



GARRIGUES

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INTEGRATED  
REPORT

2019

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[garrigues.com](https://www.garrigues.com)

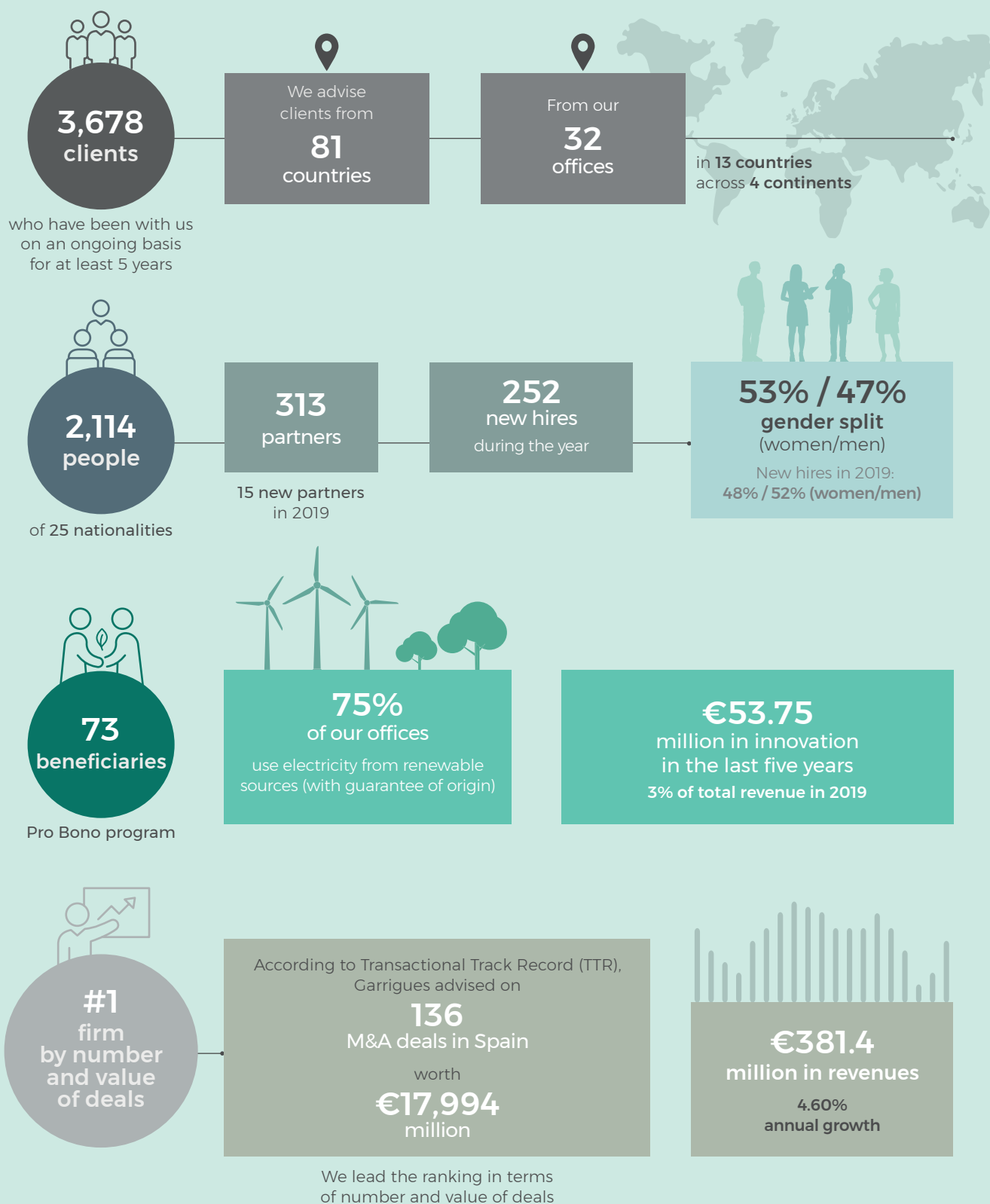
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## Main accomplishments in 2019

Garrigues is an innovative, international and independent law firm. With offices in 13 countries across Europe, Africa, Asia and the Americas, the firm advises clients in the main economic arenas of the global marketplace, in which it has always been noted for its pioneering spirit. All of this has made Garrigues a market leader in Spain and a key player in Europe and Latin America.

Here is a summary of the firm's activities in 2019:





For yet another year, I am pleased to present Garrigues' *Integrated Report*, which provides an account of the firm's performance in 2019, while setting out the most salient aspects affecting its progress and the main areas on which its work is to focus for the coming years.

Since 2006, when we began to report on our activities via our *Integrated Report* – being the first Spanish firm to take up this practice – Garrigues has gone through a significant transformation, with internationalization, digitalization and sustainability at its core. Today, we are present in 13 countries across 4 continents and we strive to be a go-to firm for quality in all the markets in which we operate; and we are tackling our digital transformation to ensure we come up to the expectations of our nearly 3,700 clients.

However, the most important aspect of the Firm has not changed in these 14 years. Every day, we demand more of ourselves. First of all, this can be seen in our firm commitment to hire and retain the best talent in the market, which is what has made Garrigues what it is today, i.e. a benchmark in the legal industry worldwide. Second, in the ongoing effort to achieve excellence in the service provided to our clients every day. Third, in our values, with ethics and a commitment to society as our guides. And fourth, in our ability to get ahead of the curve, which enables us to be at the forefront of the industry and to contribute to building the future of the legal profession.

These features, which form Garrigues' core, are key to tackling 2020. When this year began, none of us suspected we would be facing a worldwide pandemic. This challenge is testing all of us – individuals, companies, institutions and society alike. In Garrigues' case, the situation is highlighting the soundness of our strategic decisions, our culture and our values. I can only say that I feel proud of how everyone who works at the Firm is confronting one of the most complicated episodes in our history.

It is next year, when we again report on the Firm's activities in our *Integrated Report*, that we will take stock of this. Meanwhile, we should not let the exceptional nature of the circumstances we are living through make us forget the path we have traveled in a year – 2019 – that has undoubtedly been good for our Firm. Among other things, we have launched several initiatives aimed at flexibility and improving time management and the life-work balance of our team, without losing sight of the demands placed on us by our activity and our model as a firm. We have made important progress in our eco-efficiency model, which we will continue to reinforce by setting ourselves ambitious goals. We have continued to invest in the technological means and resources required to provide the best service to our clients, who have rewarded us with their trust and loyalty.

Our wish to help address the major challenges facing society has led us to strengthen our commitment to the United Nations Global Compact and its 10 principles, and to formalize our contribution to the Sustainable Development Goals of the 2030 Agenda. We truly believe that the Firm can and must play its part in finding solutions to the increasingly complex issues facing society. A firm like Garrigues must exercise its leadership in this area as well.

I trust that the perusal of this *2019 Integrated Report* will help readers to become better acquainted with Garrigues, its work and its people.

**Fernando Vives**  
Executive chairman

## About this report

This is the 14<sup>th</sup> consecutive year that Garrigues has published its Integrated Report (known until six years ago as the Corporate Social Responsibility Report). This report corresponds to the Garrigues 2019 fiscal year (January 1, 2019 through December 31, 2019).

In preparing the 2019 report, we have taken into account the guidelines and recommendations of the integrated reporting framework published by the International Integrated Reporting Council (IIRC) in December 2013, adapting them to the progress made on each issue and to Garrigues' business and specific situation. In particular, pages 19 - 57 provide detailed information on our capital: human, intellectual, social and relationship, natural, and financial. This is also the third year we have applied the 2016 GRI Standards.

Garrigues adhered to the United Nations Global Compact in 2002. This report constitutes our Communication on Progress as regards the implementation of the ten principles of the Global Compact in the areas of human rights, labor, the environment and anti-corruption.

Garrigues has assessed and defined its contribution to the Sustainable Development Goals (SDGs) approved by the United Nations. This series of 17 goals and 169 targets aims to solve the social, economic and environmental problems afflicting the world and covers the period 2016-2030. Page 9 provides details of Garrigues' commitment to the Sustainable Development Goals and page 39 sets out the contribution our pro bono program has made to these goals.

In addition, and for greater clarity, pages 75 - 77 of the Index of GRI Standards list the GRI disclosures alongside each of the principles of the Global Compact and the UN Sustainable Development Goals.

This report has been verified by an independent external entity, in accordance with the core option set out in the GRI Standards.

For more information, see the assurance letter on page 78 of this report.

For more information on Garrigues' activities:  
[www.garrigues.com](http://www.garrigues.com)

**Please address any questions to:**  
[comunicaciones@garrigues.com](mailto:comunicaciones@garrigues.com)

or use the Contact Form on  
[www.garrigues.com](http://www.garrigues.com)



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



# About Garrigues

Garrigues is a law firm of choice in Spain, Europe and Latin America, with a long tradition of quality service in all areas of business law. Garrigues' strength comes from its team of professionals, the values we share in each of the 13 countries in which we operate, and the trust our clients place in us. Today, we are the leading law firm in Spain and in the European Union in terms of billings.



## Our team, at the core

The future of Garrigues lies in its ability to recognize, attract and retain talent. Our team numbers 2,114 people of 25 different nationalities spanning 5 generations, operating out of 32 offices in 13 countries. We know that the key to successfully navigating the challenges ahead lies in our people and in a diversity of ideas and perspectives. This is why Garrigues has long been committed to non-discrimination and equal opportunities. We strive to offer the best possible working environment, so that each individual can develop their professional capabilities and gain the acknowledgment they deserve.

## Unparalleled client service

Excellence in client service underpins our day-to-day work at the firm and is the main reason why:

**3,678**

clients have been with us  
on an ongoing basis  
for at least 5 years

**2,768**

clients work with us  
in two or more  
practice areas

**1,444**

clients work with  
more than one  
Garrigues office

Garrigues' innate leadership capacity in all areas of business law (corporate/commercial, tax, labor/employment, litigation, intellectual property, public law, environmental law, etc.) and its specialization in both traditional and emerging industries allows the firm to offer a multidisciplinary and comprehensive service in all the markets in which we operate.

## An international presence with a local focus

Garrigues' international commitment, which dates back to its very beginnings and has been further consolidated over the past decade, has propelled the firm to open offices in 13 countries across 4 continents. This allows us to not only accompany our clients in their international expansion and be highly involved in local markets, but also to participate in the largest cross-border deals. This approach is reflected in the increased weighting of international revenue.


Garrigues continues to focus on Latin America, with offices in five countries (Colombia, Peru, Brazil, Mexico and Chile). The firm's natural leadership in all areas of business law in Spain carries over to Latin America, where year after year we expand our teams and add new areas to our service offering.

Organic growth, through opening own offices and hiring local talent, may be slower than some of the alternatives chosen by other firms looking to expand but it enables us to offer our clients a seamless business model and the same quality service wherever they may be. And the results are very positive. In the last five years our Latin American offices have seen a 207% increase in revenues.

### Financial activity in Latin America

growth  
**22.8%**  
with respect  
to 2018

Revenue  
**31.49**  
million  
euros

  
**273**  
people  
**6%**  
growth

8.5% of our clients are  
from Latin America.

As to where our international clients come from (excluding Spain and Portugal), we have more Latin American than European clients. 43.32% of the foreign companies and organizations that we advise come from a Latin American country.

Garrigues' strength in the Americas and Europe (particularly bolstered by our two offices in Portugal) is rounded out by the firm's solid presence in China (Beijing and Shanghai) and Africa (Casablanca).

In Spain, thanks to our extensive coverage of the market (18 offices around the country), we are superbly placed to provide on-the-ground support to small and medium enterprises. The multinational yet multi-local nature of the firm is reflected by our presence at the top of the main industry rankings.

## #1 firm in mergers and acquisitions

Garrigues also leads the ranking of firms advising on M&A deals in 2019, both by number of deals and value. The firm closed a total of 136 deals in Spain during the year, with an overall value of €17,994 million (20% of the Spanish total), according to the annual report by business intelligence platform TTR. Garrigues tops the Mergermarket ranking in terms of the number of deals.

## Digital culture and pioneering approach

The technological advances rolled out at Garrigues seek to streamline processes and increase efficiency and competitiveness, so that the firm can ultimately dedicate more time to value-added work for its clients. The firm has also incorporated technologies to further enhance client collaboration, harnessing digital tech to make it easier for clients to access the knowledge of our professionals. Over the past five years, the firm has invested €53.75 million in innovation. In 2019, it represented 3% of total revenue.

In order to retain the trust of its clients and to offer unparalleled client service, Garrigues places itself at the forefront of the industry. However, it is keenly aware of the challenges this entails and the need to foster a culture of change and innovation and build a highly skilled team able to adapt to different working environments.

## Sustained and profitable growth

The firm's growth targets come second to profitability. Thanks to our policy of controlling expenses and quality, the firm's productivity ratio has risen 10% in the last five years. Garrigues is once again the largest law firm in Spain and the European Union in terms of billings. The challenge is to maintain sustained growth in Europe, a mature and highly competitive market, while increasing the weighting of international revenue.

### Global financial activity

Revenue	Growth
€381.4 million	4.60%

## A culture of ethics

Ethical conduct is one of Garrigues' core values. Over the years, the firm has developed a global corporate culture based on solid ethical principles and values, shared by its 2,114 members. This culture is key to achieving one of the firm's major objectives - to consolidate our leading position through excellence - and it allows us to deliver a multidisciplinary service to our clients with the same quality standard across the world.



## Commitment to society and the environment

As an international law firm, we have pledged to pursue our activities while at the same time advancing the UN Sustainable Development Goals (SDGs). Accordingly, we seek to safeguard and enhance the world's economic, social and environmental assets. Our work is guided by the United Nations Global Compact, to which Garrigues adhered in 2002.

Garrigues has defined three levels of contribution to the SDGs in light of its activity, its corporate policies, and its pro bono and community outreach programs.

We have prioritized our efforts in this area on promoting peace, justice and strong institutions (Goal 16), decent work and economic growth (Goal 8) and partnerships (Goal 17).

Through its corporate policies, Garrigues also promotes quality education (Goal 4), contributes to gender equality (Goal 5) and economic growth (Goal 8), fosters innovation (Goal 9), reduces inequalities (Goal 10), embraces sustainable practices (Goal 12) and takes urgent action to combat climate change and its impacts (Goal 13).

Lastly, through our pro bono program and our community outreach initiatives, we contribute to SDGs 1, 2, 3, 4, 5, 8, 10, 16 and 17 in particular.

### For the business



### Priority SDGs for Garrigues

### Corporate policies



### CSR, pro bono and community outreach



In 2019, Garrigues included SDG 13 as one of its priority goals (and with it the related goals, namely 11, 12, 15, 16 and 17). For some time now, Garrigues has been applying measures to ensure more efficient use of natural resources and minimize greenhouse gas emissions from our professional activity, taking strides in caring for the environment and moving closer to a carbon-neutral world. We also advise clients on matters relating to the environment and climate change.

## Client service

### Practice areas

Corporate Law and Commercial Contracts  
 Administrative Law  
 Banking and Finance  
 Accounting Law  
 Securities Market Law  
 EU and Antitrust Law  
 Real Estate  
 Labor and Employment Law  
 Criminal Law  
 Tax  
 Planning and Zoning Law  
 Mergers and Acquisitions  
 Human Capital Services  
 Litigation and Arbitration  
 Environmental  
 Intellectual and Industrial Property  
 Restructuring and Insolvency  
 Startups & Open Innovation

### Industries

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

## Desks - International business development services

We assist companies seeking to expand and consolidate their activities abroad. To this end, we draw on our professionals' in-depth market expertise, enabling us to offer legal and tax advisory services unhampered by language barriers, guaranteeing quality, business vision and technical excellence: the hallmarks of Garrigues.

