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<u>DEI</u> EFFORTS IN THE LEGAL INDUSTRY

Poston Communications is proud to release its report on the state of diversity, equity and inclusion (DEI) efforts of the legal industry, how law firms communicate these initiatives to their clients and recommendations for firms to further these efforts. The report features results from the agency's in-depth research of 131 law firms nationwide actively involved in DEI legal associations with varying levels of approach to this critical work.

To gather this data, Poston Communications studied each law firm's website in search of information on their DEI efforts. Top results following this research concluded that of the firms reviewed:

- 100% created dedicated webpages for their DEI initiatives and included DEI messaging in their mission statements.
- 86% listed the DEI awards and certificates achieved.
- 47% published a DEI report with various levels of depth.
- 30% featured diversity statistics regarding the firm's recruiting efforts and demographics.

The report also highlights firms with noted supplier and vendor diversity programs. Through implementing these programs, firms are demonstrating their commitment to companies classified as at least 51% owned by women, minority groups or the LGBTQ community – and current meaningful DEI awards and recognition in the industry.

"As issues of race continue to lead the news, legal clients are taking notice of the DEI efforts at law firms now more than ever," said Poston Communications CEO, General Counsel and Co-Managing Partner Dave Poston. "Based on our unique position of assisting law firms with their communication efforts, along with our firm's dedication to DEI, we're excited to share this report to positively affect change for firms of all sizes."

Key Points:

- As a firm that helps law firms communicate their key messages, we wanted to find out how firms are communicating their DEI efforts.
- Every firm that is a member of ALFDP has already shown how important DEI is to the legal industry.
- In mission statements and other materials, firms explain how diverse attorneys improve the quality of their legal advice and how firms must engage with their communities to help rectify the long affects of racist systems.

The issue of race continues to occupy a sizeable share of news coverage and social media despite competition posed by post-pandemic discussions, such as the emergence of AI, "the return to office" and the war in Ukraine. Law firms are engaged in the current reckoning with the racism that accompanies United States history, and their clients are too—some docking fees or cutting off assignments if their outside firms appear slow to diversify their lawyer census.

By participating in the Association of Law Firm Diversity Professionals, each member exhibits how important diversity, equity and inclusion are to their firms' futures. In mission statements, website features and diversity reports, the firms explain how a diverse attorney and support staff workforce improve the quality of their legal advice, business prospects and leadership in their communities.

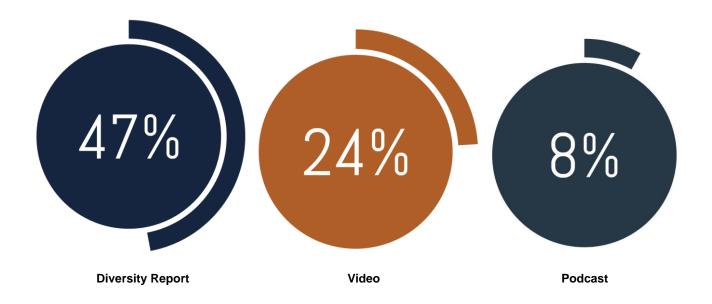
As an agency that helps law firms communicate their key messages, Poston Communications wanted to find out how firms are communicating their DEI efforts to the public. We reviewed diversity website sections and, where available, diversity reports for all 131 firms in the ALFDP.

Most of these firms are in the Am Law 100 or Am Law 200. Because they are already members of ALFDP, these firms are more likely than others to be invested in DEI projects, but other non-member firms may have robust, well-communicated DEI programs too.

Results:

What are firms adding to their websites?

Every firm had a dedicated page or section of their website devoted to some version of DEI, usually listed under the "About Us" section. At its most basic, here is what we saw:

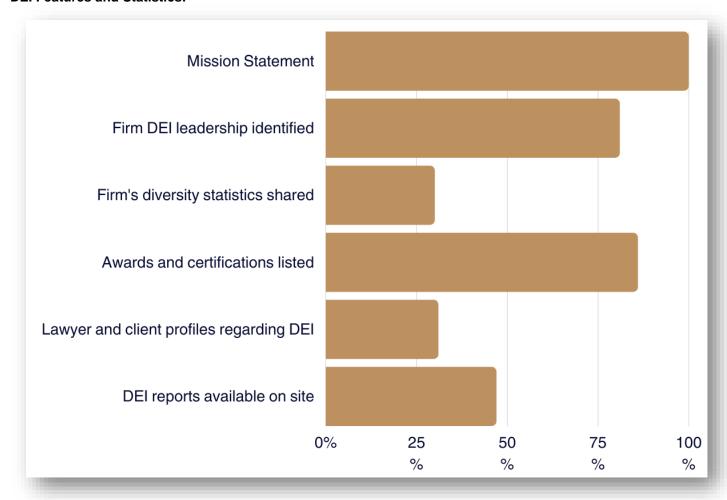


What are firms communicating?

