

PAUL
HASTINGS

CORPORATE SOCIAL



RESPONSIBILITY

THE WAY WE WORK

A leading global law firm, Paul Hastings serves many of the world's top financial institutions and Fortune 500 companies in markets across Asia, Europe, Latin America, and the United States. Our lawyers work across practices, offices, and borders to provide innovative, seamless legal counsel where and when our clients need us. The following are our firm's Client Service Excellence Principles that form the foundation of our client service culture.

COLLABORATE

COMMUNICATE

EMBRACE DIVERSITY

PRACTICE EXCELLENCE

INNOVATE

ACT WITH INTEGRITY


VALUE KNOWLEDGE

CHALLENGE NORMS

RESPOND WITH IMMEDIACY

DELIVER RESULTS

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To view our complete 2012 Annual Review, visit www.paulhastings.com/annualreview.



corporate social responsibility



WELCOME

To Clients and Friends of the Firm:

Corporate social responsibility is an intrinsic part of Paul Hastings' culture and strategy. Our firm has a longstanding commitment to responsible business practices, a diverse and inclusive work environment, environmental stewardship, and community involvement. We have worked hard to establish our leadership in each of these areas and are proud of our accomplishments.

Globally, our professionals engage in a broad range of pro bono activities, volunteering, and charitable giving. Just as we work closely with our clients on their most important matters, we appreciate the opportunity to partner with them on initiatives that enact positive change.

We strongly support and encourage our lawyers to participate in meaningful pro bono work and set clear, measurable goals each year to increase our efforts. We continue to ascend *The American Lawyer's Pro Bono Report* and are currently ranked 2nd. Our significant progress in this area reflects our firm's commitment and the strong collective efforts of all our professionals.

It is a privilege to work alongside our pro bono clients. From arguing groundbreaking cases before the U.S. Supreme Court to helping children in our local communities, we are humbled by the opportunity to make a difference in the lives of those less fortunate. This year we secured our third pro bono victory before the Supreme Court in as many years.

Diversity is a core value for our firm. Paul Hastings is recognized as a firm of choice for diversity and inclusion, and is consistently ranked among the top law firms for gender and ethnic diversity. We have expanded our women's initiatives over the past few years and continue our strong partnership with the LGBT community. In 2013, 38 percent of our class of newly elected partners was comprised of women.

We also continue to enhance our environmental sustainability program and work to incorporate leading environmental practices and sustainability principles into all areas of our practice and operations. We have made significant progress increasing efficiencies and continue to reduce energy and paper consumption throughout our global offices.

Effective corporate social responsibility programs require a measured, sustained, and integrated approach. We continually look for ways to build upon our efforts and enact smart business practices in all our offices around the world. It is not only the right thing to do, but the only way to do business.



Scan for a message from our
Managing Partner

Greg Nitzkowski
Managing Partner

Jamie Broder
CSR Partner



pro bono



MAKING A DIFFERENCE THROUGH PRO BONO

Our pro bono work and commitment to community form a cornerstone of our firm's legacy. Each year we strive to increase our participation and are proud of our efforts to help numerous clients around the globe. In 2012, 98% of lawyers in our U.S. offices contributed 20 or more pro bono hours. We are currently ranked 2nd in *The American Lawyer's* Pro Bono Report.

Our achievements reflect the deep personal commitment of our lawyers and professionals who work tirelessly to give back to those in need. Globally, we engage in a broad range of pro bono activities and make charitable contributions to numerous causes, including those in education, healthcare, children's and family services, arts and culture, and the environment. To cite one example, in the aftermath of Hurricane Sandy we donated more than \$100,000 to assist victims affected by this natural disaster.

Following are a few ways in which we have helped our pro bono clients in 2012:

Helping Holocaust survivors secure pension payments

One of the firm's largest pro bono initiatives is the work we do in conjunction with Bet Tzedek Legal Services and the Holocaust Survivors Justice Network to represent more than 115 Holocaust survivors who worked in Nazi-controlled ghettos during World War II, as well as many of their surviving spouses. Through our efforts, certain of our clients have obtained monthly pension payments and back payments from the German government, and others have received one-time, lump-sum payments. The back payments received to date total more than \$280,000 and the monthly payments total more than \$18,000 per month. In addition, the firm is representing nine survivors in connection with the appeals of the initial denial of their applications. While the majority of the appeals are still pending, several have been decided in our clients' favor. This is an extensive, multi-office initiative for the firm, with lawyers in our Atlanta, Frankfurt, Los Angeles, and New York offices handling these matters. In addition, lawyers in our Los Angeles and Atlanta offices have taken a significant leadership role by serving as coordinating counsel for the program. We received the Bet Tzedek Law Firm of the Year award for our work.