Asia  
 Pacific  
 French  
 German  
 Indian  
 Italian  
 US

## Our office network

**America** - Bogota - Lima - Mexico City - New York - Santiago de Chile - São Paulo

**Africa** - Casablanca - **Asia** - Beijing - Shanghai - **Europe** - Brussels - Lisbon - London - Porto - Warsaw

**Spain** - A Coruña - Alicante - Barcelona - Bilbao - Las Palmas de Gran Canaria - Madrid - Málaga - Murcia - Oviedo - Palma - Pamplona - San Sebastián - Santa Cruz de Tenerife - Seville - Valencia - Valladolid - Vigo - Zaragoza

# Trust, credibility and client satisfaction

One of our main objectives is to gain our clients' trust and ensure they are satisfied with the services we provide.



We know how important it is to listen to our clients, to gain in-depth knowledge of their businesses and activities and to understand their needs and goals, so we can deliver solutions that meet these expectations.

Garrigues therefore periodically sends out a client satisfaction survey to a representative sample of clients from across Spain and the different practice areas. The survey gives us client feedback on eleven basic questions (although in two of the questions they are asked to evaluate up to ten different aspects of our activity) that clients answer and subsequently discuss with our professionals at a follow-up meeting.

On completion of the latest client satisfaction survey in April 2018, the firm achieved an overall rating (taking into consideration all questions asked) of 8.68 (on a scale of 0 to 10), in line with previous years.

When asked to directly rate their satisfaction with Garrigues (on a scale of 1 to 10), clients gave the firm a 9, slightly outperforming last year's result.

When asked why they chose Garrigues, the clients we surveyed valued the firm's reputation, the quality of service, the talent of our professionals, the prestige of our lawyers, our proven knowledge and experience in the sector, and the trust we inspire.

In terms of quality of service, the highest-ranked aspects were rapport and dedication, the technical know-how of our professionals, empathy and adaptability, the capacity to meet deadlines and the ability to resolve setbacks.

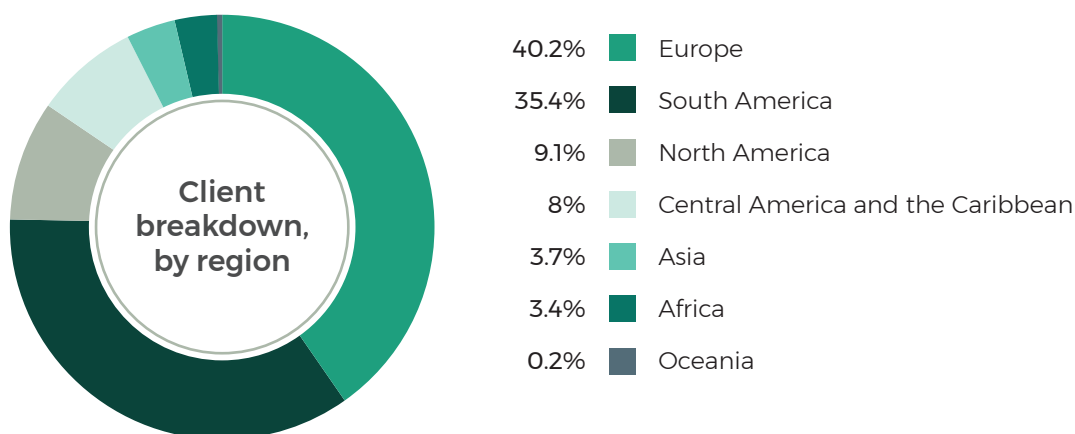
The process also identified a number of areas for improvement, relating to fees and the billing system, the sending of newsletters, commentaries and alerts, and the need to continue consolidating our international network.

Client suggestions are also channeled through the Director of Compliance and Professional Practice.

## Clients by region and industry

The location of our office network has a clear bearing on where our clients hail from. We currently have an extensive network of own offices outside the Iberian Peninsula and have earned the trust of a great many international clients. In 2019, 20% of Garrigues' clients were based outside Spain or Portugal.

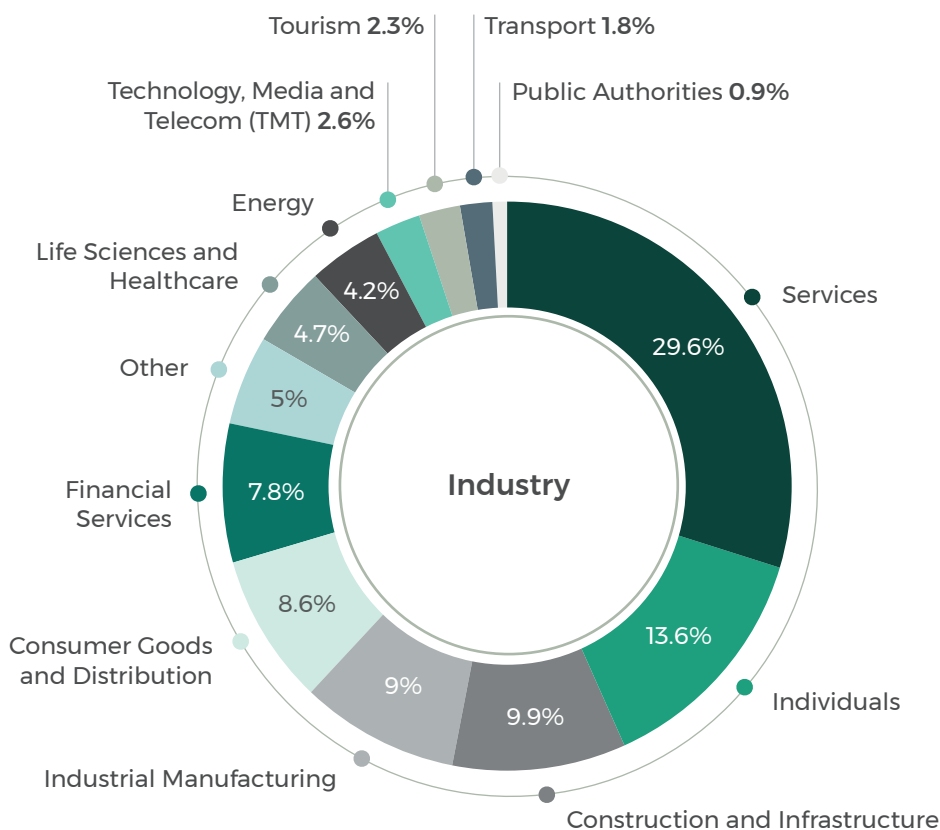
The following table shows where our clients come from (excluding Spain and Portugal):



Garrigues is able to attract clients from around the world due to the dedication and experience of our professionals, accustomed as they are to working on international projects, and to our extensive office network.

Garrigues is also a founding member of Taxand, the world's largest independent tax organization, present in 50 countries. Taxand brings together more than 550 partners specialized in tax matters and over 2,500 tax advisers (for more information, please visit [www.taxand.com](http://www.taxand.com)).

Our clients hail from the following industries:



## Types of clients

Broadly speaking, our clients are large and medium-sized private sector companies.

As many as 82.9% of the companies listed on the IBEX 35 at December 31, 2019 were Garrigues clients during the year, as were 53.5% of the companies listed on the Madrid Stock Exchange's electronic trading platform as of the same date. Furthermore, 25.6% of the companies making up the MaB Alternative Equity Market at the 2019 year end were clients of Garrigues during the year.

These figures testify to the high standard of the services we deliver to the largest and most sophisticated companies in the countries in which we operate.



# Ethics and governance

Garrigues has an unshakeable commitment to ethical and responsible conduct in the pursuit of its activity, requiring that its professionals not only strictly comply with all laws and regulations, but also refrain from taking any action or imparting any advice that could be considered questionable from an ethical standpoint.



## Values

### Unshakeable values



- Commitment to client service
- Commitment to quality
- Commitment to the firm and its members
- Commitment to ethical conduct

### Core ethical principles



- Integrity
- Loyalty
- Independence
- Ongoing training
- Dignity and respect
- Professional secrecy

## Ethics

Garrigues has a comprehensive **Compliance Management System**, made up of the internal regulations setting out the standards, policies, procedures and rules of conduct applicable to all members of the firm, both internally and in their dealings with clients and third parties in general.

Our internal regulations include the Code of Ethics (which sets out the basic principles and guidelines on conduct), the Corporate Compliance Program, our internal policies (which expand and further define the principles and guidelines established in the Code of Ethics), and the Internal Regulations on Anti-Money Laundering and Counter-Terrorist Financing (which set out the obligations and procedures in place at Garrigues in order to comply with the applicable AML/CFT legislation in force).

The **Code of Ethics** is the fundamental and foremost component of Garrigues' internal regulations, mandating the ethical conduct that must inspire and guide the firm's members at all times. This code fosters ethical and responsible behavior by all Garrigues professionals and furthers the firm's commitment to the principles of business ethics and transparency in all of its dealings.

Compliance with the Code of Ethics is understood to be without prejudice to strict observance of applicable legislation, ethical standards and other provisions of Garrigues' internal regulations.

The Code of Ethics enshrines Garrigues' values and principles (including integrity, loyalty, independence, dignity and respect, professional secrecy, a commitment to client service, a commitment to quality and a commitment to ethical conduct), as well as the rules and guidelines on conduct required of all members of the firm in their dealings with the firm itself, with other members of the firm, and with third parties in general.

Given its importance, the Code of Ethics is available in the firm's digital work environment (currently GarriguesNET) and on the Garrigues website, where it can be easily consulted by any third party.

With a view to ensuring adequate knowledge and due observance of the Code of Ethics by all members of Garrigues, each year they are asked to confirm their commitment to familiarize themselves and comply with the provisions of the code. All new hires are required to complete a specific e-learning course on the Code of Ethics and are asked to confirm their commitment to observing the code.

As stipulated in the Code of Ethics, Garrigues has a private and strictly confidential internal communication channel (our Ethics Channel) which all of the firm's members can use to report any conduct by a member of the firm that may be irregular or contrary to the law, the ethical standards and rules of conduct contained in the Code of Ethics, or any other provisions of Garrigues' internal regulations.

In 2019, the firm updated its Ethics Channel Regulations, the document specifying the scope of application of the channel, with new provisions on how to access the channel and the procedure for handling communications sent through it, to adapt them to new legislation on personal data protection and on anti-money laundering and counter terrorism financing. Chief among the changes is that reports of potential breaches of anti-money laundering and counter terrorism financing legislation can now be made anonymously, as can reports about matters related to the firm's Corporate Compliance Program and other elements of Garrigues' internal regulations.

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Given its importance, the Code of Ethics is published on the firm's intranet and on the Garrigues website, and can be freely consulted by any third party.

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The principles and guidelines established in the Code of Ethics are set out in the **Corporate Compliance Program**, the overriding objective of which is to ensure an authentic culture of compliance at Garrigues.

The program is based on a prior analysis and assessment of criminal risks at Garrigues (that is, conduct by its professionals that could lead to potential criminal liability for the firm) and is reviewed on a periodic basis.

In addition to this analysis, the program includes measures to prevent such criminal risks from arising (and to mitigate them should they arise), as well as supervision and control measures aimed at ensuring that all of the firm's professionals comply with the internal regulations.

During 2019, the firm embarked on a major update of the Garrigues Corporate Compliance Program, as part of the ongoing review process, to adapt it to the new provisions of Organic Law 1/2019, of February 20, 2019, reforming the Criminal Code and to strengthen preventive measures concerning third-party compliance.

The update includes a detailed review of the risk map for each practice area and internal department and of the respective and individual risk management processes set out in their specific prevention measures documents.

As established in the firm's Organizational Model, oversight of the functioning and observance of the Corporate Compliance Program falls to the senior partner, assisted by the Professional Practice Committee and the other bodies and individuals entrusted with these matters. In June 2019, Javier Ybáñez was appointed senior partner of Garrigues following the end of the tenure of the former senior partner, Ricardo Gómez-Barreda.

As previously mentioned, the principles and guidelines set out in the Code of Ethics are further defined and reflected in **Garrigues' internal policies**, which establish the framework that the firm's professionals must take into account and respect in the pursuit of their activity.

These policies notably contain the **Policy on conflicts of interest** since, given the firm's substantial client portfolio, the diversity of its practice areas and the large number of offices and countries from which we operate, it is particularly important 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.

Garrigues' internal policies also specifically include the Policy on **measures to prevent corruption, bribery and trading in influence**, reflecting the firm's deep commitment to strictly complying with all legislation and ethical guidelines when delivering its services, as well as to transparency in all its dealings.

Garrigues firmly rejects any conduct that could be reproached or questioned from either a legal or ethical standpoint. In particular, Garrigues eschews any form of corruption, bribery or trading in influence and defends the need to safeguard fair market competition and to ensure that public services are provided both objectively and impartially.

Accordingly, in upholding the values, principles and guidelines enshrined in Garrigues' Code of Ethics, this policy establishes specific measures aimed at preventing and, failing that, identifying and addressing any type of corruption, bribery or trading in influence.

Another important policy is the **Policy on quality, occupational risk prevention, the environment and corporate social responsibility**, which specifies the commitments entered into by Garrigues in these areas. Under this policy, for example, all work performed by members of the firm must be carried out in strict compliance with occupational risk prevention legislation and with the sufficient and appropriate health and safety safeguards, promoting environmental protection at all times and complying in all cases with environmental legislation and other generally applicable regulations.

The specific characteristics of Garrigues' business require the strictest compliance with the principles of security, confidentiality and protection of information and documentation belonging to the firm and/or to its clients. Garrigues' internal policies establish the guidelines and procedures to be followed by the firm's professionals when using and processing the data and information to which they have access through their work. Our **Information Security Policy**, developed in line with the ISO/IEC 27001:2013 standard, integrates our fundamental information security principles (which can be consulted on our website) into the methods and procedures for using and securing information belonging to the firm and/or its clients, as set out in Garrigues' other internal regulations.

In 2019, the firm updated its **Policy on the use of Garrigues IT resources (email, internet and DMS)**, in order to bring it into line with the new provisions of the applicable personal data protection legislation and to tighten certain obligations regarding confidentiality and user responsibility for the IT resources supplied by Garrigues for use in their work.

During the year, the firm also updated both the **Policy on corporate email signatures and Garrigues business cards** the **Policy on replying to audit letters** in light of the related changes to the Code of Ethics of the Spanish Legal Profession approved by the General Council of the Spanish Legal Profession on March 6, 2019 (in force since May 8, 2019).

Also making up the internal regulations alongside the Code of Ethics, the internal policies and the Corporate Compliance Program, are the **Internal Regulations on Anti-Money Laundering and Counter-Terrorist Financing**, which set out the obligations and procedures in place at Garrigues to comply with the applicable legislation in force in this area.

These regulations are based on a prior analysis of the Garrigues Group's general exposure to money laundering and terrorist financing and establish the procedures for complying with the obligations incumbent on us in the areas of due diligence, reporting, document storage, internal control, risk assessment and management, client acceptance, internal control bodies and reporting and notification requirements.

During the past year, the firm updated the document analyzing the general exposure of Garrigues Group clients to money laundering and terrorist financing.

It also updated the Garrigues Group Anti-Money Laundering and Counter-Terrorist Financing Manual and its schedules. Among other changes, the Manual now incorporates the recommendations of the "Guide on compliance with due diligence obligations in relation to trusts or other similar legal arrangements" published in March 2019 by the Enforcement Service of the Anti-Money Laundering and Monetary Infringements Commission (SEPBLAC). The Schedules containing lists of high-risk and non-cooperative countries, territories and jurisdictions, as well as of

tax havens and countries and territories considered non-cooperative jurisdictions for tax purposes, have also been updated in order to bring them into line with current standards and national and international lists.

In 2019, Garrigues expanded the Internal Control and Analysis Committee (CACI) dealing with anti-money laundering and counter terrorism financing matters, adding a new member representing Portugal, and restructured the Information Processing and Analysis Unit (UTTAI).

