



HERBERT  
SMITH  
FREEHILLS  
DIVERSITY  
& INCLUSION

# Leading for Inclusion





# Background

Leading for Inclusion is our global diversity, inclusion and mental health strategy.

Our strategy builds on the momentum since introducing our first global Diversity & Inclusion strategy more than ten years ago. It provides an opportunity to reflect on our achievements and acknowledge how much the world, our clients and we as a firm have changed.

Since launching our first strategy, we've established a clear business case for diversity and inclusion<sup>1</sup> within the firm, made significant progress towards our global gender targets, continued on the path of better reflecting the ethnic and cultural diversity within our communities, stepped out boldly in our support for LGBT+ inclusion, and established a global commitment to adjustments for our people with disabilities and long-term health conditions. See [key achievements](#) below for more information.

In resetting our strategy, we are placing greater emphasis on workplace culture and framing our vision within our firm values - Human, Bold and Outstanding. We are also paying particular attention to the HSF Deal which is a key output of Life@HSF "*Your Growth. Our Ambition*".

The strategy incorporates and builds on our first global mental health strategy (Thrive) in ensuring access to support and addressing stigma, while also focusing on the impact our systems and processes have on individual and collective mental health. We're taking this approach because wellbeing, an inclusive culture and sustained high performance are integrally connected and because wellbeing is influenced by interrelated aspects of diversity and culture – including different cultural perspectives and challenges associated with a lack of inclusion and belonging.

It's an exciting time to reset our strategy, and we are more committed than ever to working together to achieve it – as colleagues and with our clients and the communities in which we operate.

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<sup>1</sup> **Diversity** refers to characteristics relevant to our identity and essential for individual authenticity, including gender and gender identity, ethnicity and race, religion and belief, nationality, sexual orientation, disability, age, and social class. **Inclusion** refers to an environment that values diversity and enables people to be their authentic selves in the workplace. In an inclusive culture, different perspectives are actively encouraged, and people are confident in their ability to progress regardless of their background or identity. In addition, there is a high level of psychological safety within an inclusive organisation. For these reasons, inclusion is the enabler of diversity.

# Our vision

**Ambition 2025** sets out our vision to be a world-leading international law firm, known for our insight and diverse perspectives.

## A world-leading international law firm, known for our insight and diverse perspectives.

We are recognised as one of the **world's leading international law firms**, by our clients, our peers, and our communities.

We have **international reach**, and we **respect** and **respond** to **local differences** in all our markets.

We **do the best and most important work** for our chosen clients, built upon **genuine client relationships**.

We take **pride** in our **technical excellence** and our **deep understanding** of our **clients** and **markets**.

We **value** the **diversity of our people**, and we put people and communities at the heart of our **culture**.

We **differentiate** ourselves through our **insights** and **diverse perspectives**.

Underpinning this vision is our ambition to be the leading law firm for our diverse and inclusive culture. This means attracting and developing a diverse range of people who are committed to working together in a high performing, respectful and inclusive culture in alignment with our Values (Human, Bold and Outstanding).

The hallmarks of an inclusive culture are psychological safety, respect and a sense of belonging. Psychological safety is characterised by divergent thinking, interpersonal risk-taking, leaders asking questions, and clear accountability for agreed outcomes.

As the digital age gathers exponential pace, it is more important than ever for organisations to foster the creativity and innovation that are hallmarks of a diverse and inclusive culture.

Our commitment to diversity and inclusion extends to:

- our people
- our clients
- the broader legal profession and our communities.

# Our people

In relation to our people, we will focus on three key aims in alignment with Ambition 2025.

## Engagement & Wellbeing

We commit to:

- considering everyone at the firm in our work, recognising also the experience of those with intersecting identities
- ensuring all our people understand their personal responsibility to be respectful and inclusive, valuing the different perspectives and contributions of their colleagues
- being bold and leaning into uncomfortable conversations, acknowledging what we don't know and promoting 'middle ground', and avoiding echo chambers
- supporting our D&I networks to deliver high-impact work aligned to Ambition 2025
- ensuring our inclusive culture is an integral part of our brand and value proposition
- ensuring access to resources and support for mental wellbeing
- listening to our people to influence global and regional priorities and understand how we can do better.