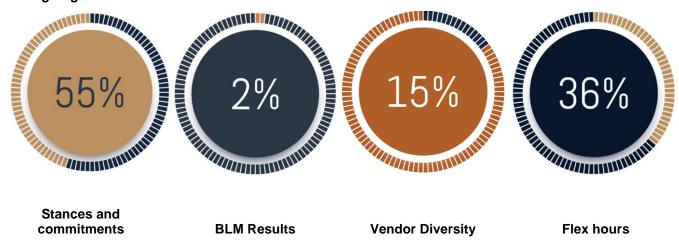
That is, what key DEI Features and Statistics, as well as Change Agents, are on ALFDP firms' websites?

All firms used their DEI pages to express mission statements; most expressed pride in award recognition from DEI groups; about half issued commitments concerning Black Lives Matter (BLM). While we have not yet investigated responses to the Supreme Court ruling on *Students for Fair Admissions Inc. v. President & Fellows of Harvard College* in June 2023, we anticipate many will also be mindful of the ruling in their recruiting and diversity discussions and positions in the coming months. Additionally, the post-pandemic rise in antisemitism and anti-Asian rhetoric was explicitly mentioned by some, but not all, firms in their primary Diversity, Equity and Inclusion statements online.

DEI Features and Statistics:



Change Agents:



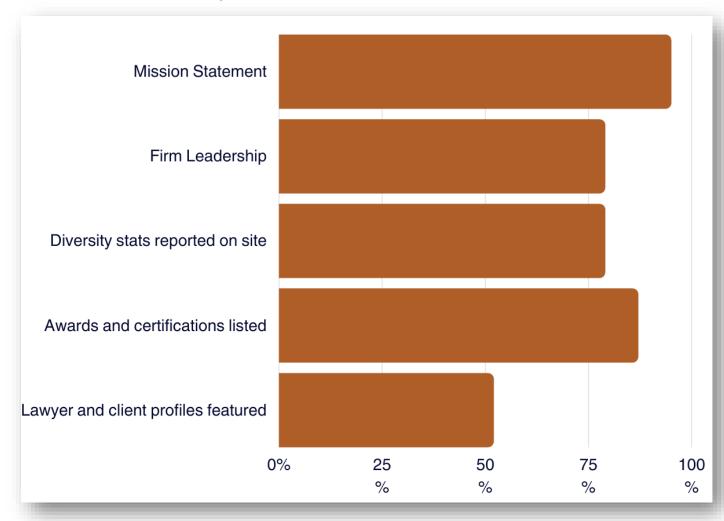
DEI Reports:

47% of firms publish a DEI report. Many are annual, in-depth booklets with rich photographs, charts and articles about lawyers and clients discussing DEI issues. Many provide an overview of the firm's efforts to engage with DEI issues and include frank statistics about the firm's racial, gender and other demographic makeups, as well as personal and candid firsthand stories from individuals at the firm.

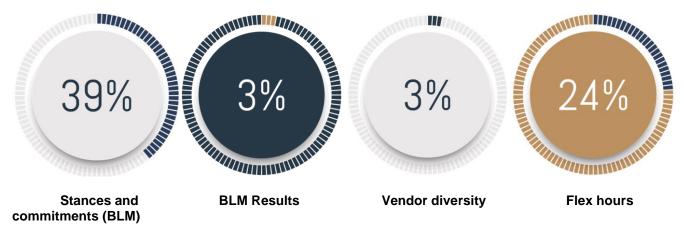
A handful of reports were more limited than one might expect, given the size of the firm and/or their commitment to DEI highlighted in other parts of their website.

In general, these packages are more in-depth than the firm's DEI sections online and could be an impressive and informative piece of firm literature to share with clients and other stakeholders interested in the firm's DEI efforts.

DEI Features and Statistics for Reports:



Change Agents:



What Firms have Supplier and Vendor Diversity information on their website?