The firm's management team is firmly committed to the Compliance Management System and, in short, to establishing an authentic culture of compliance at Garrigues, which translates into measures to raise awareness and promote ongoing training initiatives (to ensure it is known to all members of the firm), control procedures to ensure compliance, and specific rules applicable in the event any internal regulations are breached.

Over the coming year, Garrigues will continue to work on reviewing, improving and updating the components of its internal regulations, focusing on implementing new initiatives to provide comprehensive information and training and to raise awareness among all personnel.

## Governance

As a professional limited liability company, Garrigues is owned by all of the firm's practicing partners. The management, administration and representation of the firm falls to the executive chairman, Fernando Vives, by virtue of the resolution adopted by the Partners' Meeting. In carrying out his duties, the executive chairman is supported by the senior partner, the Partners' Meeting and the Professional Practice Committee, as well as by other advisory committees, each with their own respective supervision, control and advisory functions.

### More information



# Human capital

At Garrigues, we make it our priority to identify, develop and build the loyalty of the best professionals in their respective areas. In our business, talent is key.





## 2019 Highlights

Roll-out of the new Summer Program and Job Shadowing Program for law students

Design and launch of a legal tech training program

Design and launch of a new blockchain training program for partners

Launch of a business travel health and safety e-learning course

Expansion of the catalog of e-learning courses

Analysis of salary trends in the markets in which we operate, to ensure that our salary packages are fair and competitive, particularly to attract and retain young talent

Design of a flexible remuneration model allowing professionals to choose how they prefer to receive their annual salary (in 12 or 14 installments each year)

Inauguration of the 2<sup>nd</sup> edition of the upward feedback program

Design, development and announcement of a new work/life balance measure: Garrigues Home Office Plan

Increased networking events for our professionals

Formal signature of the Luxembourg Declaration, signaling a commitment to continue promoting health in the workplace, with the goal of making Garrigues a healthier firm, day by day

Provision of fresh fruit at all Garrigues offices, as part of measures to promote a healthier workplace

**Our people management strategy focuses on eight key challenges:****Attracting young talent**

Presenting our value proposition at university presentations and job fairs. Offering internship programs that round out the academic training received by law and dual degree students and increase their employability on entering the job market, while at the same time allowing us to identify future professionals for the firm and keep abreast of their professional development.

**Training**

Providing our employees with an ongoing training plan to support their professional and personal development, building on their skills and abilities.

**Committing to the professional growth and development of our people**

Offering them an attractive career in an excellent working environment, where technical expertise, empathy, innovation, initiative and the ability to build and lead a team are all equally important.

**Retaining talent**

Individually monitoring the progress of each and every professional and allowing them to reach their personal and professional goals, which means striving to continually improve as an organization.

**Compensation and benefits**

Having an attractive and competitive compensation system that fairly recognizes merit through a rigorous, competency-based performance evaluation of each individual, helping further their professional advancement within the firm.

**Culture**

Ensuring that the entire firm shares a common culture focused on the strictest ethical standards, excellence in client service, a job well done and the value of teamwork.

**Diversity and equal opportunity**

Enhancing our commitment to creating a working environment that respects and fully embraces a diverse talent base.

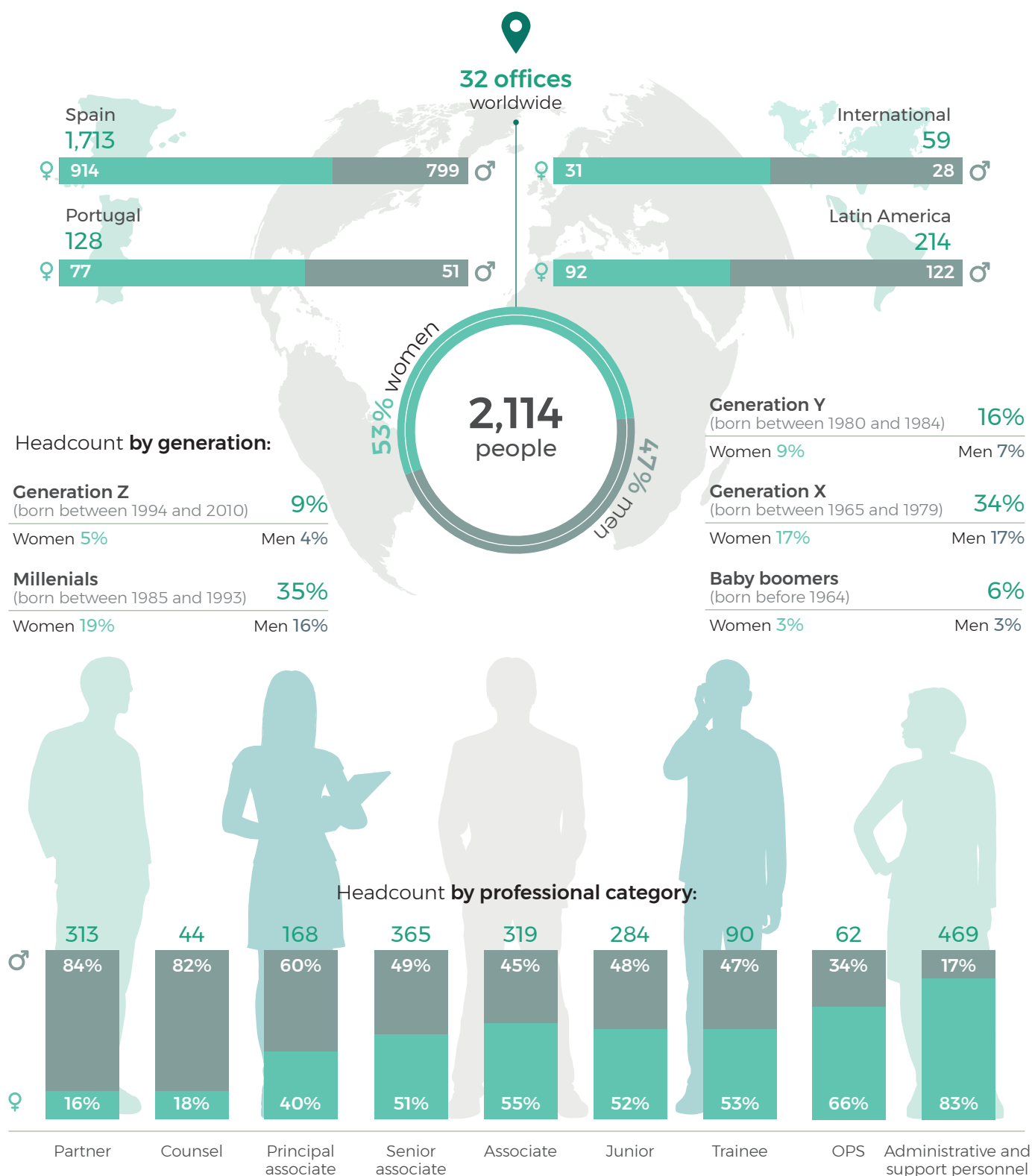
**Innovation**

Developing new technological resources to improve people management.

## Our team

Our professionals come from many different countries and backgrounds and bring a variety of experiences and perspectives to the table, which enriches our culture, improves the work we do, and makes us a flexible and innovative firm able to find new ways to adapt to the needs of today's clients.

No matter where its professionals work, Garrigues observes the applicable legislation and collective labor agreements in all regions in which it operates.



## Talent: the foundation of our excellence

At Garrigues, our professionals are a top priority. Recognizing, attracting and retaining talented employees is essential for the firm and our selection process therefore plays a vital role.

A great many candidates are interested in working at Garrigues. In 2019, over 8,000 individuals submitted their CVs to Garrigues around the world. Identifying the best talent is no simple process however: the firm shortlists more than 1,600 potential candidates to go through its selection processes. In 2019, 168 young professionals from the world's most prestigious universities joined the firm.

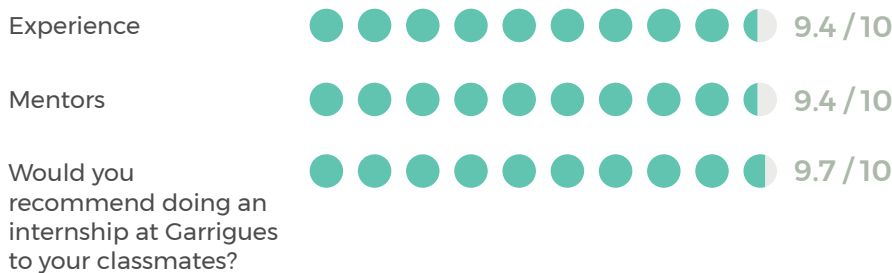
The firm continues to present its value proposition at job fairs, open days, university presentations and internship programs.

In attracting the best talent, Garrigues works closely with universities year on year. The two newest university-related initiatives rolled out in 2019 are the Summer Program and the Job Shadowing Program:

### Summer Program

For law students in the last two years of their degrees (or students completing dual degrees including law), offering them two-month internships in different Garrigues offices, allowing them to rotate through the departments of interest to them, network and receive specific training in different business law areas.

#### Student feedback - Summer Program



### Shadowing Program

For first-year students, offering them an introduction to the legal profession by shadowing an experienced lawyer over the course of one week.

## Garrigues, working hand in hand with universities



**103**  
events in 2019

Job fairs, university presentations and open days at our offices



Internship agreements with  
**92**  
universities

Voted #1 law firm  
by law students  
in the Universum  
Most Attractive  
Employers  
ranking for the  
6<sup>th</sup> year running





Alongside the above programs, the firm also offers the following practice options:

- **Internships as part of the Master's Degree for Access to the Legal Profession:** aimed at students on the Master's Degree for Access to the Legal Profession. During these internships the students are involved in professional matters that help prepare them as future lawyers.
- **Internships during the academic year:** aimed at students studying law (or dual qualifications including law). They are performed during the final years of their degree.

To successfully identify the most talented students, the firm relies on the experienced professionals who participate in the selection processes, all Human Resources personnel, and the interns' mentors, who closely monitor interns' progress in order to supervise their learning and evaluate their performance.

## Training

For a firm like Garrigues, which operates in an increasingly competitive and fast-moving sector, the best preparation and professional development of our people is the key to our success. Ongoing training is an integral part of the firm's business strategy and policies, not only as an essential prerequisite for attaining the necessary technical expertise that allows our professionals to deliver the best advice to clients, but also as an essential tool for their full professional development and career advancement. This is why ongoing training is expressly enshrined as a fundamental ethical principle in the Garrigues Code of Ethics.

We therefore consider it essential to provide opportunities for ongoing training that are suited to each professional's level of experience and responsibility, in order to help them gain and preserve the necessary skills to ensure excellence in client advice, deliver value, inspire trust and offer the highest quality service.

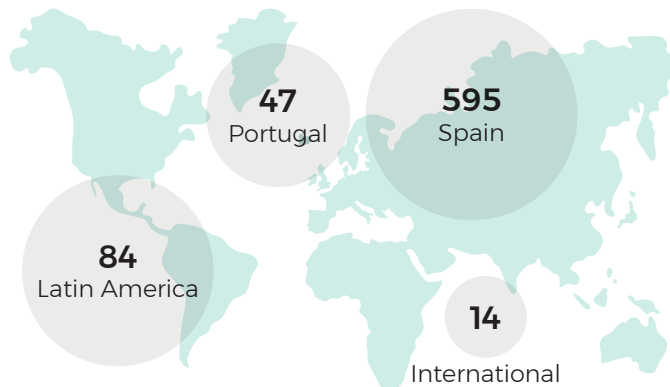
To reach this goal, Garrigues regularly organizes training, refresher and specialized courses and seminars, publishes updates on notable legislative, academic and case law developments, and uses the most advanced legal technologies, all within a multidisciplinary and global context but without losing sight of the different jurisdictions in which we operate and the necessary expertise of our professionals in the different branches of law.

The firm has a global training program aimed at professionals from all our offices according to their level of experience and professional category. The program, which comprises a number of multi-day residential courses and retreats for our professionals, facilitates and builds interpersonal working relationships, promotes horizontal and vertical learning, and fosters knowledge-sharing among professionals from different countries, enabling them to gain a global perspective of professional practice. As part of this program, in 2019 we focused on team-building activities, since, among other benefits, this type of initiative helps employees develop leadership and strategy skills and identify goals and objectives.

### Garrigues Training Plan

Ongoing training					
Junior	Associate	Senior associate	Principal associate	Counsel	Partner
Welcome day and initial training	Associate School	New Senior Associate School	Global Department retreats		New Partner's Meeting
Introduction to International Business Law	International Training Program				

740 people attended residential courses and retreats in 2019:



We are particularly proud of the consolidation of our training programs tailored to the global market, to cater to the needs of our clients and of our professionals:

- **Introduction to International Business Law**, which offers young professionals the comprehensive training they need to provide international legal advisory services. 127 people completed this program in 2019.

Since its launch in 2016, a total of 600 individuals have studied on the program.

- **International Training Program**, which offers our professionals the unique career opportunity to gain experience at Garrigues offices and other law firms abroad through secondments or international transfers, or to broaden their academic training at an international level by earning either a Master of Laws (LL.M.) at one of the most prestigious foreign universities or a Master of Laws in International Transactions at Centro de Estudios Garrigues in collaboration with Fordham University.

Since its launch in 2016, more than 100 individuals have taken part in the International Training Program.

Furthermore, mindful that the digital transformation is currently revolutionizing business and, with it, the legal services industry, in 2019 we rolled out a training plan to develop the digital skills and know-how of our people, so they can focus their efforts on tasks that deliver greater value for clients and improve service quality. The objective of this training is to deepen knowledge of new technologies linked to our business (blockchain, legal prediction tools, legal drafting tools, tools to automate working processes, etc.).

In the past year, Garrigues' secretarial team has shifted toward a new professional model more in line with new market demands, through more practical training programs covering technology, compliance, knowledge, skills and more.

Moreover, as every year, in order to promote proper management of the risks inherent in our profession, in 2019 we continued to educate our professionals on the Corporate Compliance Program and the specific measures to be adopted in each department, as well as on anti-money laundering and counter-terrorist financing obligations.

Garrigues guarantees equal opportunities for all its personnel in terms of access to, and participation in, training. This policy is applied firm-wide: programs are aimed at all personnel, with no exclusions whatsoever, and are personalized according to each professional's level of experience.

**91% of Garrigues employees  
took part in our training programs in 2019:**

**1,020**  
women

**908**  
men

Participants in training programs by region:

**Spain**  
**1,548**  
participants

**Portugal**  
**121**  
participants

**Latin America**  
**204**  
participants

**International**  
**55**  
participants

Key ongoing training program figures:

Training program	Personnel trained
Technical training (technical courses and meetings held at different departments/offices)	1,387
Ethics and good professional practice	890
Management skills	840
Languages	632
Technology	667
Knowledge management	622
External training	271

Although most of our training continues to be offered in person, we remain committed to promoting the use of online training, since it offers each individual greater flexibility to decide when is the best time to complete their courses.

We also encourage on-the-job training, as an essential component of our corporate ideology, since we believe that the best way to learn is through the experience and skills garnered from participating in complex legal engagements and transactions at the highest level. The onus is therefore on the most seasoned professionals to mentor their more junior colleagues by delegating and supervising matters, reviewing their work and providing feedback on areas for improvement.

In recent years, the Best Places to Work ranking compiled by Actualidad Económica has specifically noted the training offered by Garrigues. In 2019, it highlighted some of the possibilities offered by our International Training Program.

## Professional development

On joining the firm, all professionals are made aware of the firm's career plan, which sets out a defined path with high expectations in terms of personal and professional development.

Depending on their experience and ability, our professionals are grouped into the different categories shown below, which are easily recognizable in the market and, in particular, in the legal and tax services industry.



Junior - Associate - Senior associate - Principal associate - Counsel - Partner

Internal promotions are based on a rigorous annual competency-based performance evaluation. During this process, each individual's performance and career prospects are analyzed and discussed, personal and professional encouragement is given, and feedback is obtained and assessed, creating a channel for fluid, direct and transparent communication. The professional career path at Garrigues is merit-based.

