Private vehicle (bioethanol)	0%
Private vehicle (diesel)	16%
Private vehicle (gasoline)	11%





Poland: Warsaw office

Multilingual

communication: Spanish, English, Portuguese,
Chinese, Polish, French, etc.



GARRIGUES

2014
Integrated
Report

www.garrigues.com