

2009 – Volume 1



diversity report

The publication highlighting
diversity initiatives at
K&L Gates LLP.

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Developing Diversity



Over the past year, K&L Gates has expanded into new markets, including North Carolina, Chicago, Paris, Frankfurt, and Shanghai. A global entity, we are 1,900 lawyers strong with 32 offices on three continents. This growth has given us new perspective, helping us better understand the multicultural markets in which our clients do business. It has also strengthened our devotion to the development of the most skilled and diverse workforce possible.

We recognize that this objective requires a true commitment and an actionable plan. In this issue of the diversity report, we explore how we are developing diversity through three channels: recruitment, retention, and outreach.

On the recruiting front, we discuss our diversity partnership programs, prime examples of how we work to augment our diverse, skilled talent at the firm. In the area of retention, we report on our efforts around the firm, and give the floor to associate Nick Ranjan, who provides a first-hand account of developing his career at the firm. We also report on our various pipeline initiatives that focus on developing a diverse workforce for the future and spotlight the Dallas Urban Debate Program.

K&L Gates understands that establishing and maintaining a diverse and fully inclusive workforce is essential to a strong law firm. Our efforts to develop diversity help us establish this workforce, now and in the future.

Peter J. Kalis
Chairman and Global Managing Partner

Recruitment

A strong recruiting platform is essential to developing and sustaining diversity at K&L Gates. As a firm, we take an aggressive approach to the recruitment of diverse lawyers. The firm regularly participates in a variety of programs and partnerships to attract top legal talent from wide-ranging backgrounds.



Developing Partnerships to Enhance Recruitment



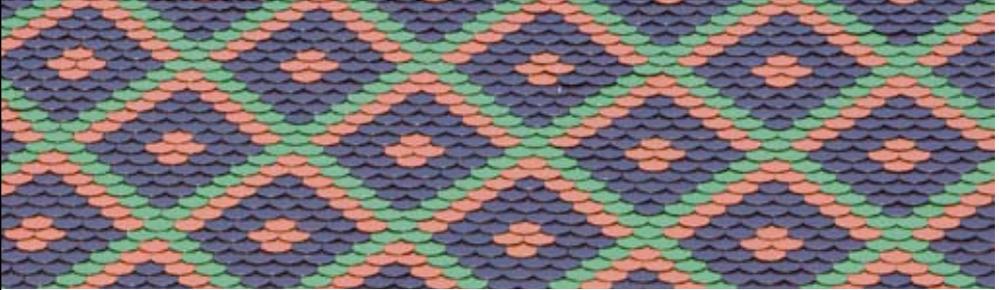
Law students are faced with difficult decisions as they plan for their future. Through diversity partnership programs, K&L Gates aims to make these decisions easier by providing students with unique summer experiences.

The firm's New York and Charlotte offices offer programs in which diverse summer associates split their summer clerkships between the firm and an in-house legal department. In 2007, the New York office established a partnership with Goldman Sachs and Merrill Lynch to give two of the firm's summer associates the opportunity to spend three weeks working in-house. The experience provides summer associates with an introduction to the financial services industry while highlighting the connection between the firm and its clients. The program has proven to be a beneficial recruiting tool in an increasingly competitive marketplace: both of the participating 2007 summer associates joined K&L Gates' New York office in October as first year associates. The firm continued the partnership with Goldman Sachs in 2008, and both participating summer associates will join K&L Gates' New York office in the fall of 2009.

A similar program is underway in the Charlotte office. Through the Mecklenburg County Bar's Legal Diversity Clerkship Program, a diverse first year law student splits his or her summer clerkship between our law firm and an in-house corporate partner. Our past corporate partners have included Bank of America, Compass, Duke Energy, Goodrich, Lowes, TIAA-Cref, and Wachovia.

In addition, K&L Gates has formed a partnership with the North Carolina Central University School of Law, a historically black institution. Since 2006, two N.C. partners have donated their time to teaching a two-credit course to students focused on mergers and acquisitions, private equity, and financing transactions. In 2008, the firm was a sponsor of the law school's General Counsel series that featured general counsel from Wal-Mart Stores, Inc. and General Motors Corporation. In 2009, the firm began to sponsor a professional development series at the law school and continues to hold other school-related programs in its North Carolina offices. These activities are intended to benefit the students in a variety of ways and to raise the firm's profile as a firm committed to the inclusion and promotion of diverse attorneys. A graduate of NCCU's law school joined the Charlotte office as an associate in the fall of 2008, and a current NCCU law student will join the Raleigh office as a first year associate in the fall of 2009.