Our commitment to helping those in need is shared by our professionals across the firm. In 2012, 98% of lawyers in our U.S. offices contributed 20 or more pro bono hours.

**Selected
by Bet Tzedek
as Law Firm
of the Year**

Third Supreme Court Victory

Paul Hastings secures third pro bono victory before the U.S. Supreme Court

The firm represented U.S. Army Sergeant Jeffrey Chafin in an international custody dispute involving his daughter. While stationed in Europe, Sgt. Chafin married a citizen of the U.K. and had a child. The couple divorced after returning to the U.S. and Ms. Chafin filed a petition under the Hague Convention on the Civil Aspects of International Child Abduction, seeking a determination that her daughter's country of "habitual residence" was the U.K. not the U.S. The district court concluded that the daughter's country of habitual residence was the U.K. and Ms. Chafin returned with her daughter. Sgt. Chafin appealed to the Eleventh Circuit Court of Appeals, but the Eleventh Circuit dismissed the appeal as moot because his daughter had already left the U.S. In a unanimous decision, the U.S. Supreme Court reversed the Eleventh Circuit and ruled that the appeal was not moot simply because the child had been removed from the jurisdiction. Local counsel argued the case, and Paul Hastings lawyers partnered with the University of Pennsylvania Law School Supreme Court clinic to handle the briefing.

This is our third pro bono victory before the Supreme Court in the past three years. Previously, we helped secure a Supreme Court victory with important implications for immigration law in *Vartelas v. Holder*. And in 2010, we won a landmark Supreme Court victory for pro bono client Jose Padilla, who was facing deportation after accepting a plea deal.

Helping immigrant children make new lives in the U.S.

We continued our ongoing pro bono partnership with Kids In Need of Defense (KIND), which helps unaccompanied children escape intolerable conditions in their home countries and make new lives in the U.S. Paul Hastings dedicates several thousand pro bono hours to KIND annually, with lawyers from across the firm donating their time and legal expertise.

Recently, a team of lawyers from our New York office successfully obtained asylum for a young woman from Guatemala who fled her home country after she and her family received threats from organized criminal gangs. In addition, teams from our New York and Chicago offices

worked together to secure T-Visas and employment authorizations for two young boys who fled to the U.S. to avoid gang violence in Ecuador. We also assisted two girls from El Salvador in obtaining legal permanent residency and reunited them with their mother after a five-year separation.

Just as important as the work we do assisting our clients with their most critical matters are our partnerships with them to help those less fortunate. We were honored to partner with longtime client GE on a KIND case in which two sisters from Mali were seeking asylum in the U.S. after suffering physical and emotional abuse from members of their community. Through our efforts the sisters were granted asylum and now thrive in the safe and nurturing environment provided by their half-sister. These are just a few examples of our work with this important organization.

Helping to streamline and standardize medical development processes

Paul Hastings works closely with Critical Path Institute (C-Path), a nonprofit entity representing a collaboration among pharmaceutical companies, as counsel handling a variety of legal needs. C-Path works to improve the efficiency of the development of drugs, diagnostics, and medical devices by creating new data, measurement, and methods standards. Establishing these standards also streamlines the regulatory submission process. In addition, C-Path works closely with the FDA, European Medicines Agency, and other regulatory agencies to accelerate the final review process to bring new, safe, and effective products to market. Recently, our New York and London lawyers worked together to help C-Path enter into a new collaboration to share and validate safety testing methods and gain recognition by the European Medicines Agency as a "small and medium-sized enterprise" – an important victory for the nonprofit. More than 40 lawyers from Paul Hastings have devoted their time to the organization's efforts.