To reflect the importance placed by the firm on individual talent management and responsible leadership, we have an upward feedback program whereby employees can appraise the performance of their supervisors, including partners.

The program uses 28 questions about work management, people management and professional skills to help improve leadership at the firm, make our teams more efficient and better managed, and allow for growth of both our professionals and the organization as a whole. The positive response to this tool and the increased levels of interest and participation have led the firm to make improvements with each new edition. The upward feedback program now runs on an annual basis and with a wider group of appraisers, so as to reach more people in the organization and provide appraisees with even more valuable feedback.

## Compensation system

At Garrigues, we reward the pursuit of excellence and the accomplishments of our people using a performance-based compensation system.

Our compensation packages are periodically reviewed for each level of experience, taking into account salary trends in the different national markets and practice areas, meaning that they are among the most competitive and fair on the market. This commitment to our people and to fair and competitive compensation applies at all levels of the firm, making Garrigues a top-tier law firm our employees can be proud to be a part of.

The salary package of each employee is reviewed on an annual basis with respect to both fixed and variable components (for professionals with a variable component in their compensation structure).

As part of the general Human Resources policy, we guarantee fair compensation and do not tolerate discrimination on any grounds.

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

Garrigues also gives its employees in Spain the option to sign up for flexible compensation programs using certain products: meal vouchers, childcare vouchers, transport vouchers, training programs and private health insurance (50% of premiums for employees and their families).

As an additional flexible compensation benefit, employees in Spain can choose to receive their gross annual salary in either 12 or 14 installments, allowing each individual to time their income to fit their needs.

In cases of absence due to temporary incapacity or maternity/paternity leave, the firm also tops up employees' social security benefits to 100% of their salary from the very first day of absence, paying the necessary supplement (even where the salary is higher than the maximum social security contribution base).

## Other employee benefits

The HR Department signs agreements with companies offering services that can be enjoyed by firm personnel during their free time and vacation periods (hotel chains, gyms, gifts, fashion, automotive, etc.). These discounts are offered to employees via the e-Bazar internal platform.

## Commitment to diversity and equal opportunities

From the very beginning, Garrigues has been committed to nondiscrimination, equal opportunities, the integration of people with disabilities and respect for diversity.

Garrigues has pledged to create a working environment that respects and embraces this broad diversity.

We have always been convinced that equality and respect between lawyers and members of the firm are fundamental values that add to our strength.

In collaboration with other law firms, Garrigues has helped prepare a Best Practices Guide for the hiring and professional development of people with disabilities at law firms, published by Fundación para la Investigación sobre el Derecho y la Empresa (FIDE).

The firm also continues to collaborate with Fundación Derecho y Discapacidad (through the Master's Degree in Disability, Personal Autonomy and Care for Dependent Persons and, in 2019, the 2<sup>nd</sup> National Conference on Disability and the Law) and serves on the advisory boards of Fundación ONCE's Foro Inserta in La Coruña, Barcelona, Madrid, Seville and Valencia.

The disability-related initiatives pursued by the firm notably include the hiring of people with disabilities, pro bono services, training and corporate volunteering, procurement of goods and services through special employment centers, measures to ensure that the firm's offices are accessible to all, and more.

Garrigues introduced its equality plan in 2008, a pioneering move in the legal industry. In 2017, the firm launched its second equality plan, upholding the measures introduced under the first plan and adding new measures to cultivate greater loyalty among and foster the professional development of our people.

Garrigues' Equality Plan includes a sexual and gender-based harassment prevention protocol that aims to provide quick and effective protection where needed, while guaranteeing the strictest confidentiality.



The equality measures implemented by Garrigues in recent years include:

- The **Garrigues Optimum Plan**, which allows employees who have recently become parents to reduce their working hours following the end of their maternity or paternity leave in order to meet the needs of their young child or children, with no reduction in pay or negative impact on their career progression. This measure was implemented in 2016 and covered a period of one year following the end of parental leave. The measure was very well received and has become a byword for our commitment to efficiency and flexibility in the workplace. As a result, in 2018, the firm decided to extend the duration of the plan to two years. In 2018, the Garrigues Optimum Plan garnered recognition from the Financial Times at the European Innovative Lawyers Awards and earned the firm a Mention as Equal Opportunities Employer as part of the Madrid Regional Government's 1<sup>st</sup> Corporate Social Responsibility in Employment Awards.
- The **Mentoring Program**, which supports female professionals by providing them with tools and methods to further their progression at the firm. 2019 was the third year of the program, in which 46 Garrigues professionals (23 mentees and 23 mentors) have taken part. As a new feature of the program in 2019, a training session on "internal and external visibility" was offered, which mentees found to be of great value.

In 2017, the Garrigues Optimum Plan and the other equality measures in place at the firm led the Spanish Government to certify Garrigues as an Equal Opportunity Employer, a mark of excellence that acknowledges companies "that notably and significantly excel in the application of equal treatment and equal opportunity policies".

## Occupational Health and Safety

Garrigues' internal policies include the Policy on quality, occupational risk prevention, the environment and corporate social responsibility, which ensures compliance with occupational risk prevention and health and safety legislation in all countries in which the firm operates.

The firm's occupational risk management system meets all the requirements established in the legislation in force and effectively manages the risks inherent in its business activity. This management system is embodied by the Garrigues' Workplace Medicine and Occupational Risk Prevention Service, staffed by a team of occupational physicians, nurses and risk prevention experts.

The service aims to achieve the best quality of life for Garrigues personnel through integral health management. It also promotes the development and integration of a culture of prevention, both among Garrigues employees and at subcontractors. With this aim in mind, the different components of the service work together and collaborate with other departments that deal with occupational risk prevention, both within the firm and at suppliers.

Training constitutes a fundamental pillar of the occupational risk prevention policy. In 2019, the firm continued to educate its employees about the risks inherent in their work, as well as on the preventive measures to be adopted.

Training is divided into three categories: training for new hires, training for members of the emergency teams, and training on other occupational risk prevention matters for employees in certain positions who, due to their special tasks and functions, require more specific and detailed knowledge.

The Workplace Medicine and Occupational Risk Prevention service advises all Garrigues personnel on issues in this area, 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 by applying findings from the study of DNA variables that condition responses to certain drugs in patients. The service also does an important job in monitoring health and providing on-site medical services.

No occupational diseases were reported at the firm in 2019. The number of occupational accidents recorded in 2019 was similar to previous years.

In order to continue building a healthy workplace, during the year Garrigues offered a number of classes to raise awareness of health issues. The aim of these educational sessions is to help create good habits among employees, as well as a true culture of prevention and self-care.

Other health promotion activities carried out are as follows: campaigns for the early detection of colon and lung cancer, sharing of health information and best practices, nutritional advice, preliminary fitness studies before taking up sports in order to rule out heart conditions, and more.

Lastly, the firm formally signed the Luxembourg Declaration, signaling its commitment to continue promoting health in the workplace, with the goal of making Garrigues a healthier firm, day by day.



## Goals for the future

Innovate in Human Resources, analyzing needs and ways to improve HR processes through the application of the latest technologies and specific developments based on analytics, artificial intelligence and robotics

Continue to analyze salary trends in the different markets in which we operate, in order to ensure that our salary packages are fair and competitive, particularly to attract and retain young talent

Consolidate the Summer Program and Job Shadowing Program

Roll out internships for students studying analytics

Introduce agile methodologies in the selection process

Achieve more flexible training, using synchronous e-learning technologies

Promote and foster self-study through new formats that employees can access when most convenient for them

Develop a new digital work environment to allow our professionals to more readily access all content and information made available to them by the Human Resources Department

# Intellectual capital, technology and innovation

Both innovation and applied technology are highly valued by Garrigues. This is why, in 2019, Garrigues continued to step up its research and roll-out of new systems, with a clear focus on moving forward, setting the firm apart from others and delivering added value for our clients and professionals.

During the year, work continued on the security master plan, shoring up our systems even further and developing new applications and features that bring added value and efficiency for our professionals. At the same time, we have made great strides in employee training with a view to expanding the culture of innovation throughout the entire organization.





## 2019 Highlights

Digital transformation: major progress in replacing the intranet with a digital work environment that expedites processes, improves access to content, and promotes collaboration, communication and knowledge sharing

Cybersecurity: 100% fulfillment of the 2019-2020 Security Master Plan

Artificial intelligence and process automation: training of a team able to automate processes using robotic process automation (RPA) technologies

Corporate applications: implementation of the Biz tool for comprehensive management of credentials

IT and Knowledge training: large push to adopt legal tech tools through a training line and a specific learning pathway on the firm's e-learning platform

Audiovisual channels and systems: firm-wide roll-out of the Webex communication system

Systems, infrastructure and communications: replacement of central switches providing access to all Garrigues systems and platforms

Empowerment through technology: modernization of workstations, replacing old equipment with 6<sup>th</sup> generation devices, such as 2-in-1 convertible tablets/laptops with touch screens, which are more efficient and sustainable

## Transformation

In 2019, the firm embarked on the GarriguesNET project, marking a turning point in the firm's transformation to a digital work environment, with new tools and resources to enhance worksharing and provide faster, more efficient access to content.

We also continued fostering our culture of innovation by celebrating Garrigues' Third Digital Innovation Day, an internal live-streamed event to discuss and learn about innovation in business, with a special focus on the legal services industry. In addition to presenting the most innovative projects of the year, the event aimed to inspire and motivate all employees to be part of the firm's culture of innovation. The Spur Innovation Program (SIP) pilot project was also announced, which aims to promote the digital transformation of our less tech-savvy employees.

Lastly, the firm has encouraged its professionals to take part in innovative events. One example is the Global Legal Hackathon (GLH), a competition taking place simultaneously in various countries and cities around the world, and hosted in Spain by Universidad Francisco de Vitoria (Madrid). A Garrigues team comprising members from different departments and with diverse profiles took part in the event, coming up with and designing a technological solution that made it to the final rounds.

## Cybersecurity

In 2019, we continued improving the security of our documentation and management systems, applying advances in the market. As part of these efforts, we renewed our certification under ISO/IEC 27001:2013.

We also implemented a privileged access management (PAM) security system and rolled out two-factor authentication for user access to all Garrigues systems.

As regards data protection, the firm continues to comply with the applicable legislation and has set up a Data Protection Office (DPO) and a European DPO support network, entrusted with overseeing compliance.

## Corporate applications

Throughout the year, the firm launched new tools and developed new features to streamline work, bringing greater efficiency to our professionals and added benefits to our clients. Some of these applications were a product of the Garrigues Innovation Think Tank, the firm's hub for detecting needs and innovating solutions.

**Biz** is the new transaction management tool available to the Corporate/Commercial Law Department. This credentials database compiles all the transactions logged by the department in 2019 and will continue to grow as both new and earlier transactions are added. The firm's goal for 2020 is to extend Biz to all other practice areas.

The firm's corporate app, **Garrigues Work**, has continued to evolve with the addition of the billing process, allowing professionals to send invoices directly from their mobile devices. This innovation, along with the other existing functionalities, were recognized in 2019, earning the firm the Expansión award for the most innovative project of the year.

## Artificial intelligence and robotic process automation (RPA)

In 2019, the firm created a team specialized in the automation of business processes using RPA technology. This team identifies tasks that could be automated and figures out how to automate the related processes, thereby reducing the amount of work to be carried out manually and improving the standard of quality of these tasks.

## Legal tech, new skills and new knowledge

During 2019, the Technology Department and the Knowledge Management Department continued working on proprietary and third-party technologies that, when applied to legal practice, streamline lawyers' work and deliver greater quality service to clients.

The bulk of these efforts were in the following three areas:

- Push to adopt legal tech tools
- Further development of tools already in use
- Identification and incorporation of new tools to help lawyers in their work



### Push to adopt legal tech tools

Adoption of these tools means moving away from more traditional ways of working, which is not always easy. To meet this challenge, we have created a specific legal tech training line for lawyers. By understanding how each tool can benefit specific processes or tasks, professionals are quicker to embrace them than if more established training methods are used. In 2019, the firm also identified in-house "experts", lawyers who regularly use these tools and can explain to their peers the advantages they bring to their day-to-day work.

We have also created new content (videos, examples, case studies) and a legal tech learning pathway on the firm's e-learning platform. As from 2019, training in legal tech tools is an essential component of Garrigues' internal training program and is offered across all departments and categories. It also forms part of all departmental retreats held throughout the year.



### Further development of tools already in use

Our **Proces@** robot continues to evolve, with new developments added during the year. Some of these are aimed at improving the performance of the tool for users, while others facilitate management by administrators. The most important advances, however, are those that offer users new functionalities when it comes to viewing and managing their files and transcriptions.

In 2019, we also added cognitive services for Portuguese, extending the transcription of audio files to Spanish and Portuguese. This entailed adding a Portuguese legal dictionary and new speech-to-text (STT) software, making it possible to process multimedia files in Portuguese, Spanish or a combination of the two.

We are also studying the possibility of extending the features of our **Anonymizer** to PowerPoint documents and emails.

As regards our **document assembly** tools, we have added new standard-form documents, and identified and worked on new applications of the tools in collaboration with our lawyers. With a wide range of solutions at our fingertips, we have created an internal team within the Knowledge Management Department to further integrate legal tech tools through best practices and process standardization. In coordination with the RPA team, it approves the best automation solutions and serves as a testbed for new tools.





### Identification and incorporation of new tools

In 2019, we added a **regulatory tracking tool**, which actively monitors legislative developments, to our processes for providing information and bringing our lawyers up to date. This helps both the Knowledge Management Department and the lawyers themselves stay abreast of new developments published by external public data sources, provided these can be automatically processed.

We added new **flexible tools for internal collaboration**, such as the Teams application. This tool has been rapidly embraced by both support and line personnel. The objective is to spark knowledge-sharing within the firm, creating channels for pre-existing informal communities and networks and facilitating contact between knowledge bearers and knowledge seekers.



### Goals for the future

Digital transformation: roll-out and launch of GarriguesNET as the firm's new digital work environment, to facilitate collaboration and improve efficiency

Cybersecurity: create a computer security incident response team (CSIRT)

Artificial intelligence and process automation: continue identifying business processes that can be automated using RPA technologies

Audiovisual channels and systems: secure Webex Events licenses for events and live-streaming

Infrastructure and communications: upgrade virtual infrastructure with greater capacity

# Social and relational capital

Garrigues has strengthened its commitment to serving the general interests of society through applied legal research, knowledge sharing, awards, community outreach initiatives, and the provision of pro bono advice to charitable, welfare, cultural, civic, research and educational organizations.





## 2019 Highlights

Provision of pro bono tax and legal services to 73 entities

166 Garrigues lawyers took part in the pro bono program in its various forms (up 6%)

27 new pro bono projects commenced over the course of 2019

More volunteering and community outreach initiatives

19<sup>th</sup> Young Lawyers Awards

Promotion and coverage of corporate outreach projects in the “Social Corner” section of the intranet

Consolidation of Garrigues’ corporate website as a benchmark for legal information, with up-to-date content and a cross-cutting approach, underpinned by the multi-country and multidisciplinary collaboration of the editorial committees

## Pro bono program

Garrigues has always demonstrated a firm commitment to social responsibility, particularly through the provision of pro bono services. Under its pro bono program, the firm provides legal and tax advisory services free of charge to non-profit entities serving the general interest through charitable, welfare, cultural, civic, research and educational activities.

The program was set up in 2012 in order to formalize the firm's pro bono activity and to provide our professionals with the tools to carry out this initiative.

General coordination of the 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 ensuring compliance with the safeguards in place to guarantee the quality of the services provided.

In 2019, the firm provided pro bono legal advice to 73 non-profit entities, with 166 Garrigues lawyers (9 more than in 2018) taking part in initiatives in Chile, Colombia, Spain, Mexico, Portugal and Peru.