Law Firms Listing their Vendor DEI Programs

About 15% of the firms' websites we reviewed highlighted vendor diversity programs, in which firms consider purchasing supplies and services from companies at least 51% owned by women or members of disadvantaged minority groups or the LGBTQ+ community.

A 2020 Harvard Business Review article extolled the virtues of such programs, which help achieve social justice and improve business performance. "An inclusive procurement strategy widens the pool of potential suppliers and promotes competition in the supply base, which can improve product quality and drive down costs," the authors write. "And by providing more sourcing options, inclusiveness can make supply chains more resilient and agile — an increasingly important advantage in these uncertain times."

Below is a list of law firms we found with supplier/vendor diversity programs:

Baker Botts
Supplier Diversity

Baker Donelson

Supplier Diversity Policy and Diversity Practices

Ballard Spahr:

Ensuring supplier diversity through our selection and use of local counsel, legal service providers, and vendors. We actively seek to do business with firms owned by women, people of color, members of the LGBTQIA+ community, veterans, and individuals with a disability.

Barnes & Thornburg

<u>Diverse Supplier Program</u>

Buchanan Ingersoll & Rooney Supplier Diversity

Chapman & Cutler

Look for "Supplier Diversity"

Crowell & Moring

Supplier Diversity Program

Davis Wright Tremaine

Diversity, Equity and Inclusion

We maintain a supplier diversity program to substantially increase our business with minority-owned and women-owned businesses and to secure a commitment to DEI objectives from existing and prospective suppliers.

Duane Morris

Supplier Diversity

Fenwick & West

Commitment to Diversity and Inclusion

Vendor/Supplier Diversity: Fenwick seeks to expand the diversity of its supplier and vendor base, and asks vendors to commit to the same non-discrimination policies to which the firm adheres.

Ford & Harrison

Supplier Diversity

Fried Frank

Supplier Diversity

They state: "Fried Frank has made inclusion an essential aspect of our business operations. A robust supplier diversity initiative contributes to our growth and helps us better support our clients. We are proud of the partnerships we've established with enterprises owned by minorities, women, LGBTQ+ individuals, disabled, and service-disabled veterans. We also encourage suppliers who do not themselves qualify as diverse to adopt and support diversity initiatives."

Greenberg Traurig

Supplier Diversity Program

The goal of the Supplier Diversity Program at Greenberg Traurig is to offer certified minority, women, LGBT, veteran and service-disabled veteran owned businesses an opportunity to compete in our strategic sourcing and procurement process.

Lathrop GPM

Diverse Supplier Registration

Quarles & Brady

Look for "Supplier Diversity"

Shearman Sterling

Supplier Diversity

Shearman & Sterling is committed to promoting diversity through all aspects of our firm—from our talented lawyers and staff to the suppliers we work with to deliver the products and services our clients expect from us.

Eligible businesses include those that are qualified and certified in one or more of the

following categories:

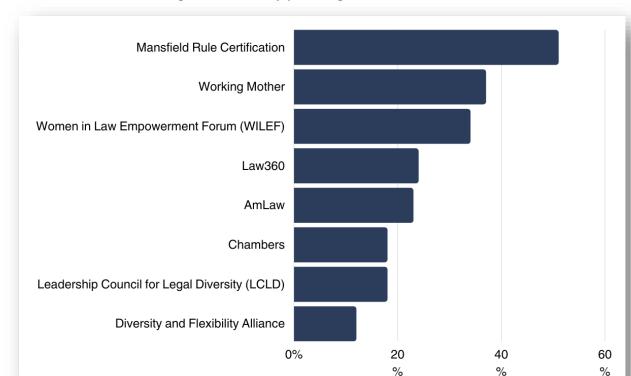
- Minority-owned (MBE)
- Women-owned (WBE)
- Lesbian/gay/bisexual/transgender-owned (LGBT)
- Disability-owned (DOBE)
- Veteran-owned (VBE)

Thompson Coburn
Supplier Diversity Registration

Winston & Strawn Supplier Diversity

Winston welcomes suppliers to its Supplier Diversity Program. To participate, a business must be at least 51% owned, controlled, and operated by individual(s) from one of the following groups:

- Minority-Owned Business Enterprise (MBE): African American/Black, Hispanic/Latinx, Native American, or Asian descent
- LGBTQ+-Owned Business Enterprise (LGBTBE)
- Women-Owned Business Enterprise (WBE)
- Disabled-Owned Business Enterprise (DOBE)
- Veteran-Owned Business Enterprise (VOBE)
- Small Business Enterprise (SBE)



What DEI Awards and Recognitions are they pursuing?