Lending our assistance to the U.S. presidential election

Teams from eight of our offices across the U.S. participated as part of Election Protection, a nonpartisan initiative backed by a coalition of legal and civil rights groups supporting and protecting voters' rights, to assist with the 2012 U.S. presidential election. We joined with a number of other organizations and law firms to answer election-related calls from voters across the country, monitor polling places for compliance with local law, and make sure that voters displaced by Hurricane Sandy had access to voting facilities. We also collaborated with the Georgia Appleseed Center for Law and Justice on a data analysis project that focused on identifying recurring election problems in the state and recommended solutions to increase voter turnout.

Working with NASA to help the space shuttle reach its new home

For more than 15 years, the firm has provided pro bono counsel to the Intrepid Museum Foundation, which operates one of the world's top maritime museums – the Intrepid Sea, Air & Space Museum in New York. We recently represented the Foundation in its acquisition of the space shuttle *Enterprise* from NASA and helped bring the retired shuttle to its new home on the flight deck of the U.S.S. Intrepid. Our lawyers worked closely with NASA on all legal negotiations, which encompassed the title transfer of the shuttle as well as the logistics of safely transporting the shuttle from Virginia to New York. This was a unique and complex matter that required our lawyers to learn NASA's procedures, as well as applicable regulatory restrictions. Our firm's past work includes representing the museum in its 2003 acquisition of the decommissioned Concorde aircraft.

Ranked **2nd** on AmLaw's Pro Bono Report

Helping to create a new family resource center

We also continued our strong support of Christopher House, a nonprofit based in Chicago dedicated to helping at-risk children. We served as pro bono counsel in all aspects of a recent project to help Christopher House construct and finance a new facility that will help the organization continue its vital work in providing early childhood development, family support, and educational services for children and their families. The facility will also be the site of Christopher House's new Charter School and serve as the organization's new headquarters. Lawyers and staff from our Chicago office regularly donate their time and resources to provide a variety of services to this worthy organization.

**Law360
Pro Bono Firm
of the Year**

Leading research in the fight against violence and abuse toward women

In recognition of our status as one of the world's leading global law firms, Paul Hastings was selected by Terre des Hommes to conduct multijurisdictional research and write an in-depth report on legislation aimed at fighting violence and abuse against young women. The study, *Violence Against Young Women: A Human Rights Violation*, is part of Terre des Hommes' campaign "Indifesa" (Italian for *helpless*), which seeks to protect young women throughout the world from any form of violence, including female genital mutilation, sexual exploitation, and trafficking. Six teams located in the firm's Milan, London, Paris, Frankfurt, New York, and Beijing offices analyzed the criminal statutes and case law that combat physical, sexual, psychological, and economic forms of violence against women in Asia, Europe, the U.S., and Canada.

The fight against violence and abuse of young girls and teenagers is a priority for every country and every international institution. Among the key findings was that the European Union can play a critical role in harmonizing the different types of offenses and the minimum sanctions that Member States must apply. The report was presented to the Italian Ministry of Foreign Affairs in Rome as part of the international Conference of the Council of Europe this past November. The complete report can be found at www.paulhastings.com/publications.

Working to improve prison conditions

The firm partnered with the American Civil Liberties Union (ACLU) of Southern California and the ACLU National Prison Project in an effort to end a pattern of violence by deputies against inmates in Los Angeles County jails. Paul Hastings, along with the ACLU and the National Prison Project, filed a federal class action lawsuit, *Rosas v. Baca*, in the Central District of California accusing Los Angeles County Sheriff Lee Baca and his top command staff of ignoring a widespread culture of violence by deputies in the jails. The complaint, which lists dozens of incidents of violence,

was challenged in court numerous times by Sheriff Baca. To date, each of those challenges has been unsuccessful. Sheriff Baca has now conceded that there is a problem in the system and that reforms are necessary. Our lawyers are currently working to obtain a binding court order to ensure that the reforms are enacted. We received the 2012 Prisoner Rights Advocacy Award from the ACLU Foundation of Southern California.

Creating the world's largest shark sanctuary

Our pro bono efforts also include species conservation work. The firm assisted with a significant marine conservation initiative in the South Pacific. We advised the Pacific Islands Conservation Initiative (PICI) on its efforts to assist the Cook Islands government in establishing regulations to create a shark sanctuary in the territorial waters of the Cook Islands. The regulations prohibited certain commercial fishing activities within the islands' exclusive economic zone (EEZ) – an area of ocean approximately 756,000 square miles in size – that threaten sharks, and also ban the possession, sale, and trade of shark and shark products. This newly established protected area neighbors the shark sanctuary recently announced by Tahiti Nui (French Polynesia), and will connect with the EEZs of American Samoa and Tokelau (a territory of New Zealand) to create the largest contiguous shark conservation area in the world. Paul Hastings represented the PICI in preparing the conservation regulations that were adopted by the Ministry of Marine Resources and ultimately signed into law.