During the year, Garrigues joined forces with Fundación Pro Bono Chile and continues to work with Fundación Pro Bono Spain, of which it is a founding trustee, along with other law firms. These foundations promote legal pro bono work and act as clearing houses to facilitate advice and legal assistance to entities or groups that have difficulties in accessing these services.

Garrigues' pro bono program contributes to fulfillment of the United Nations Sustainable Development Goals (SDGs). Based on the number of hours dedicated to each non-profit under the program, Garrigues' contribution to the SDGs in 2019 was primarily as follows: decent work and economic growth (Goal 8), good health and well-being (Goal 3), and peace, justice and strong institutions (Goal 16).

### Contribution to the SDGs based on the number of hours dedicated to each non-profit under the Garrigues pro bono program



### SDGs supported by the non-profits served under the Garrigues pro bono program



## Legal clinics

As part of our collaboration with various legal clinics, in 2019 we continued to assist Universidad Pontificia Comillas by supervising and mentoring students who combine their specific practical training with social outreach. These students provide legal assistance to non-profit entities that request their help.

## Garrigues Foundation: Corporate outreach

Garrigues' corporate outreach initiatives are fully aligned with the strategic objectives of the firm and are carried out through the Garrigues Foundation and the Human Resources Department. The Foundation, set up on April 1, 1997 and funded entirely by the firm, plays a pivotal role in implementing the firm's corporate social responsibility policy.

Our corporate outreach program includes awards, volunteering, charity campaigns, events and raising social awareness.

## Awards for excellence in the study and practice of business law

This year saw the 19<sup>th</sup> edition of the Young Lawyers Awards, organized by Fundación Garrigues and Centro de Estudios Garrigues. The awards recognize the work of final-year law students.

Also during the year, the firm gave out the Garrigues Award for Excellence in Business Law, honoring the best 2018-2019 end-of-degree projects among Universidad Pontificia Comillas law students.

## Study grants

As in previous years, the firm offered financial assistance to students studying law at universities and other academic institutions. These grants are designed to support young people in the final stages of their studies.

## Social Corner

Through our internal communication channel, Rincón Social/ Social Corner, located on the intranet, we share news of the charitable work of colleagues with ties to non-profits and worthy causes, invite Garrigues personnel to participate in different initiatives and report on the projects the firm is involved in.

## Science and Law Symposiums

During 2019, the Garrigues Foundation and Fundación para la Investigación sobre el Derecho y la Empresa (FIDE) organized several symposiums analyzing the role of law and jurists in today's society, particularly with regard to scientific and technological developments. The matters addressed during the year and which will continue to be focused on in 2020 include: advances in neuroscience and the study of the brain, genomics, demographic challenges and the application of new technologies.

## Notable outreach initiatives

### Corporate volunteering

- 47 volunteers from the Madrid office took part in a project to help immigrants learn about the Spanish constitution and in the Know Your Laws program, both of which were held at immigrant participation and integration centers (CEPI) in Madrid.
- 30 volunteers from offices around Spain took part in Fundación Integra's training workshops held in Madrid, Barcelona, Seville and Valencia.
- Professionals from the Bilbao office worked on the Fundación Bakuva educational program.
- Training sessions as part of the educational programs run by Fundación Prodis.
- Fake news awareness training sessions for Fundación Capacis.

### Charity events

- Rock & Law Barcelona. July 2019. Music group The Dealbreakers from the Barcelona office took part in the 11th Spanish edition of this charity concert. This year, proceeds were donated to Fundación Enriqueta Villavecchia's "Cuenta conmigo" project.
- Charity runs and sporting events. Our people took part in numerous sporting events for worthy causes, such as charity runs and football and golf tournaments coordinated by organizations such as the Spanish Cancer Association, Fundación Create, Cooperación Internacional ONG and Prodean.
- Colleagues from the Vigo and Coruña offices took part in the Business Outreach Day event coordinated by Cooperación Internacional ONG.

### Campaigns

- Operation Kilo food drive. The firm has coordinated food drives for the Spanish Federation of Food Banks (FESBAL) since 2012, collecting over 25,000 kilos of food in total. Garrigues then matches the number of kilos donated each year, doubling the impact.
- Collaboration with the Spanish Federation of Food Banks in our corporate Christmas greeting.
- Charity book drive. The firm once again participated in the book drive to support cooperation projects run by the non-profit AIDA (Ayuda, Intercambio y Desarrollo), with excellent results. This year nearly 1,300 books were donated.
- Donation of items for the opening of the Asociación DEBRA-Piel de Mariposa charity shop in Seville.
- Charity bazaar at the Barcelona office in aid of Fundación Vicente Ferrer.
- Blood drives at the Barcelona and Madrid offices in conjunction with the Spanish Red Cross.
- Charity products sold in aid of Federación de Padres de Niños con Cáncer in Seville and Madrid.
- Various campaigns by the Mexico office to support non-profit entities: purchase of cookies for meeting refreshments from APAC (Asociación Pro Personas con Parálisis Cerebral) and coordination of campaigns to collect plastic bottle caps ("Tapitas de Amor" campaign) to help children with cancer and their families.
- The Colombia office collaborated with Fundación Global Humanitaria, organizing the donation of school supplies kits to children in Tumaco.
- Joint collaboration between the Chile office and Fundación las Rosas in a drive to collect basic necessity items for low-income elderly people.

## The Garrigues Collection (published in Spanish)

Our commitment to responsible 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 was unveiled 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 20<sup>th</sup> Century), *La licencia de marca* (Trademark Licenses), *Comentarios a la Ley Concursal* (Commentary on the Insolvency Law), and *Las normas generales antielusión en la jurisprudencia tributaria española y europea* (General Anti-Avoidance Rules in Spanish and European Tax Case Law), among others.

With the Collection, the firm actively participates in legal debate, helps rethink the institutions and concepts of traditional law and contributes to the definition of new legal ideas. In 2019, the firm published the following works:

- *La anulación del laudo por infracción del orden público* (Setting Aside of Awards due to Infringement of Public Policy).
- Distress transactions in Spain.
- *Defensa Corporativa y Compliance* (Corporate Defense and Compliance).

## Electronic codes

Garrigues also collaborates with the Official State Gazette Government Agency in selecting, ordering and reviewing the provisions of its electronic codes, a compilation of the main provisions in force in the Spanish legal system. These codes are constantly updated and can be downloaded free of charge in pdf and ePub formats to facilitate their storage and reading across different electronic devices. The following codes have been published in recent years: *derecho farmacéutico* (Pharmaceutical Law), *derecho concursal* (insolvency law), *propiedad intelectual* (intellectual property), *derecho deportivo* (sports law), *inversiones extranjeras en España* (foreign investments in Spain), *derecho de la competencia* (competition law) and *derecho de la moda* (fashion law). The *código del turismo* (code on tourism law) was published in 2019.

Garrigues collaborates with the Official State Gazette Government Agency in creating a collection of electronic codes summarizing the rules in force on various subjects in Spanish law.



## Garrigues Chair on the Modernization of Company Law, Universidad Pontificia Comillas (ICADE)

In 2019, the Garrigues Chair on the Modernization of Company Law at Universidad Pontificia Comillas (ICADE) remained faithful to its founding objectives, although with a revamped focus on corporate social responsibility, activities and reach. The aim of the Garrigues Chair in the area of Company Law is to offer solutions to society, regulators and legal professionals, following a meticulous analysis of questions surrounding our laws and their practical application in closely held and listed companies. Dialog with industry players, input from renowned professionals and ongoing research are key to the success of this format. In short, the arrangement aims to capitalize on the knowledge and experience of Garrigues professionals, coupled with that of experts in a range of areas, to help achieve greater legal certainty in corporate and commercial transactions and, by extension, better and more efficient operation of the markets.

In 2019, seminars primarily covered two major topics: conflicts of interest within closely held and listed companies, and digitalization and automation of corporate operations. The idea of focusing on key issues over the course of a year was well



received by both speakers and attendees (with numbers greatly increasing on both sides), and has served as a springboard for works to be added to the new Garrigues Chair on the Modernization of Company Law Reference Collection at ICADE. The earlier collection of the Cuadernos de la Cátedra, which compiles all past activity of the Chair, was reprinted during the year.

The most relevant corporate law seminars held in 2019 were as follows:

- Corporate Crisis and Reorganization of the Capital Structure and Corporate Governance (February 4, 2019)
- Conflicts of Interest in Closely Held and Listed Companies: Conflict between Shareholders and Companies (March 18, 2019)
- Conflicts of Interest in Closely Held and Listed Companies: Conflict between Directors and Companies (April 29, 2019)
- Conflicts of Interest in Closely Held and Listed Companies: Conflicts surrounding Information (May 23, 2019)
- Conflicts of Interest in Closely Held and Listed Companies: The Corporate Interest and the Corporate Purpose (June 19, 2019)
- Digitalization of Company Law and Directive 2019/1151 (September 19, 2019)
- Is There a Place for Automated Companies? Challenges and Risks of Automated Governance and of Digital Transformation in Corporate Law (September 30, 2019)

## Garrigues Chair in Law and Business, Universidad de Zaragoza

In 2019, the Garrigues Chair fulfilled its commitment to providing activities and internships for Universidad de Zaragoza students through several initiatives and by organizing seminars, conferences and courses to encourage the transfer of knowledge to Aragón society as a whole.

In 2019, this Garrigues Chair carried out the following activities:

- Participation in the Graduate Expert in Corporate Responsibility Management course (2018-2019 academic year)
- Procedural Law Workshops: Res Judicata and Legal Protection for Consumers (January 30 and 31, 2019)
- 4<sup>th</sup> Seminar on Transport Law (March 29, 2019)
- 5<sup>th</sup> Garrigues Award for students at Universidad de Zaragoza (April 10, 2019)
- Sponsorship of the 11th edition of the Aragón regional government's "Economic Olympics" (May 21, 2019)
- Closing address for the Master's Degree and Doctorate programs in Economics: Globalization, the Information Society, Disruptive Technologies, Data Protection and Market Protection. A European Commission perspective (May 30, 2019)
- Workshop: Governance of Non-Listed Companies (October 17 and 18, 2019)
- 7<sup>th</sup> edition of the Seminar on Law and Business: A Professional Practice Perspective (October 23, 2019, and November 4, 5 and 6, 2019)

In 2020, the Chair will continue to engage in activities that strengthen the collaboration between Garrigues and the Universidad de Zaragoza and Aragón society as a whole. To that end, new editions of some of the above activities are already being prepared.

## Knowledge sharing

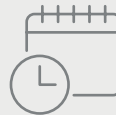
Garrigues continued to share knowledge and information with its clients and stakeholders in 2019, making the firm a benchmark for legal information, often focusing on topics and viewpoints that are later picked up by the leading economic and legal journals. Providing stakeholders with accurate and reliable analyses of the current legal landscape is particularly important in today's society, in which disinformation and information overload are rampant.

In 2019, the firm published more than **700 items** in five languages (Spanish, English, Portuguese, Polish and Chinese) and across a number of formats. A sizeable portion of these were the **283 legislative alerts** sent out with relevant, up-to-the-minute information curated from official gazettes and the main legal sources. In addition, the firm sent out **95 commentaries**, which are specific publications in which each department carries out an in-depth analysis of legislative and case law developments; **21 viewpoints**, offering a cross-cutting analysis of business trends; **52 articles** published on the Garrigues Digital portal, analyzing the legal challenges of digital transformation; and **100 posts** on the firm's collection of blogs: Labor and Employment Law blog (43 posts); Nuestra Fiscalidad blog, hosted on the website of financial newspaper Expansión (24 posts); and Fiscalidad Foral blog (on Basque Country and Navarre tax issues) (50 posts).

Traffic data shows that current and topical issues generate the most interest. Examples of Garrigues publications that have responded to readers' demands for analysis and discussion of new developments include:



The newsletter spotlighting environmental and climate change issues, sent out during the UN Climate Conference held in Madrid from December 2 to 13, 2019



The series of news items and articles covering the new obligation to record employee working time



News on Brexit

Many topics required a multi-disciplinary and multi-country approach, made possible thanks to collaboration among the firm's editorial committees in Spain, Portugal and Latin America. Garrigues' direct presence in Latin America is particularly significant, since it allows the firm to look at legal issues and projects of interest from a regional standpoint, taking in the economic and business context of the area as a whole. One example of this is the web special on infrastructure projects in Latin America.

Garrigues also maintained fluid and ongoing dialog with its stakeholders to inform them about the firm's activity and developments, through **50 corporate news items** covering new hires, initiatives, accolades and financial performance.



### From corporate website to a quality content portal

Garrigues' website continues to be built on its quality and up-to-the-minute content, advanced technology, information security, usability and user experience. In 2019, the website further established its role as a highly valuable content portal for the firm's stakeholders.

Over the course of the year, the number of unique users of the site doubled. Traffic from search engines (SEO) tripled in the year, becoming the main access channel and representing nearly 75% of total visitor volume. This means that the algorithms used by search engines such as Google consider our content to be more pertinent and that we are viewed as a source of quality legal information. Garrigues

Digital, featuring articles and multilateral perspectives on the digital economy, is one of the most visited sections.

In addition to enhancing content quality, a number of technological improvements were made to the site. In 2019, the data structure was optimized so that our content (publications, events and career opportunities) show up directly in search engine results, without users having to navigate through the site. Thanks to these efforts and changes, we have achieved our goal of transforming the website into a veritable hub of legal information and knowledge, rather than a mere means of presenting our professional services.



#### LinkedIn: our most utilized social network

Garrigues publications and events are shared via the firm's accounts on social media, a channel which has become a fundamental means of corporate communication, building Garrigues' digital reputation and attracting and retaining talent.

In 2019, the firm continued to train employees on the best use of social media, particularly LinkedIn, the social network that offers the firm the greatest potential and growth.



LinkedIn  
**81,676**  
followers

(up 30.089 on 2018)



Twitter  
**17,600**  
followers

(up 1.566 on 2018)



Facebook  
**6,818**  
followers

(up 1.043 on 2018)

Through more effective use of social media, particularly LinkedIn, we have driven more traffic to our website. Click-throughs to [www.garrigues.com](http://www.garrigues.com) from our social media accounts rose from 18,170 in 2018 to 42,980 in 2019.



#### New online events for clients and stakeholders

Over the course of a year, Garrigues continually hosts events, seminars, working breakfasts and training workshops. At these gatherings, Garrigues professionals and speakers from other entities and agencies analyze and debate issues that are important to our clients and stakeholders. In 2019, Garrigues hosted a total of 285 events across all its offices.

The year also marked the launch of a new way of connecting with our stakeholders: thanks to live-streaming, more people were able to easily and securely attend our events.

## Collaboration with associations and other entities

Garrigues is a member of more than 90 national and international associations, professional groups and similar entities in the public and private arenas (business associations, chambers of commerce, etc.). The firm collaborates with these entities in many different ways.

In particular, in 2019 we continued to collaborate with Plataforma del Tercer Sector, the Spanish Association of Foundations, Fundación Seres, the Global Compact Spanish Network, Club de Excelencia en Sostenibilidad and the Spanish Accounting and Business Administration Association (AECA).

## Dialog with stakeholders

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

Garrigues' stakeholders, as identified in the Code of Ethics, are its clients, personnel, partners, alliances, entities (other firms, suppliers and other organizations), authorities, the media, regulatory bodies and public authorities, as well as society as a whole.

Garrigues strives to foster and ensure ongoing exchanges with its stakeholders and continually identifies 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 regularly analyzes the relevance and materiality of different topics in order to identify those that may be of most interest to its stakeholders. Stakeholders are provided with the pertinent information on these material topics in different ways, usually through the Integrated Report.