Recent Diversity Recruiting Activities



Diversity Events

- Boston Lawyers Group Job Fair
- Dallas Bar Association Minority Clerkship Luncheon
- DBA Minority Attorney Business Development Initiative
- DuPont Minority Job Fair (Chicago, Wilmington, Houston, and Los Angeles)
- Harvard Black Law Students Association Spring Conference Sponsors Career Fair
- “How We Got from There to Here, Career Paths to Global Firms”; 1L Howard Panel Discussion
- New York City Metro Area LGBT Career Fair
- NJ Law Firm Group Minority Job Fair
- Seattle 1L Diversity Reception
- Seattle Area Legal Recruiting Administrator’s Diversity Reception
- Southeastern Minority Job Fair
- Southern Regional Black Law Student Association Job Fair
- Sunbelt Minority Job Fair

Diversity On-campus Interviewing

- Howard University School of Law
- Texas Southern University Thurgood Marshall School of Law

Retention

After recruiting exceptional diverse legal talent, the firm focuses on retaining and developing it further. We ensure diversity is a consideration in firm leadership, management practices, human resources, financial decisions, and communications. Mentoring programs, affinity groups, and professional development opportunities also enhance retention efforts.



Developing an Inclusive Workplace



London

Open dialogue is an important aspect of retention efforts throughout the firm. In London, we are engaged in numerous programs that promote inclusiveness and understanding among lawyers and staff.

A member of the Stonewall Diversity Champions Program, the office works to achieve equality and justice for lesbian, gay, and bisexual employees through the development of policy and good practice—promoting cultural and attitudinal change, lobbying for legal change, and acting as an information provider.

The office also participates in the Interlaw Diversity Forum, a newly established group for lesbian, gay, bisexual, and transgender lawyers in London to network and undertake joint initiatives in the sector.

Awareness-building for people with disabilities is another component of retention efforts in the London office. In 2007, the firm began work with Employment Opportunities for People with Disabilities—a charity that promotes workplace opportunities for the disabled.

Focusing on work-life balance issues, K&L Gates recently participated in significant research carried out by Working Families that looked into talent retention through a balanced culture. The firm held a focus group with partners and senior associates to identify retention challenges faced by law firms and how these issues might be overcome.

Also in London, the firm recently conducted a training program for senior women lawyers that explored assertiveness in the workplace, as well

as successful business development. The training was a success, leading to the formation of a permanent group that will focus on empowering women to achieve excellence in their field.

Palo Alto and San Francisco

Women lawyers from our Palo Alto and San Francisco offices provide support to one another through the firm's Northern California Women's Group. Formed in 2008, the group's goals include increasing cooperation on business development efforts, providing mentoring across all levels and practices in the firm, and providing opportunities for professional development.

Seattle

In Seattle, associates and partners of color participate in the Circle group, an affinity network that encourages interaction among diverse lawyers and the building of strong, lasting relationships. The office's diverse associate mentoring program complements the Circle group by helping diverse lawyers feel connected to the firm from day one through the guidance of a mentor.

The Seattle office has also instituted a formal work allocation program for second, third, and fourth year associates to ensure the equitable distribution of work amongst all associates as well as to help associates find work opportunities that will increase their skill set and match their practice preferences. The program also ensures women and diverse lawyers have equal access to and inclusion in top client matters.

My Experience at K&L Gates

Pittsburgh associate Nicholas Ranjan reflects on his development at K&L Gates.