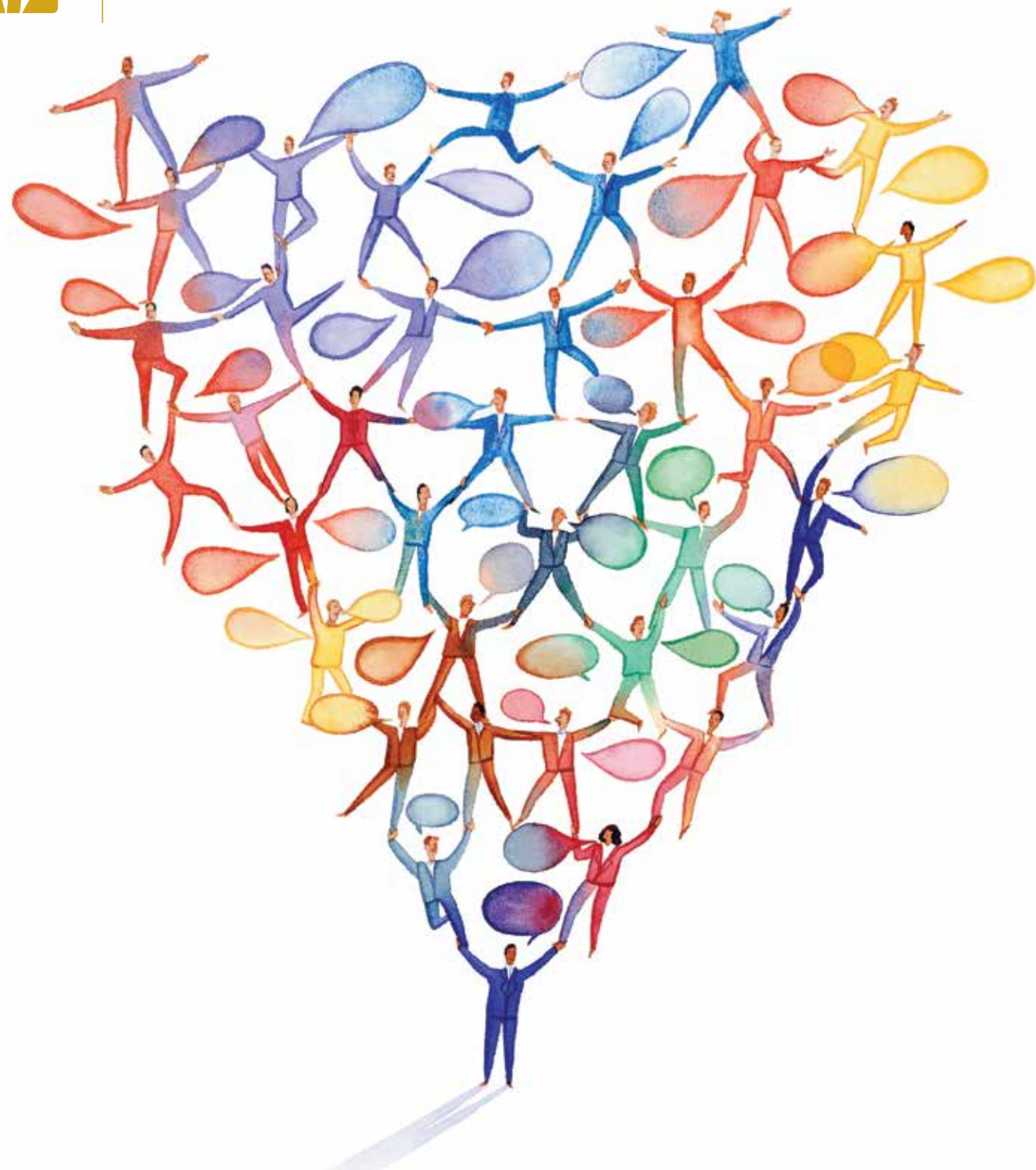
Partnering with The Nature Conservancy

The firm began its relationship with The Nature Conservancy in 2007 with a single pro bono matter led by the firm's New York-based international employment team. Since then our relationship has become global. Lawyers throughout our offices in the U.S. and China advise on pro bono matters ranging from international and domestic employment to real estate, litigation, and tax. The president of the Conservancy recently expressed his appreciation to the firm for the critical role we have played over the years in advancing their efforts.





diversity



EMBRACING DIVERSITY

We are committed to fostering a diverse and inclusive environment. It is our firm's broad range of experiences and perspectives that enables us to meet the challenges of today's global clients and has helped us become one of the world's most dynamic and innovative firms.