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

### Clients

- Integrated Report
- Client experience and satisfaction
- Direct comments / informal meetings
- Corporate website
- Testimonials and specialized media reports
- Client and ethical requirements
- Meetings, committees and external working groups

### Regulatory bodies and public authorities

- Integrated Report
- Corporate website
- Testimonials and specialized media reports
- Client and ethical requirements
- Press and media (including social networks)
- Meetings, committees and external working groups
- Legislation

### Partners

- Integrated Report
- Corporate website
- Client experience and satisfaction
- Direct comments / informal meetings
- Formal meetings (Partners' Meeting) and internal committees
- Intranet (Partners' Portal)

### The media

- Integrated Report
- Corporate website
- Social networks
- Meetings and telephone and email contact

### Personnel

- Integrated Report
- Intranet
- Corporate website
- Client experience and satisfaction
- Direct comments / informal meetings

### Alliances

- Integrated Report
- Direct comments / informal meetings
- Meetings, committees and external working groups

**Entities (suppliers, etc.)**

- Integrated Report
- Direct comments / informal meetings
- Testimonials and specialized media reports
- Meetings, committees and external working groups
- Formal meetings and internal committees

**Society**

- Integrated Report
- Testimonials and specialized media reports
- 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 and direct dialog), as well as the indirect channels generally used for all stakeholders (Integrated Report, testimonials and specialized or general media reports, requirements, external working groups, regulations, etc.). One of the firm's main stakeholder groups is our personnel.

The key issues of interest identified through our stakeholder engagement are as follows:

Issue	Stakeholders	Where discussed in this report
Service quality	Clients	Trust, credibility and client satisfaction
Professional career development	Personnel	Human capital
Compensation and employee benefits systems		
Training		
Equality and non-discrimination policies		
The firm's social commitment: Community outreach and pro bono work		Social and relationship capital
Digital society	Entities and society	Intellectual capital, technology and innovation
Information security		Ethics and governance
Compliance		Social and relationship capital
Commitment to society		
Financial performance	Media (directories and rankings)	Financial capital
Business model		Business model
Innovation and technology		Intellectual capital, technology and innovation
Talent management		Human capital



## Goals for the future

Continue to increase the number of lawyers who participate in the pro bono program

Foster the development of the pro bono program at our international offices

Continue to support awards for excellence in the study and practice of business law

Draw up an annual community outreach plan to define outreach initiatives, with a particular focus on integration of people with disabilities and respect for diversity

Introduce new corporate volunteering initiatives

Share more information on new corporate outreach projects and initiatives through the "Social Corner" section of the intranet, giving it greater visibility

Update and standardize the language, style and design of corporate content and formats, particularly focusing on presentations of the firm aimed at our stakeholders

Strengthen our contribution to the Sustainable Development Goals



# Natural capital

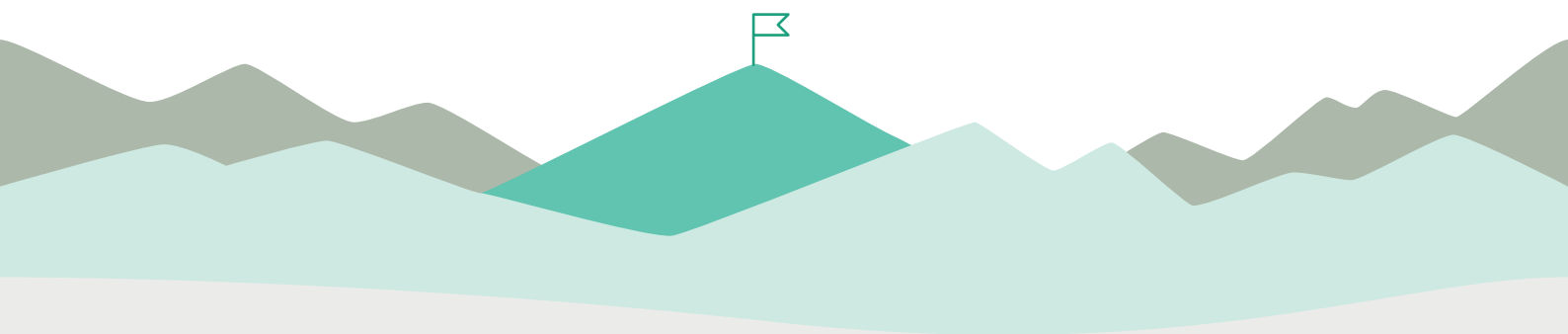
At Garrigues we work to ensure that our business model is environmentally responsible, enabling us to comply with environmental legislation while at the same time preventing or mitigating the impacts of our business and reducing our carbon footprint.

We have pledged to help drive the shift towards a circular economy by promoting the following lines of action under Garrigues' Eco-efficiency Program:

- Sustainable, healthy and accessible workplaces
- Responsible consumption
- Waste management
- Energy efficiency, energy from renewable sources with guarantee of origin and climate change
- Environmental awareness







## 2019 Highlights

75% of energy purchased at our offices from renewable sources with guarantee of origin, with plans to reach 87.6% by the end of 2020

Single-use consumables in staff canteens/office areas replaced with biodegradable/compostable consumables

Ongoing publication of the Garrigues en Verde/GoGreen Garrigues newsletter, sent to the entire organization and published in Spanish and English, with a view to continuing educating and raising awareness among all personnel

18 multifunctional printers replaced with more energy-efficient models

Further replacement of conventional lighting at our offices with LED technology: Bilbao (entire office), Madrid (meeting rooms), Palma de Mallorca (reception and meeting rooms) and Valencia (one floor)

## Sustainable, healthy and accessible workplaces

The firm moved to its new headquarters in 2006, implementing a new office concept that gives precedence to environmental aspects that make our personnel more comfortable and reduce consumption, both in terms of resources and costs.

At our new offices, and when refurbishing existing offices, we use as much glass as possible (office walls, cubicle walls, area separators, etc.), in order to optimize natural light.

The fixtures and fittings used are as environmentally friendly as possible. This is also the case with our furniture, where we favor wood from sustainably-managed forests and certified by the Forest Stewardship Council. A very large percentage of the metal components of our furniture and chairs is recycled. All our vinyl wallpaper can also be recycled.

Almost 50% of our carpets' components are made from recycled materials and are manufactured using electricity from renewable sources.

We remain firmly committed to replacing all conventional lighting with LED technology. We have opted to install presence sensors and natural light intensity sensors.

In addition, we continue to ensure that restrooms (both within our own office space and in shared areas) have sensor faucets, dual-flush toilets and sensor flush urinals, with a view to using water efficiently and responsibly.

In 2019, we continued to provide new dining areas at our offices, creating more inviting, comfortable and enjoyable spaces that can also be used for meetings and other get-togethers outside of meal times. In these and other areas at our offices (drinks stations, etc.), we have filtered water dispensers that not only offer a healthier option but also considerably reduce the consumption of plastic water bottles, helping us eliminate single-use plastics.

We try to ensure that all buildings in which Garrigues has offices are accessible for people with reduced mobility and have accessible restrooms. Workstations are equipped with ergonomic elements which can be adapted to each employee's specific needs (height-adjustable desks, flexible distribution of office furniture, etc.).

Currently, just over one-third of our total office space worldwide is in buildings certified as sustainable, under the Leadership in Energy and Environmental Design (LEED) certification, an international verification standard developed by the U.S. Green Building Council to promote the design of buildings on the basis of sustainable and high efficiency criteria, or the Building Research Establishment Environmental Assessment Methodology (BREEAM) certification.

### LEED/BREEAM certified offices

Office	Certification	Office	Certification
Bogota	LEED Gold	Mexico City	LEED Gold
Lima	LEED Silver	Malaga	BREEAM
London	LEED Platinum	New York	LEED Silver
Madrid	LEED Gold	Warsaw	LEED Gold

We also give priority to the location of our offices, ensuring that they are situated in central areas with good transport links, thereby ensuring the sustainable mobility of our employees and other stakeholders (close to various public transport options, etc.).

## Responsible consumption of natural resources and waste management

Initiatives continued during the year to reduce both the consumption of natural resources and the amount of waste generated.



### Energy

The main type of energy used at Garrigues is electricity, all of which is obtained from outside sources.

We combine awareness-raising initiatives with the installation of efficient climate control systems (centrally managed), efficient lighting systems (LED technology, presence sensors and natural light intensity sensors) and energy-saving IT equipment and printers.



### Water

At Garrigues, we run initiatives to educate our people about the importance of conserving resources and using water efficiently. We have also installed (and urged the owners of our buildings to install) systems to help reduce consumption (sensor-operated faucets and urinals, dual-flush toilets, etc.).

Garrigues' General Services Department monitors electricity and water use, using a special tool to enable each office to upload the data from their utility bills on a monthly basis. This system enables us not only to obtain global and individual consumption figures, but also to compare consumption across the different offices, note progress or setbacks, detect anomalies and establish corrective measures. All of the resulting information is housed on the group's portal.



### Paper

Garrigues uses multifunctional printers with state-of-the-art technology that helps reduce paper consumption (double-sided, locked printing, etc.), as well as energy-saving functions and the capacity to send and receive faxes. As this equipment is constantly being upgraded, we can ensure it is as environmentally friendly as possible.

Thanks to these measures and by continuing to raise awareness, total paper consumption at Garrigues offices was 57.87kg/person in 2019, down 11% on the previous year. Historic data on paper collection and recycling by office can be found on the group's portal.

Annual paper consumption per employee

2017  
**76.26**  
kg/person

2018  
**65.20**  
kg/person

2019  
**57.87**  
kg/person

In addition, over 98% of the paper consumed is FSC or PEFC certified, ensuring that it comes from sustainably managed forests.

Paper consumption is one of Garrigues' key environmental concerns, since paper is directly used in our professional activity. This is why we are particularly proud of reducing our consumption year on year. The key is to reduce.



### Waste management

The waste generated at Garrigues is mostly non-industrial and non-hazardous in nature. Our offices have specific containers for the selective collection of lightweight packaging and organic material.

Some hazardous waste is also generated, such as fluorescent light bulbs, toner cartridges, batteries and end-of-life IT equipment. Where possible, we donate IT equipment to NGOs.

Any furniture and fittings that cannot be reused or repurposed are stored and delivered to authorized waste management companies for the appropriate transport and treatment.



### Energy efficiency, energy from renewable sources with guarantee of origin and climate change

The firm cut its electricity consumption during the year by 5.9% in absolute terms and by 5.6% per employee.

At 2019 year-end, 75% of the electricity supplied to Garrigues' offices came from renewable energy sources with guarantees of origin, and we expect this to increase to 87.6% by the end of 2020.

Garrigues continues to contribute to a more sustainable world by implementing initiatives aimed at reducing CO<sub>2</sub> emissions. The firm participates in campaigns on energy sustainability and the fight against climate change. It also prepares an annual inventory of the greenhouse gas (GHG) emissions produced by our business. The main sources of indirect GHG emissions at Garrigues are electricity consumption at our offices and business trips by our professionals. Emissions from these sources are quantified according to the Greenhouse Gas Protocol ([www.ghgprotocol.org](http://www.ghgprotocol.org)).

In particular, in 2019 we reduced CO<sub>2</sub> emissions from electricity consumption at our offices by 27.8%.

## Environmental awareness

We firmly believe that the best results are achieved through better awareness, by providing data on what we have achieved and making it a group effort, thereby encouraging even greater engagement. To do this, we run environmental education and awareness-raising initiatives, both internally, by providing information on procedures at our offices (posters in specific areas that depict good practices and the quarterly Garrigues en Verde/GoGreen Garrigues newsletter distributed to all members of the firm), and externally, through our online Environmental Newsletter and by offering our clients and collaborators free information sessions and training workshops on the latest developments in environmental conservation.



## Goals for the future

Consume electricity from renewable sources with a guarantee of origin in all of Garrigues' European Union Offices and in 87% of offices worldwide

Continue introducing advanced technologies in order to reduce consumption and emissions. Continue to gradually replace conventional lighting with LED technology

Review and update office materials according to sustainability criteria

New forms of communication. To replace the quarterly publication (GoGreen Garrigues) with other more frequent publications on our intranet, covering matters of general interest with a view to raising environmental awareness

# Financial capital

The firm has continued to build on the growth seen in past years, which has been strongly driven by our international expansion, particularly in Latin America. Our financial performance has locked in our position of leadership and prestige in the Spanish legal services industry and in the main international markets in which we operate.



## 2019 Highlights

Sustained revenue growth with respect to last year

During the year, Garrigues' net revenue exceeded the €380 million mark, amounting to €384.1 million, up 4.60% on the €364.6 million posted last year.

We are clearly seeing the fruits of Garrigues' ongoing international expansion. Among the 13 countries in which the firm operates, the greatest growth over the period was seen in Latin America as a whole, up 22.8% in net revenues.

With offices in five countries in the region (Brazil, Chile, Colombia, Mexico and Peru), Garrigues is a unique firm in Latin America due to its integrated management model, its strong presence in the region and the wide range of professional services offered. The aim over the coming years is to continue to grow and consolidate our position in the region.

Garrigues is making a major investment effort in innovation projects, using new tools which enable it to work in innovative ways which are ultimately of benefit to its clients.

Garrigues has maintained its leading position in the tax and legal industry. Garrigues is once again the largest law firm in Spain and in the European Union in terms of billings. It is recognized as one of the most prestigious international firms of lawyers and tax advisers.

The key financial aggregates relating to Garrigues' group of companies for the last two years are as follows:

### Key financial aggregates - Garrigues group aggregates

(thousands of euros)	2017	2018	2019
<b>Direct economic value generated</b>	<b>358,671</b>	<b>366,087</b>	<b>382,693</b>
a) Revenues	358,671	366,087	382,693
Revenues from operations	357,138	364,645	381,419
Other operating revenue	964	602	529
Financial revenue	569	840	745
<b>Economic value distributed</b>	<b>355,319</b>	<b>360,484</b>	<b>376,387</b>
b) Operating costs	78,333	85,369	84,761
Depreciation and amortization expense	5,382	4,988	4,486
Variation in working capital provisions	1,984	1,831	3,423
External services	70,967	78,550	76,852
c) Personnel and professional expenses	245,716	248,241	263,737
d) Payments to capital providers	5,982	3,086	2,518
e) Payments to public authorities	24,935	23,417	24,966
Tax on economic activities and other non-income taxes	777	770	1,028
Corporate income tax	7,779	5,356	4,822
Social security	16,379	17,291	19,116
f) Donations and other community investments	353	371	405
<b>Income for the year</b>	<b>3,352</b>	<b>5,603</b>	<b>6,306</b>



The “Payments to Public Authorities” caption includes 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 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.

**Personal income tax, VAT, social security contributions,  
and corporate income tax for Spain and Portugal**

Spain (thousands of euros)	2017	2018	2019
Personal income tax of partners, professionals and employees	78,090	77,042	80,410
VAT for the companies and partners	45,562	47,843	50,048
Social security contributions of the companies, partners, employees and professionals	21,441	22,264	24,334
Corporate income tax	5,425	4,037	3,126
<b>Total</b>	<b>150,518</b>	<b>151,186</b>	<b>157,918</b>
Portugal (thousands of euros)			
Personal income tax of partners, professionals and employees	2,590	2,976	2,879
VAT for the companies and partners	1,348	1,709	1,424
Social security contributions of the companies, partners, employees and professionals	1,259	1,389	1,537
Corporate income tax	24	78	120
<b>Total</b>	<b>5,221</b>	<b>6,152</b>	<b>5,960</b>



## Goals for the future

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

# The value of reputation

Leading organizations recognize Garrigues for: the quality of its client service, its commitment to talent, its proven ability to innovate and its social outreach.

Garrigues features in the main rankings and directories of international law firms.