Another opportunity: Firms reported diversity awards from 12 corporate clients, amounting to 17% of the awards.

The following is the full list of awards ALFDP firms have pursued and won.

Dozens of organizations honored ALFDP firms for their work on diversity, equity and inclusion. These distinctions—some as awards, others as certifications that firms meet particular diversity standards—are effective ways to communicate your commitment to DEI.

We note that some awards come from large corporations taking note of efforts by their outside counsel. As legal news coverage has reported, some companies are also lowering fees or cutting off assignments for outside firms that do not meet the clients' diversity goals.

Here is a list of diversity-related awards and certifications and companies that recognize DEI achievements identified in review of 131 ALFDP firm websites and DEI reports:

- American Bar Association (ABA) Litigation Section
- American Bar Association (ABA) Commission on
- Disability Rights
- Americas Women in Business Law Awards
- American Lawyer
- Asian American Bar Association of New
- York
- Association of Black Women Attorneys of New York

- Austin Law Firm Diversity Report Card
- Australian Workplace Equality Index
- Bank of America
- Black Students Guide to Law Schools and
- Firms
- Boston Bar Association
- Boston Globe
- Boston Univ Law School Black Law
- Students Association
- C5
- California Lawyers Association
- Canada's Best Diversity Employers
- Chambers
- Citi
- City Business Journals
- Coca Cola
- Dave Thomas Adoption
- Dell
- Disability Confident (UK)
- Disability Equality Index
- Discover
- Diversity and Flexibility Alliance
- Diversity Best Practices
- Diversity Journal
- Equality Illinois
- Euromonev
- Facebook
- Financial Times
- Flex-Time Lawyers
- Fortune
- Freddie Mac
- GC Letter
- Great Place to Work
- Hispanic National Bar Association
- Hong Kong LGBT+ Inclusion Index
- Houston Bar Association
- Houston Business Journal
- Human Rights Council Corporate Equality
- Index
- Law Careers Network
- Law360
- Lawyers of Color's Diversity & Inclusion
- Leaders
- Lawyers Weekly Champions of Pride
- (Australia)
- Leadership Council on Legal Diversity
- Legal Week (UK)
- LGBTQ Equality
- Litigation Counsel of America
- Los Angeles Business Journal
- Mansfield Rule

- McDonald's Legal
- MediaCorp Canada Best Diversity
- Employer
- MetLife
- Microsoft
- Minority Corporate Counsel Association
- Morgan Stanley
- Multicultural Law Magazine
- National Asian Pacific American Bar
- Association
- National Association for Female Executives
- National Diversity Council
- National Law Journal
- National Law Journal
- National Minority Supplier Development
- Council
- New York City Bar Association
- NGLCC
- Pride Foundation
- Social Mobility Employer
- South Asian Bar Association
- Starbucks Coffee Company
- Stonewall Top 100 Employer (UK)
- The Recorder's California Leaders in Tech
- Law and Innovations Awards
- The Times Top 50 Employers for Women
- (UK)
- T-Mobile
- UK Gender Parity
- UK Law Society
- US Bank
- Vault
- Western Region National Black Law
- Students Association
- Women in Business Leadership Initiative
- Women in Law Empowerment Forum
- (WILEF)
- Women Inc.
- Women's Business Enterprise National
- Council
- Working Families (UK)
- Working Mother/Seramount
- Yale Law Women

Recommendations and Observations

There is a lot of impressive discussion and work going into DEI. Some firms are making is easy for readers and potential clients to see that; others not so much.



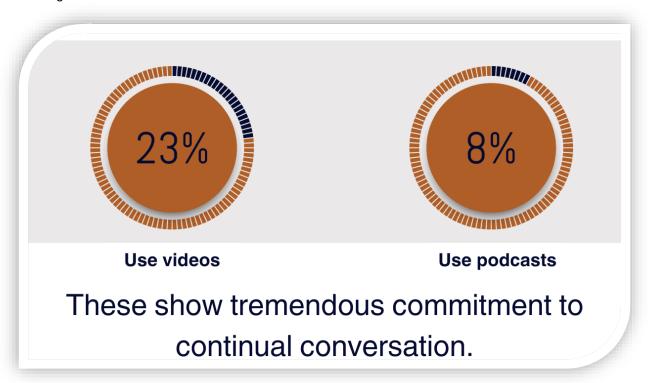
Not identifying firm diversity leadership makes it look like no one is in charge of the issue—even when we can see in the separate DEI report that you have a robust committee and chair people working hard. But we suggest you don't want people interested in DEI to have to work hard to see who is running this effort.