## Investing in People's careers

We commit to:

- embedding the concepts of inclusive leadership, psychological safety and respect in all our leadership development programmes
- working with the Executive to ensure that partners and business services leaders are held accountable for creating an inclusive culture in their teams and in their own leadership style
- facilitating senior leader role modelling on D&I via communications and our D&I networks
- supporting the development of a diverse talent pipeline to partnership (including through lateral partner hires) and other senior leadership roles, and actively supporting diverse talent once in the partnership or senior leadership roles
- raising awareness and providing self-guided learning tools to counteract bias particularly within our key people processes
- working with partners and leaders to include discussion of wellbeing in career conversations, check-in and team meetings and, where appropriate, client conversations
- encouraging our leaders to be bold and visible in making choices consistent with our values, including by holding our clients and third-party providers to account where appropriate.

## Evolving How We Work

We commit to:

- work closely with the Resourcing team to better support individual and collective wellbeing as well as the fair and equitable allocation of work
- best practice in the collection, reporting and use of diversity data
- using diversity data to ensure our key people processes are free from bias.

## Our clients

As the leading international law firm known for our diverse and inclusive culture, we will continue to build engagement with clients on diversity, inclusion, workplace culture and mental health.

## Legal Profession and Community

We will continue to have a strong voice on diversity, inclusion, and mental health in the legal profession including in relation to equitable briefing of barristers.

As the leading international law firm for our diverse and inclusive culture, we will:

- continue to support diversity, inclusion and mental health in our communities
- ensure we're working in partnership with our communities to better inform our work on D&I
- grow our expenditure with diverse suppliers across all regions.

## Measuring success

We will focus on the following measures of success:

### People

- improved results in our engagement survey, particularly in relation to perceptions of inclusion
- increased diversity in:
  - graduate and lateral recruitment

- the partner pipeline
- the partnership
- leaders role modelling inclusive leadership behaviours in their everyday interactions
- progress against our [8 Drivers for Gender Equity](#) (including progress against our partner gender target of 40% women in the partnership by 2030)
- progress under the [10 Actions for Change](#) in relation to ethnic and cultural diversity.

## Clients

- winning work where our D&I commitments played a role
- prioritise engagements with clients on D&I
- evidence that our reputation for D&I has resulted in improving client perception of us (such as via client listening sessions)
- continuing the GC Inclusion Forum series
- Lead Partner for the [GC for D&I](#) initiative.



## Data and benchmarks

- declining gender pay gap
- declining ethnicity pay and stay gap in the UK (where we currently report on this)
- increasing diversity in our expenditure with suppliers
- improved results in best practice benchmarks that we choose to participate in.

## Community

- sustainable and long-standing partnerships with community partners.

# Key achievements

<p>Market-leading policies including for global adjustments, parental leave in APAC and holiday swap in UK and Australia</p> 	<p>80%</p>  <p>of our Prime clients engaged with us on D&amp;I and Social Impact in the last year</p>	<p>150</p>  <p>clients with whom we shared our progress on Social Impact in the last year</p>
<p>102%</p>  <p>more women in the partnership since 2014 (from 18% to 31%)</p>	<p>43%</p>  <p>of Hong Kong partners from Asian ethnic backgrounds which more closely aligns with our client base in Asia</p>	<p>50+</p>  <p>workshops on racial and cultural inclusion</p>
<p>500+</p>  <p>Mental Health Champions trained as part of our award-winning programme</p>	<p>15+</p>  <p>religious and cultural celebrations marked through our Global Multicultural Series</p>	<p>30+</p>  <p>stories shared by colleagues in respect of social mobility, allyship, disability and LGBT+</p>
<p>World Pride Legal Partner</p>  <p>Principal Legal Partner of Sydney WorldPride2023</p>	<p>4</p>  <p>global commitments adopted to improve disability inclusion across the firm as part of the Valuable 500</p>	<p>2</p>  <p>diversity internship programmes launched - Hong Kong and Singapore, in partnership with Hyatt Hotels and Manulife</p>
<p>Global Values</p>  <p>Launched new global values: Human, Bold and Outstanding</p>	<p>9</p>  <p>diversity networks engaging our people, supporting changes in policy and partnering with our clients and communities globally</p>	<p>10%</p>  <p>of London partners are from minority ethnic background, up from 5.6% in 2020</p>