## Awards and accolades in 2019

### For the quality of our departments

#### IP Law Firm of the Year

Portugal, Global IP Awards- WTR and IAM (January 2019)

#### Tax Firm of the Year in Spain

Chambers Spain Awards (April 2019)

#### Tax Firm of the Year in Spain and Portugal

International Tax Review (May 2019)

#### Capital Markets Firm of the Year in the Andes

International Financial Law Review (May 2019)

### For our knowledge of the sector

#### Energy Firm of the Year

Expansión Legal Awards (June 2019)

#### Real Estate Firm of the Year

Expansión Legal Awards (June 2019)

### For our participation in major deals

#### Deal of the Year: sale of a 20% stake in Gas Natural to CVC

Expansión Legal Awards (June 2019)

#### Banking and Finance Deal of the Year: Bogotá Metro

Latin Lawyer's Deals of the Year Awards (April 2019)

#### Andes - Project Finance Deal of the Year: Sisga Highway Concession, Bonds & Loans

Latin America Deals of the Year (April 2019)

#### Latin America - Leveraged Finance Deal of the Year: INRETAIL (Peru), Bonds & Loans

Latin America Deals of the Year (April 2019)

### For our international strategy

#### Transatlantic Independent Law Firm of the Year

The American Lawyer and Legal Week (June 2019)

#### Latin American Firm of the Year: Gold Award

Leaders League (July 2019)

#### Latin American Local Legal Adviser of the Year

IJGlobal Awards (March 2019)

#### Law Firm of the Year: Andes

LatinFinance Deals of the Year Awards (February 2019)

### For our innovation

#### Innovation in legal expertise: creating a new standard

FT European Innovative Lawyers Awards 2019 (September 2019)

#### Most Innovative Project: Garrigues Work

Expansión Legal Awards (June 2019)

#### Best Strategy Implementation: Garrigues Innovation Think Tank

Managing Partners' Forum Awards 2019 (March 2019)

#### Peru Most Innovative Law Firm of the Year

International Financial Law Review (May 2019)

### For our commitment to talent

#### The Most Attractive Employers in Spain by Law university students

Universum (May 2019)

#### Among the top 100 companies in Spain for attracting and retaining talent

Merco Talento

#### Ranked among the Top 5 Companies to Work For

Actualidad Económica ranking

### For our social commitment

#### Among the 100 most socially responsible enterprises

Merco Responsabilidad y Gobierno Corporativo ranking

#### Garrigues México: 2019 Socially Responsible Enterprise (ESR) distinction

Centro Mexicano para la Filantropía (CEMEFI) and Alianza para la Responsabilidad Social Empresarial (AliaRSE)

### For our reputation

#### Among the top 100 enterprises with the best reputation

Merco Empresas ranking

## International directories

In 2019, Garrigues' practice areas were ranked as Band 1 or Tier 1 by the main international directories in their respective categories for Spain.



**Band 1**  
4 areas

**Band 2**  
3 areas

**Other bands**  
1 area



**Band 1**  
14 areas

**Band 2**  
17 areas

**Other bands**  
4 areas



**Band 1**  
20 areas

**Band 2**  
5 areas

**Other bands**  
1 area



**Band 1**  
8 areas

In terms of specialized directories, the Garrigues tax practice was ranked Tier 1 in General Corporate Tax, Tax Controversy, Indirect Tax and Transactional Tax by the World Tax 2020 ranking (International Tax Review).





## International standards

This report for the Garrigues 2019 fiscal year (January 1, 2019 through December 31, 2019) has been prepared in accordance with the following international reporting standards:

### **Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards)**

Garrigues has prepared its 2019 Integrated Report in line with the 2016 GRI Standards to give a true and fair view of the firm's material topics, their impact and how they are managed.

The GRI Standards represent the latest global practices for disclosing information on the economic, environmental and social impacts of an organization.

### **International Integrated Reporting Framework published by the International Integrated Reporting Council (IIRC)**

This report takes into account the guidelines and recommendations set out under the integrated reporting framework published by the IIRC in December 2013, adapting them to the progress made on each issue and Garrigues' business and specific situation. As well as informing the firm's stakeholders of its economic, social and environmental performance, this report identifies and describes Garrigues' main assets: human capital, intellectual capital and innovation, 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 responsiveness, materiality and conciseness, reliability and completeness, and consistency and comparability.

### **United Nations Global Compact**

Garrigues adhered to the Global Compact in 2002. The Global Compact sets out 10 principles in the areas of human rights, labor, the environment and anti-corruption.

### **United Nations Sustainable Development Goals**

The Sustainable Development Goals (SDGs) were approved by the United Nations in September 2015. This series of 17 goals and 169 targets aims to solve the social, economic and environmental problems afflicting the world and covers the period 2016-2030. Garrigues has assessed and defined its indirect and indirect contribution to the SDGs and to the rule of law. In doing so, the firm used a variety of tools, such as the SDG Compass developed by the Global Reporting Initiative, the United Nations Global Compact and the World Business Council for Sustainability Development.

## Materiality analysis

In the context of the Integrated Report, "material topic" means a topic 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.

Material topics are listed in a separate column in the GRI Standards index, in accordance with the materiality analysis carried out in 2018.

## Management approach

Economic topics have been material in preparing this report, mainly due to the expectations the firm's personnel and partners have in relation to certain issues addressed in the GRI Standards (value generated and distributed, entry-level wages and pro bono work). This information is described in the sections of the report dedicated to pro bono work, personnel and economic topics.

Topics listed under the "Anti-corruption" and "Anti-competitive behavior" subgroups have been included in the report due to the relevance that ethical and compliance issues have for Garrigues and for practically all of its stakeholders, and the indicators chosen are those that specifically address these kinds of concerns. The ethics and governance section of this report provides detailed information on the firm's organization and the steps taken by Garrigues in this respect. The Marketing and Labeling topic has been included due to the importance that client satisfaction, a matter addressed by the GRI Standards under this topic, has for the firm, its personnel and its clients. This is a key issue for the firm, and our operating and organizational structure seeks to ensure the highest levels of client satisfaction.

The material environmental topics identified reflect the expectations that exist for the firm in this respect, although in a less intense manner than for the previous topics. The impetus behind these expectations varies depending on the stakeholder, spanning from legal compliance and cost cutting as a part of appropriate environmental management to the sensitivity of partners, clients, society and personnel to certain issues (carbon emissions, recycling, etc.).

In short, at Garrigues we expressly identify environmental management as an activity for which we are all responsible, coordinated by a specific department that regularly reviews and proposes environment-related goals, depending on the results achieved.

Lastly, with respect to the labor topics covered in the report, their materiality mainly stems from the importance of human capital at professional services firms, especially in the legal profession. Accordingly, all topics of the GRI Standards that result in improvements for personnel are material. Garrigues has a specific department and a committee to manage these topics. The information relating to these topics is set out in detail throughout this report.

## Measurement and assessment of management approach

At Garrigues, we measure the performance, effective management and impact of economic, social and environmental topics using a series of instruments, including:

- Client satisfaction survey.
- Consultations with corporate social responsibility experts and other stakeholders.
- Internal and external audits.
- Internal assessment mechanisms and KPIs.
- Committees and control bodies specializing in different topics, such as: Equality Committee, Pro Bono Committee, Professional Practice Committee, and Information Processing and Analysis Unit.
- Annual reports and internal reporting mechanisms.
- Garrigues Ethics Channel.



## Frequency

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

## Scope, period and limits

The information disclosed in the Integrated Report on material topics relates to all Garrigues companies but excludes the impact on the upstream and downstream value chain, unless expressly indicated otherwise under 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 topic. Except where otherwise indicated, the information supplied relates to the Garrigues 2019 fiscal year: January 1, 2019 through December 31, 2019.

The average activity covered in terms of headcount is included in the Natural Capital section. In some cases, 100% of the activity is not covered due to a lack of available data.

The About Garrigues and Social and Relationship Capital sections contain qualitative information available up to the date of the assurance report.

### 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 Maroc SARLAU (\*)
- Garrigues Human Capital Services, S.L.P. (\*)
- Garrigues Polska i Roberto Delgado Gil, sp.k.
- Garrigues Letrados de Soporte, S.L.P. (\*) (anteriormente denominada Rino Asesores, S.L.P.)
- G-Advisory, Consultoría Técnica, Económica y Estratégica, S.L.P.
- Garrigues IP, S.L.P.
- Garrigues IP Unipessoal, L.D.A. (\*)
- Garrigues Consultoría de Empresa Familiar, S.L.P. (\*)
- Garrigues Colombia SAS (\*)
- J&A Garrigues Perú, Sociedad Civil de Responsabilidad Limitada
- Garrigues México, S.C.
- Garrigues Consultores Tributarios, Ltda.
- Garrigues Chile, Spa. (\*)
- G-Advisory México, S.C.
- G-Advisory Chile, Spa.

(\*) Sole-shareholder companies

## Accuracy

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

Garrigues also takes into account other international standards such as the Greenhouse Gas Protocol (WRI/WBCSD GHG Protocol), 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), the Sustainability Accounting Standards for professional services (2018) and the European Commission Guidelines on non-financial reporting (2017 and updated in 2019).

In addition, in drafting this report, we applied 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. A separate style guide, the *Llibre d'estil jurídic*, was published in Catalan in 2010, with its own specific identity and contents.

Garrigues has in place the means to ensure the quality and accuracy of the information included in this report.

The preparation of the Integrated Report is coordinated by Garrigues' CSR Department, in accordance with applicable legislation and international benchmarks. The areas that participate in preparing the report 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 assurance provider.

This report was verified by the independent entity AENOR on July 3, 2020, in accordance with the core option of the GRI Standards.

Phase	Departments involved
Consultation with stakeholders	Internal agents External agents (CSR experts / sustainability)
Preparation of drafts	Human Resources General Services, Logistics and Infrastructure Intangibles Knowledge Management Technology Administration and Finance Professional Practice Medical Service Garrigues Foundation G-advisory
Review and consolidation	CSR/Sustainability Intangibles
Final approval	Executive Chairman Partners' Meeting
Layout and distribution	Intangibles

# Index of GRI Standards, Global Compact and SDG



↓

## Notes

- (1) By industry type and type of company ownership, the indicators that best reflect the firm's size are: number of people, 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 wastewater, which is channeled via the municipal treatment network. No accidental spillages have occurred. In 2019, total water consumption at our offices amounted to 14.86 megaliters (MI).

### Water consumption

2017	2018	2019
<b>9.89</b>	<b>7.38</b>	<b>7.03</b>
m <sup>3</sup> / person	m <sup>3</sup> / person	m <sup>3</sup> / person

Note: Water consumed to cover 82.27% of Garrigues' activity in 2017, 96.23% in 2018 and 91.96% in 2019 (average coverage in terms of headcount).

- (3) In 2019, total energy consumption at our offices amounted to 21,941.71 gigajoules (GJ).

### Electricity consumption

2017	2018	2019
<b>371.88</b>	<b>379.03</b>	<b>375.87</b>
MJ/m <sup>2</sup>	MJ/m <sup>2</sup>	MJ/m <sup>2</sup>

Note: Energy consumed to cover 96% of Garrigues' activity in 2017, 100% in 2018 and 100% in 2019 (average coverage in terms of headcount).

- (4) The waste generated at Garrigues is mostly non-industrial and non-hazardous in nature (according to the method used, we estimate 181 tons in 2019). The hazardous waste generated at Garrigues offices in the last three years is summarized below:

### Hazardous waste generated by Garrigues offices

2017	2018	2019
<b>428</b>	<b>507</b>	<b>660</b>
kg	kg	kg

Note: Hazardous waste consumed to cover 33% in 2017, 33.24% in 2018 and 31.22% in 2019 (average coverage in terms of headcount).

### Fluorescent waste generated by Garrigues offices (kg)

2018	2019
<b>232.9</b>	<b>166</b>
kg	kg

Note: Fluorescent waste generated to cover 81.8% in 2018 and 81% in 2019.

- (5) In recent years, the main efforts to reduce GHG emissions at our offices have targeted energy consumption (discussed in the “Responsible consumption of natural resources and waste management” section) and business trips (by promoting the use of videoconferencing). Garrigues does not generate significant emissions of other non-GHG gases. Set out below is the Garrigues GHG Inventory for the last three years.

Greenhouse gas emissions inventory (tons t CO<sub>2e</sub>)

	2017	2018	2019
Emissions Scope 2	1,691.82	1,649.04	1,190.59
Emissions Scope 3	1,843.52	1,290.22	1,350.41

Note: GHG emissions (scope 2) to cover 96% of Garrigues' activity in 2017, 100% in 2018 and 100% in 2019 (average coverage in terms of headcount).

Travel (scope 3): Scope 3 emissions have been calculated using specific methodologies and estimates based on available information. In view of the nature of this data, there is some margin for error.

- (6) Headcount by professional category and region (2017, 2018 and 2019 year-end figures):

Headcount by professional category

	2017	2018	2019
Partner	298	303	313
Counsel	31	41	44
Principal associate	143	152	168
Senior associate	387	388	365
Associate	268	284	319
Junior	293	294	284
Trainee	60	81	90
OPS	81	89	62
Administrative and support personnel	481	489	469
<b>Total</b>	<b>2,042</b>	<b>2,121</b>	<b>2,114</b>

Headcount by region

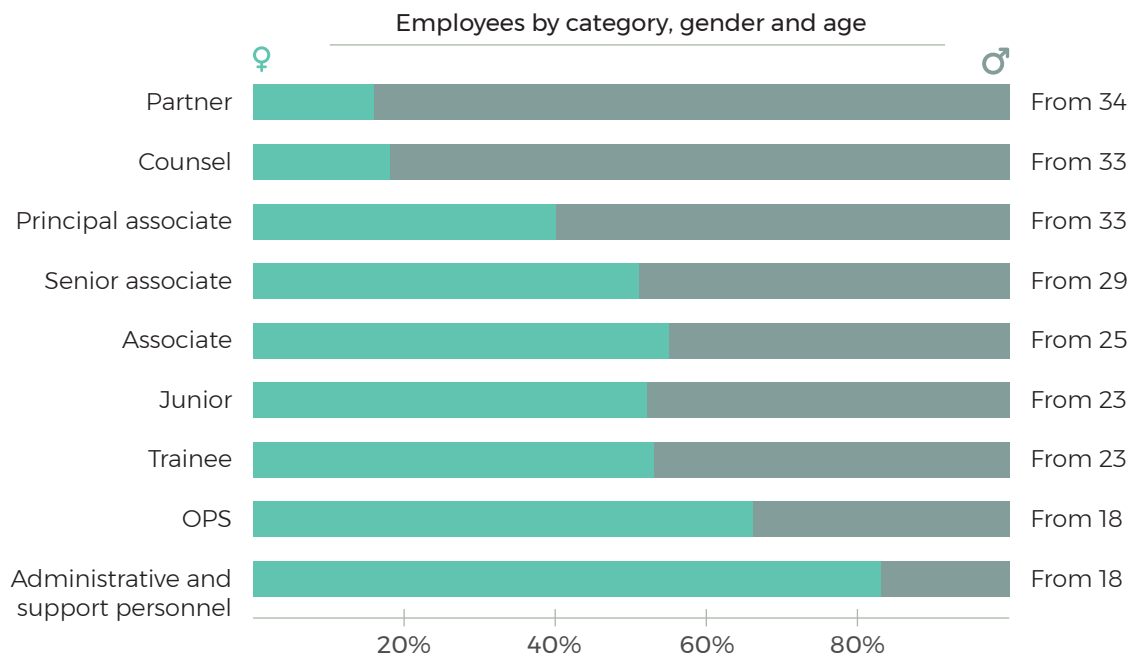
	2017	2018	2019
Spain	1,695	1,735	1,713
Portugal	115	120	128
Rest of offices	232	266	273
<b>Total</b>	<b>2,042</b>	<b>2,121</b>	<b>2,114</b>

(7) Headcount by professional category, gender and age at 2017, 2018 and 2019 year-end:

Headcount by professional category and gender

Category	2017			2018			2019		
	M	W	Total	M	W	Total	M	W	Total
Partner	252	46	298	255	48	303	263	50	313
Counsel	22	9	31	32	9	41	36	8	44
Principal associate	105	38	143	103	49	152	100	68	168
Senior associate	189	198	387	186	202	388	179	186	365
Associate	119	149	268	130	154	284	144	175	319
Junior	127	166	293	134	160	294	135	149	284
Trainee	35	25	60	42	39	81	42	48	90
OPS	27	54	81	30	59	89	21	41	62
Administrative and support personnel	76	405	481	82	407	489	80	389	469
<b>Total</b>	<b>952</b>	<b>1,090</b>	<b>2,042</b>	<b>994</b>	<b>1,127</b>	<b>2,121</b>	<b>1,000</b>	<b>1,114</b>	<b>2,114</b>

(M) men and (W) women



(8) Our philosophy is to sign permanent employment contracts with our professionals. At international offices, Garrigues follows standard contractual practices in line with the local legislation in force.