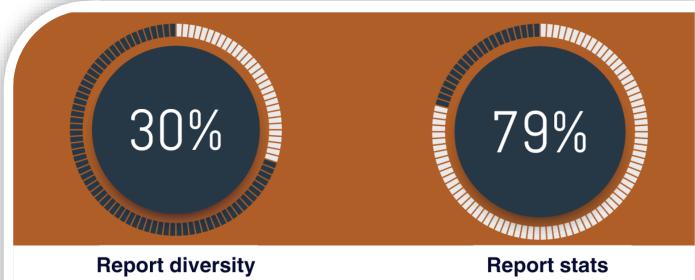
Some others bury their committee work. Consider highlighting the members in profiles or self-written pieces discussing an aspect of DEI that interests them.

Some firms haven't updated data, awards nor other info in a few years. You don't want to look like the restaurant with the "Best of Philly 2013" sign in the front—8 years later.

Some firms have George Floyd June 2020 statements on front page. We understand the importance the firm is putting on the issue, but be careful not to look like you slapped the statement up there and haven't given the issue

more thought/action.





Report diversity stats on webpage

Report stats on report

It looks like you are hiding something.

One wonders if your stats look good if you don't need a longer report.

Take advantage of some awards you could get easily, assuming the other ALFDP firms won them, too.

Firms with Ideas to consider emulating:

- Arent Fox and Ice Miller smartly compile pro bono work into a "<u>Center for Racial Equality</u>" or <u>Racial Justice</u> <u>Task Force</u> program.
- Thompson Coburn issues a booklet highlighting "<u>Diversity and Inclusion</u>." This
- goes beyond the statistics.
- Orrick's <u>DEI web page</u> is so comprehensive that they don't need a report.
- Davis Wright & Tremaine offers excellent diversity profiles.
- https://issuu.com/dwtlaw/docs/2021_dei_report_r3
- (NOTE THAT DAVIS WRIGHT IS A CHIEF COMPETITOR TO FOSTER
- GARVEY)

- Foley & Lardner's <u>report</u> has particularly detailed data points.
- Weil Gotshal's <u>report</u> shows you don't have to publish a full book to be effective. Their report is only four pages, but each one is jam-packed with information.

Other firms that had impressive, thorough reports include:

- Crowell & Moring
- Duane Morris
- Stinson
- Wilson Sonsini

ALFDP firms that issued separate diversity reports within their diversity web pages:

- Baker McKenzie
- Baker Donelson
- Balch & Bingham
- Ballard Spahr
- Barnes & Thornburg
- Blank Rome
- Cadwalader, Wickersham & Taft
- Chapman & Cutler
- Cleary Gottlieb
- Clifford Chance
- Coolev
- Crowell & Moring
- Davis Wright Tremaine
- Debevoise & Plimpton
- Dechert
- Dentons
- Duane Morris
- Epstein Becker & Green
- Eversheds Sutherland
- Folev & Lardner
- FordHarrison
- Freshfields Bruckhaus Deringer
- Frost Brown Todd
- Gibson, Dunn & Crutcher
- Goodwin Procter
- Greenberg Traurig
- Hinshaw & Culbertson
- Hogan Lovells
- Holland & Knight
- Ice Miller
- Jenner & Block
- K&L Gates
- Katten Muchin Rosenman

- Kilpatrick Townsend
- Kirkland & Ellis
- Kramer Levin Naftalis & Frankel
- Mayer Brown
- McDermott Will & Emery
- Mintz
- Morrison Foerster
- Neal, Gerber & Eisenberg
- Nixon Peabody
- Ogletree, Deakins, Nash, Smoak & Stewart
- O'Melveny & Myers
- Paul, Weiss, Rifkind, Wharton & Garrison
- Polsinelli
- Robins Kaplan
- Ropes & Gray
- Shearman Sterling
- Sheppard Mullin Richter & Hampton
- Shook, Hardy & Bacon
- Sidley Austin
- Skadden, Arps, Slate, Meagher & Flom
- Stinson
- Stoel Rives
- Sullivan & Cromwell
- Thompson Coburn
- Thompson Hine
- Venable
- Weil, Gotshal & Manges
- Wiley Rein
- Wilson Sonsini Goodrich & Rosati