We are recognized as a firm of choice for diversity and inclusion, and are consistently ranked among the top law firms for gender and ethnic diversity. To us, diversity is much more than a philosophy – it is who we are and how we do business. More than one-third of our firm's management and leaders represent gender, ethnic, and LGBT diversity.

Ranked among the top 20 on *The American Lawyer's Diversity Scorecard*, while the Black Solicitors Network ranked the firm 1st for Lesbian Gay Bisexual employers and among the top 5 for Ethnic Minority Partners in its Diversity League Tables

Diversity plays a key role in our recruitment strategy. We recruit the best and brightest talent from the world's leading law schools and work with a range of student organizations to achieve our diversity goals and build our diverse talent base.

Partnering with our client GE Capital Americas in support of their key initiative

We are pleased to have the opportunity to partner with our clients in support of many of their key initiatives. This past fall, Paul Hastings worked with client GE Capital Americas to host a full-day event on workplace equality in support of GE's large diversity initiative, Project HOLA! (Having Outside Lawyer Advisors). Held at our New York office, this major event was a true collaborative effort and brought together more than 50 experienced diversity leaders from throughout the business and legal communities to network and share best practices. The day featured a keynote speaker, two dynamic panel discussions, and a set of interactive breakout sessions that further facilitated the sharing of practices and processes to promote equality in the work environment.

**Ranked #2
on *The American
Lawyer's 2012
A-List***

Advancing the development of our diverse professionals

The firm is committed to the development of our diverse communities and offers a number of programs focused on strengthening the engagement of our professionals. We currently support 23 Paul Hastings Attorney Networks (PHANs) throughout our offices around the world that serve as a dedicated resource for mentoring, networking, and the professional development of our diverse lawyers. The breadth of our PHAN program underscores our firm's commitment to build upon our globally diverse and inclusive culture.

Supporting the LGBT community

We were proud to partner with The Williams Institute at the UCLA School of Law and the National Women's Law Center to file two amici curiae briefs in the Defense of Marriage Act (DOMA) and Proposition 8 cases, which are pending before the U.S. Supreme Court. The briefs support the unconstitutionality of both DOMA and California Proposition 8. We were also a corporate sponsor of the Human Rights Campaign (HRC). The firm was named among the "Best Places to Work for LGBT Equality," scoring 100 percent on HRC's Corporate Equality Index – an honor we have received every year since 2008.



women's initiative



PROMOTING THE ADVANCEMENT OF WOMEN

One of the key elements of our diversity program is promoting the advancement of women in business. The firm continues to increase the number of women in leadership roles, with women comprising nearly 30 percent of firm management positions and 40 percent of our department chairs globally. The number of women among our newly elected partners has significantly increased as well.

Our women lawyers are critical to the shared successes we achieve with our clients, and they continue to play an ever-larger role in leading our firm. In 2013, 38% of our newly elected partners were women, up from 29% in 2012.

Received
Gold Standard
Certification from
the Women in Law
Empowerment
Forum

Leading global research on gender parity on corporate boards

We continued our study of the laws and policies of countries around the world regarding the issue of gender parity on corporate boards – a topic that has become an increasing priority in many countries. We published the second, expanded edition of our global survey, *Breaking the Glass Ceiling: Women in the Boardroom*, which examines legislative, regulatory, and private sector developments and trends in 30 jurisdictions. Nearly two dozen of our lawyers from around the globe, along with several outside contributors, devoted numerous hours to this comprehensive research report. The report includes updates on the 13 jurisdictions covered in our first edition as well as overviews of 17 new jurisdictions in Asia, South America, Africa, and the Middle East. The report offers insights into how differences in culture, history, and societal norms, as well as the varying degrees of government involvement, affect representation of women on boards. Overall, we found that the wide range of representation of women on corporate boards from one country to another is subject to a variety of factors, including different legislative and regulatory regimes, cultural perceptions of women, and levels of economic development. Please visit www.paulhastings/genderparity for the complete report.