(9) New hires by gender, professional category and region at 2017, 2018 and 2019 year-end:

New hires by gender and professional category

Category	2017			2018			2019		
	M	W	Total	M	W	Total	M	W	Total
Partner	100%	0%	1	80%	20%	5	100%	0%	3
Counsel	100%	0%	2	100%	0%	2	100%	0%	1
Principal associate	75%	25%	4	50%	50%	4	80%	20%	5
Senior associate	50%	50%	12	45%	55%	29	56%	44%	16
Associate	46%	54%	37	45%	55%	40	46%	54%	35
Junior	44%	56%	135	50%	50%	143	54%	46%	105
Trainee	53%	47%	49	48%	52%	66	49%	51%	63
OPS	25%	75%	12	44%	56%	18	45%	55%	11
Administrative and support personnel	12%	88%	33	25%	75%	40	38%	62%	13
<b>Total</b>	<b>42%</b>	<b>58%</b>	<b>285</b>	<b>46%</b>	<b>54%</b>	<b>347</b>	<b>52%</b>	<b>48%</b>	<b>252</b>

(M) men and (W) women

New hires by region

Region	2017			2018			2019		
	M	W	Total	M	W	Total	M	W	Total
Spain	88	111	199	111	126	237	87	94	181
Portugal	9	14	23	9	24	33	11	5	16
Rest of offices	24	39	63	40	37	77	33	22	55
<b>Total</b>	<b>121</b>	<b>164</b>	<b>285</b>	<b>160</b>	<b>187</b>	<b>347</b>	<b>131</b>	<b>121</b>	<b>252</b>

(M) men and (W) women



**(10)** Employee turnover, by professional category, gender and region in 2017, 2018 and 2019:**Employee turnover by professional category and gender**

	2017			2018			2019		
Category	M	W	Total	M	W	Total	M	W	Total
Partner	8	1	9	7	0	7	6	0	6
Counsel	1	0	1	1	0	1	1	2	3
Principal associate	4	3	7	5	3	8	5	2	7
Senior associate	30	25	55	29	28	57	19	21	40
Associate	36	37	73	29	52	81	34	46	80
Junior	20	39	59	28	30	58	19	26	45
Trainee	7	4	11	7	6	13	13	8	21
OPS	2	8	10	6	5	11	9	26	35
Administrative and support personnel	5	33	38	3	28	31	2	33	35
<b>Total</b>	<b>113</b>	<b>150</b>	<b>263</b>	<b>115</b>	<b>152</b>	<b>267</b>	<b>108</b>	<b>164</b>	<b>272</b>

(M) men and (W) women

**Employee turnover by region**

	2017			2018			2019		
Region	M	W	Total	M	W	Total	M	W	Total
España	89	117	206	87	105	192	83	136	219
Portugal	8	14	22	13	15	28	4	4	8
Resto de oficinas	16	19	35	15	32	47	21	24	45
<b>Total</b>	<b>113</b>	<b>150</b>	<b>263</b>	<b>115</b>	<b>152</b>	<b>267</b>	<b>108</b>	<b>164</b>	<b>272</b>

(M) men and (W) women

**(11)** Our firm has not been required to undertake any business restructuring processes, such as collective dismissals or temporary layoff procedures.

**(12)** Absentee rate:**Absentee rate by gender (%)**

Year	Men	Women	Total
2017	0.29	2.09	<b>2.38</b>
2018	0.35	2.02	<b>2.37</b>
2019	0.27	1.95	<b>2.22</b>

Note: The absentee rate calculated refers only to Spain.

**(13)** Medical service indicators. There have been no fatal accidents.

#### Medical service indicators

	2017	2018	2019
Indicators			
Doctor appointments	5,666	5,623	5,794
Nurse appointments	2,371	1,129	2,195
Health check-ups	784	787	899
Lab tests	889	954	937
Ergonomics-related queries	207	159	138
Health-related queries and reports	259	234	219
Safety-related reports	20	8	18
Training (attendees)	306	165	649
<b>Accidents with sick leave</b>			
Total number of accidents	6	7	12
Accidents on the way to/from work	4	5	10
Workplace accidents	2	2	2
Distribution by gender			
Number of women	3	7	8
Number of men	3	0	4
No. of days' sick leave	459	177	265

Note: Data refer solely to Spain.

In 2019, a total of 649 individuals (407 women and 242 men) received health and safety training.

**(14)** In 2019, 45 employees out of the 52 who took maternity leave were still at the firm 12 months after coming back to work, that is, 87% of all women taking maternity leave. As for new fathers, 15 employees out of a total of 19 employees who took paternity leave were still at the firm 12 months after coming back to work, representing 79% of the total.

Staff returning after maternity/paternity leave	2017				2018				2019			
	M		W		M		W		M		W	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Left within 12 months of returning from maternity/paternity leave	0	0	8	11	2	9	8	12	4	21	7	13
Left before returning from maternity/paternity leave	0	0	0	0	0	0	1	1	0	0	0	0
Still at the firm 12 months after returning from maternity/paternity leave	19	100	64	89	19	91	59	87	15	79	45	87
<b>Total</b>	<b>19</b>	<b>100</b>	<b>72</b>	<b>100</b>	<b>21</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>19</b>	<b>100</b>	<b>52</b>	<b>100</b>

(M) Men and (W) women

Note: Data refer solely to Spain.

(15) Total headcount by type of contract, gender, region and working hours. Data refer solely to Spain.

Total headcount	2017		2018		2019	
By type of contract and gender	M	W	M	W	M	W
Permanent / Line and support personnel	542	843	556	853	550	820
Temporary / Trainees and other temporary workers	28	25	34	37	31	49
<b>Total</b>	<b>570</b>	<b>868</b>	<b>590</b>	<b>890</b>	<b>581</b>	<b>869</b>
By working hours and gender	M	W	M	W	M	W
Full-time	564	834	585	857	577	841
Part-time	6	34	5	33	4	28
<b>Total</b>	<b>570</b>	<b>868</b>	<b>590</b>	<b>890</b>	<b>581</b>	<b>869</b>

(M) men and (W) women

(16) Variation in average number of training hours in 2017, 2018 and 2019:

#### Average number of training hours

	2017			2018			2019		
Categoría	M	W	Total	M	W	Total	M	W	Total
Partner	66	75	67	56	58	57	47	52	48
Counsel	58	84	65	50	65	53	51	81	56
Principal associate	65	54	62	50	53	51	56	47	52
Senior associate	112	93	102	90	72	81	68	79	74
Associate	139	150	145	222	148	182	169	157	162
Junior	142	158	151	142	155	149	129	128	129
Trainee	81	108	92	65	74	69	83	80	81
OPS	59	37	44	43	46	45	37	37	37
Administrative and support personnel	35	29	32	33	28	29	25	24	24

(M) men and (W) women

(17) Garrigues delivers professional services in different jurisdictions, covering all disciplines of business law. The firm seeks to hire personnel from the different regions in which it operates, supporting the professional development of these employees under the corresponding career plan.

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

**(19)** Garrigues respects the right of its employees to be represented by labor unions and by other legitimate representatives, as well as to participate with them in negotiating their working conditions. All of the individual and collective rights of our employees are duly respected.

In this connection, there have been no contingencies relating to the exercise by Garrigues personnel of their right to freedom of association or to elect representatives.

Furthermore, Garrigues has not imposed any material modifications to working conditions, including the relocation of any of its personnel. Any changes arising in the future will be analyzed on a case-by-case basis in order to avoid or mitigate any adverse consequences for employees, while observing the procedures established in the legislation of each jurisdiction.

**(20)** Number of suppliers:

	2017	2018	2019
Spanish suppliers	2,815	2,696	2,887
International suppliers	305	420	379
<b>Total</b>	<b>3,120</b>	<b>3,116</b>	<b>3,266</b>

Note: Data refer solely to Spain. More information on the Garrigues supply chain can be found in the Suppliers section of the 2016 Integrated Report.

GRI Standard	Disclosure number	Material topic	Disclosure title	SDG	Global Compact	Pages	Notes
General comments							
GRI 102	102-1		Name of the organization			3, 64	
GRI 102	102-2		Activities, brands, products, and services			10	
GRI 102	102-3		Location of headquarters	C/ Hermosilla, 3 - 28001 Madrid (Spain)			
GRI 102	102-4		Location of operations			3, 12 - 13	
GRI 102	102-5		Ownership and legal form			18	
GRI 102	102-6		Markets served			3, 12 - 13	
GRI 102	102-7		Scale of the organization			3, 7 - 9	1
GRI 102	102-8		Information on employees and other workers	8		19 - 31	6, 7, 8, 9, 10, 12, 15
GRI 102	102-9		Supply chain				20
GRI 102	102-10		Significant changes to the organization and its supply chain			No significant changes in 2019	
GRI 102	102-11		Precautionary Principle or approach			14 - 18	
GRI 102	102-12		External initiatives			3, 37 - 48	
GRI 102	102-13		Membership of associations	17		45	
GRI 102	102-14		Statement from senior decision-maker			4	
GRI 102	102-16		Values, principles, standards, and norms of behavior	16		14 - 18	
GRI 102	102-18		Governance structure			18	
GRI 102	102-40		List of stakeholder groups	17		46 - 47	
GRI 102	102-41		Collective bargaining agreements	8			19
GRI 102	102-42		Identifying and selecting stakeholders	17		46 - 47	
GRI 102	102-43		Approach to stakeholder engagement	17		46 - 47	
GRI 102	102-44		Key topics and concerns raised	16		6 - 10, 47	
GRI 102	102-45		Entities included in the consolidated financial statements			64	
GRI 102	102-46		Defining report content and topic Boundaries			62 - 63	
GRI 102	102-47		List of material topics			62 - 63	
GRI 102	102-48		Restatements of information			No significant changes in 2019	
GRI 102	102-49		Changes in reporting			62 - 65	
GRI 102	102-50		Reporting period			5, 64	
GRI 102	102-51		Date of most recent report			65	
GRI 102	102-52		Reporting cycle			65	
GRI 102	102-53		Contact point for questions regarding the report			5	
GRI 102	102-54		Claims of reporting in accordance with the GRI Standards			5	
GRI 102	102-55		GRI content index			75 - 77	
GRI 102	102-56		External assurance			65, 78	

GRI Standard	Disclosure number	Material topic	Disclosure title	SDG	Global Compact	Pages	Notes
Management approach							
GRI 103	103-1		Explanation of the material topic and its Boundary	1 - 17		62 - 63	
GRI 103	103-2		The management approach and its components	1 - 17		62 - 63	
GRI 103	103-3		Evaluation of the management approach	1 - 17		63	
Economic performance							
GRI 201	201-1	✓	Direct economic value generated and distributed	2, 5, 7, 8, 9		55 - 57	
Market presence							
GRI 202	202-2	✓	Proportion of senior management hired from the local community			3, 22	17
Indirect economic impacts							
GRI 203	203-1	✓	Infrastructure investments and services supported	2, 5, 7, 9, 11		37 - 48	
Anti-corruption							
GRI 205	205-1	✓	Operations assessed for risks related to corruption	16	10	14 - 18	
GRI 205	205-2	✓	Communication and training about anti-corruption policies and procedures	16	10	14 - 18, 26	
GRI 205	205-3	✓	Confirmed incidents of corruption and actions taken	16	10	None	
Anti-competitive behavior							
GRI 206	206-1	✓	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	16	10	None	
Materials							
GRI 301	301-1		Materials used by weight or volume	8, 12	7 - 9	49 - 54	
GRI 301	301-2		Recycled input materials used	8, 12	7 - 9	49 - 54	4
Energy							
GRI 302	302-1		Energy consumption within the organization	7, 8, 12, 13	7 - 9	49 - 54	3
GRI 302	302-4		Reduction of energy consumption	7, 8, 12, 13	7 - 9	49 - 54	5
Water (2019)							
GRI 303	303-5		Water consumption	10	7 - 9	49 - 54	2
Emissions							
GRI 305	305-1		Direct (Scope 1) GHG emissions	3, 12, 13, 14, 15	7 - 9	49 - 54	
GRI 305	305-2		Energy indirect (Scope 2) GHG emissions	3, 12, 13, 14, 15	7 - 9	49 - 54	5
GRI 305	305-3		Other indirect (Scope 3) GHG emissions	3, 12, 13, 14, 15	7 - 9	49 - 54	5
Effluents and waste							
GRI 306	306-1		Water discharge by quality and destination		7 - 9	49 - 54	2
GRI 306	306-2		Waste by type and disposal method		7 - 9	49 - 54	4

GRI Standard	Disclosure number	Material topic	Disclosure title	SDG	Global Compact	Pages	Notes
<b>Environmental Compliance</b>							
GRI 307	307-1		Non-compliance with environmental laws and regulations	16	7 - 9	None	
<b>Employment</b>							
GRI 401	401-1	✓	New employee hires and employee turnover	5	3 - 6	19 - 31	9, 10, 11
GRI 401	401-2	✓	Benefits provided to full-time employees that are not provided to temporary or part-time employees	8	3 - 6	19 - 31	
GRI 401	401-3	✓	Parental leave	5, 8	3 - 6	19 - 31	14
<b>Labor/Management Relations</b>							
GRI 402	402-1	✓	Minimum notice periods regarding operational changes	8	3		19
<b>Occupational Health and Safety</b>							
GRI 403	403-2	✓	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	3, 8	3 - 6	29 - 30	12, 13
<b>Training and Education</b>							
GRI 404	404-1	✓	Average hours of training per year per employee	4, 5, 8	3 - 6	19 - 31	16
GRI 404	404-2	✓	Programs for upgrading employee skills and transition assistance programs	4, 5, 8	3 - 6	19 - 31	
GRI 404	404-3	✓	Percentage of employees receiving regular performance and career development reviews	4, 5, 8	3 - 6	19 - 31	
<b>Diversity and Equal Opportunity</b>							
GRI 405	405-1	✓	Diversity of governance bodies and employees	5, 8	1 - 2	19 - 31	7
GRI 405	405-2	✓	Ratio of basic salary and remuneration of women to men	5, 8, 10	1 - 2	19 - 31	
<b>Non-discrimination</b>							
GRI 406	406-1	✓	Incidents of discrimination and corrective actions taken	5, 8, 16	1 - 2	None	
<b>Public Policy</b>							
GRI 415	415-1		Political contributions			0	
<b>Marketing and Labeling</b>							
GRI 417	417-3		Incidents of non-compliance concerning marketing communications	5, 8, 16		None	
<b>Customer Privacy</b>							
GRI 418	418-1	✓	Substantiated complaints concerning breaches of customer privacy and losses of customer data	16		None	
<b>Socioeconomic Compliance</b>							
GRI 419	419-1	✓	Non-compliance with laws and regulations in the social and economic area	16		0	



# AENOR

## VERIFICATION OF SUSTAINABILITY REPORT

VMS-2020/0027

AENOR has verified the Report by the organization

### J&A GARRIGUES, S.L.P.

TITLE: 2019 INTEGRATED REPORT

In accordance with: GRI Standards of the Global Reporting Initiative

GRI option applied: Core

Verification Process: To grant this Verification Document, AENOR has verified that the report complies with GRI requirements and has checked the data and information contained in the report.

Issue date: 2020-07-03



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