

Independent Assurance Statement

Scope and objectives

Linklaters LLP (Linklaters) commissioned Two Tomorrows (Europe) Limited (Two Tomorrows) to undertake independent assurance of its Corporate Responsibility (CR) Report 2012 as published at www.linklaters.com/responsibility.

The assurance process was conducted in accordance with AA1000AS (2008). We were engaged to provide Type 2 moderate level assurance, for the following areas:

- Evaluation of adherence to the AA1000APS (2008) principles of inclusivity, materiality and responsiveness (the Principles); and
- Reliability of specified sustainability performance information: Linklaters' Key Performance Indicators for Environment ([link](#)); Community Investment ([link](#)); and Female Partners (CR Report p6) (the KPIs).

The reporting period was 1 May 2011 until 30 April 2012.

The scope of our work excluded Linklaters' CR reporting related to the following:

- Claims and data in case studies for online report pages;
- Any additional Community Investment, Pro Bono or Diversity content online in addition to content within the Report; and
- Any other CR claims or data published by Linklaters in print or online which are not already described above.

Responsibilities of the directors of Linklaters and of the assurance providers

The directors of Linklaters have sole responsibility for the preparation of the CR Report. We were not involved in the preparation of any part of the CR Report. We had no other contract with Linklaters and this is the first year that we have provided assurance.

Our statement represents our independent opinion and is intended to inform all of Linklaters stakeholders including its management. We adopt a balanced approach towards all stakeholders.

Our team comprised of David Knight, Kate Martin, Samantha Parsons, and David Keddie. For further information, including individual competencies relating to the team can be found at: www.twotomorrows.com

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at Headquarters and regional office level. Our work was designed to gather evidence with the objective of providing moderate assurance as defined in AA1000AS (2008). We undertook the following activities:

- Review of CR issues for the reporting period that could affect Linklaters and are of interest to stakeholders;
- Interviews with selected Partners and management responsible for management of sustainability / CR issues and review of selected evidence to support issues discussed;
- Discussion with Linklaters management on its reporting and management processes relating to the Principles and to stakeholder engagement;
- Senior management telephone interviews covering five regional offices: New York, Hong Kong, Moscow, Warsaw and Dubai. We selected these sample offices on the basis of materiality;
- Review of supporting evidence for key claims and data in the report. Our checking processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at a consolidated Headquarters level; and

- Review of the processes for gathering and consolidating the KPIs and, for a sample, checking the data consolidation from the regional office source data.

We used the AA1000 Accountability Principles Standard as criteria to evaluate the nature of adherence to the principles of Inclusivity, Materiality and Responsiveness and the Global Reporting Initiative Quality of Information Principles as criteria for evaluating performance information.

Findings and opinion

We reviewed and provided feedback on drafts of the Report and, where necessary, changes were made. On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe Linklaters adherence to the Principles or its performance, with the following exceptions:

- Although the report covers most material issues, Linklaters does not have a formal materiality process or other formal mechanism for deciding which issues are reported over others; and
- With regards to the Principles of inclusivity and responsiveness, Linklaters has an informal approach to identification of stakeholders, engagement, and responding to key stakeholder concerns.

In terms of reliability of the specified performance information, nothing came to our attention to suggest that the specified performance data had not been properly collated from information reported at regional offices, nor that the assumptions utilised were inappropriate. We were not aware of any errors that would materially affect the global data.

Observations

Without affecting our assurance opinion we also provide the following observations:

- During the reporting year Linklaters reviewed their approach to CR and produced a new strategy which was represented in the new format of the CR Report. We noted that this new approach had senior management support and we look forward to future reports updating stakeholders on the evolution and embedding of CR across the firm.

Inclusivity concerns the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability

- Future CR management and reporting would benefit from a more formalised approach to identification of stakeholders and stakeholder engagement.
- We noted examples of Linklaters' London Headquarters proactively engaging with suppliers and requiring payment of the Living Wage in tenders for UK support staff. More detail could be provided on this work including how supplier engagement is conducted globally in future CR reporting.
- We noted examples of stakeholder engagement initiatives working well in some regional offices. We recommend future CR reporting covers how stakeholder engagement is promoted and adopted by offices globally and how good practice examples are shared.

Material issues are those which are necessary for stakeholders to make informed judgments concerning Linklaters and its impacts

- Future CR management and reporting would benefit from development of a formal materiality process, including clear criteria for assessing materiality and for deciding which issues are reported over others.
- Although the CR Report broadly covers helping clients with governance issues, a more formalised materiality process would help Linklaters determine which material issues linked to being a trusted advisor to clients should be reported.
- An area of growing stakeholder concern is legal tax avoidance. Linklaters would benefit from stating its own position on tax payments as well as covering advice given to clients.

- We understand from Linklaters management that lobbying and whistleblowing were two important concerns for clients and we recommend Linklaters provide more detail on its policies and procedure in future reporting.
- As the issue of social mobility is considered to be a priority for Linklaters and good progress has been made on this issue, future reporting would benefit from increased coverage.

Responsiveness concerns the extent to which an organisation responds to stakeholder issues

- Future CR management and reporting would benefit from a more formalised approach to tracking stakeholder engagement activities, outputs and responses to key stakeholder concerns.
- We welcome Linklaters' increased coverage of charity and pro bono activity in areas of client interest.
- We noted that work life balance was an area of concern to Linklaters' legal staff in the employee opinion survey. In response, we noted that the firm was taking a proactive approach to managing employee wellbeing and stress management, as well as engaging clients on the issue.

Performance Information

- While Linklaters conducted their annual employee engagement survey, the results of the survey were only published internally this year. We recommend the key summary findings and their implications are covered in the CR report.
- We noted that there was a reduction in the number of KPIs reported over the last two years. Particularly for People and Clients. We encourage Linklaters to review their KPIs linked to Linklaters' new CR strategy and the materiality review recommendations above.
- Community Investment KPIs covering volunteering hours and rates were likely to be under-reported as volunteering data for Business Services staff is currently inconsistent. Linklaters acknowledged this issue and we recommend they continue efforts to encourage reporting of volunteering hours by all staff.
- Linklaters' data collation processes for Environment and Community Investment KPIs were spreadsheet/manually based. Manual systems increase the risk of human error, although we did not note any material errors during our review and sample testing. We recommend automating the data collection systems and introducing a more formal review and sign off process.

Two Tomorrows (Europe) Limited
29th January 2013



Dave Knight
Sustainability Services Director

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