Collaborating with our clients to understand what matters most

Importantly, we also work closely with our clients to ensure we continue to provide client service excellence. During the past year, we brought together a panel of senior women executives from some of our top clients to discuss the critical issues for them as well as the services they most value from their outside counsel. It was an informative and lively discussion, with topics ranging from the implications of Dodd-Frank to LIBOR class actions, the JOBS Act, and tax regulations in the U.S., Europe, and Asia.

Supporting the career development of our women lawyers

The firm regularly hosts workshops and seminars designed to further support the professional development of our women lawyers. As one example, our Women's PHAN in Washington, DC hosted a Persuasion Skills for Women Lawyers workshop, in which 75 of the firm's women lawyers participated from offices around the world. Hosted by well-known University of Virginia lecturer Molly Bishop Shadel, the workshop provided practical strategies women lawyers can use to strengthen their speaking and presentation skills.



environmental sustainability



INTEGRATING SUSTAINABILITY THROUGHOUT OUR PRACTICE

Supporting environmental sustainability is a key focus for our firm and a responsibility our lawyers and staff share alike. We strive to incorporate leading environmental practices and sustainability principles into all areas of our practice and operations.

Reducing our footprint

We recognize that stewardship of the environment is a continuous process to identify and implement improvements in the firm's operations. Since launching our firm-wide sustainability initiative in 2008 we have significantly reduced energy and paper consumption, increased efficiency in our office operations, and increased procurement of environmentally friendly products and supplies throughout our offices worldwide.

In 2012 we once again joined millions across the globe, including many of our clients, in participating in Earth Hour. We unplugged non-essential equipment and switched off lights throughout our offices, including the Paul Hastings sign on top of the City National Plaza skyscraper complex in downtown Los Angeles.

Protecting the sustainability of the world's largest tuna stock

Our lawyers also regularly devote their time to pro bono matters that support sustainability initiatives. In a significant victory with far-reaching implications, we successfully represented the International Seafood Sustainability Foundation (ISSF) in a complex international arbitration involving the sustainability of the world's largest tuna stock. ISSF is a nonprofit coalition of leading scientists, industry leaders, and environmental advocates, including *National Geographic* and the World Wildlife Fund. ISSF objected to the Marine Stewardship Council's certification of the PNA Purse-Seine Fishery as sustainable. Although the PNA is run by the governments of eight Pacific Island nations, it failed to implement a management strategy that would allow it to certify the health of the entire tuna stock. Following a two-day arbitration in London, the arbitrator issued a final decision granting ISSF's request for the imposition of strong conditions on PNA to protect the tuna stock. The decision will serve as a precedent for conservation efforts around the globe.

Raising awareness of ocean conservation

We provided pro bono support to a Southern California artist in his efforts to increase awareness of the need for ocean conservation. Mark Patterson originally installed his large glass mosaic, *Save the Ocean*, on Earth Day 2011, but the City of Encinitas ordered him to take it down because he did not have permission to place his artwork on public property. Dubbed "Surfing Madonna," the mosaic quickly gained national media attention. We helped Mr. Patterson obtain the necessary approvals and now, after nearly a year-long hiatus, the popular mosaic is back on display. The firm also helped him set up the nonprofit Surfing Madonna Oceans Project to raise awareness of conservation issues affecting the world's oceans and handled the licensing of the mosaic's image to benefit the project.

Helping The Nature Conservancy advance its efforts

Our longstanding relationship with The Nature Conservancy continued to expand in 2012. Lawyers from our offices in the U.S. and China advise the Conservancy on a wide range of international and domestic employment, real estate, litigation, and tax matters. Most recently, we advised on the tax consequences of charitable contributions.

Providing our clients with an integrated approach to sustainability

We are also environmentally astute in the work we do with our clients. Environmental sustainability efforts continue to be increasingly important for corporations, governments, institutions, and individuals around the world. Our lawyers are highly experienced in advising clients on renewable energy projects and regulatory compliance matters, drafting legislation to ensure the responsible use of resources and assisting in the development of LEED-certified buildings.



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