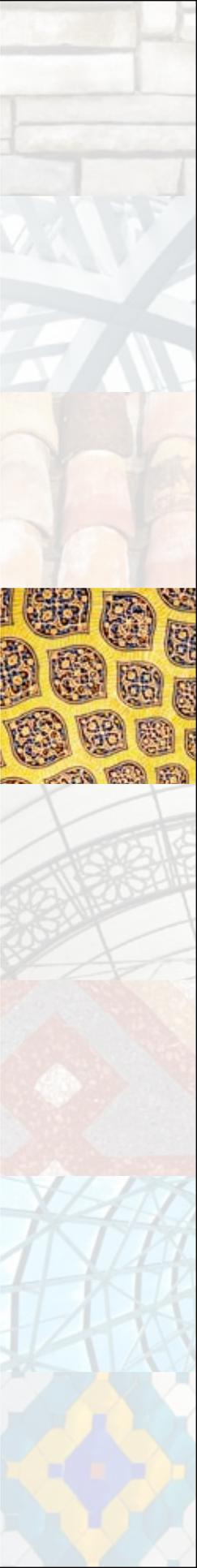
I was in my third year of law school at the University of Michigan when the Supreme Court heard the Michigan affirmative action cases, making the question of diversity as a “compelling interest” the hot topic around campus.

The question to me, at least at first, was more interesting from the technical Fourteenth Amendment perspective than from a practical one. But as the arguments on both sides developed, it became clear that it was really the practical perspective that mattered, because the greatest thing about law school was the rigorous intellectual exchange both inside and outside the classroom—and that largely depended on a diversity of the students’ worldviews.

I soon discovered during my summer at K&L Gates that the reality at a law firm was no different. The firm had just hired the legal industry’s first Chief Diversity Officer, and my discussions with him led me to conclude that what makes good firms tick is that same diversity of views and exchange of ideas. The firm’s vision of fostering diversity was particularly exciting, as it went beyond simply recruiting diverse candidates to encouraging lawyers to get involved in the community, volunteer, and do pro bono work.

As a lawyer here, I’ve been fortunate enough to continue volunteering and doing rewarding pro bono work. For example, for the last three years, along with other lawyers from the firm, I’ve gone to a local city high school twice a month to mentor students there. I also mentored a law student at the University of Pittsburgh Law School through that school’s Asian Law Student Association until my student graduated last spring. I’ve also had great opportunities to work on several high-profile pro bono cases with the ACLU, including recently representing a homeless outreach program that was being stymied by a local government—a case that made its way into the pages of the *New York Times*—and representing habeas petitioners and criminal defendants in federal appeals. My favorite anecdote comes from the mother of one pro bono client in a successful First Amendment case, who told me that when she has friends over, she will pull up my picture from the firm’s Web site and tell everyone, “That was our lawyer!”

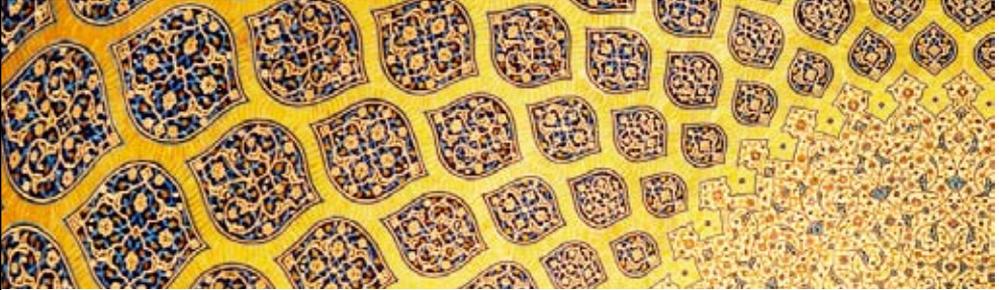
But equally rewarding has been my regular caseload of commercial and appellate litigation—getting the chance to work with really smart people at the firm on complex issues. When I interview law students, the one thing I tell them is that “it’s the people that matter.” That is, if you can click with the people at the firm, then that should be the deciding factor in making your decision on where to spend your career. I’ve found the people at K&L Gates to be smart, hardworking, down-to-earth, and approachable—which has made this an enjoyable place to work.



Outreach

K&L Gates' commitment to diversity extends well beyond the walls of our offices. As a complement to recruitment and retention, the firm is committed to promoting diversity to various external audiences through outreach efforts. Firmwide, there is enthusiastic support for our pipeline initiatives which encourage diverse middle and high school students to consider higher education and perhaps law school.

Developing the Next Generation— Pipeline Initiatives



Boston

In Boston, the firm participates in Breakthrough Cambridge, a program that challenges, prepares, and supports diverse, low-income Cambridge, Mass. middle school students to succeed in high school and go on to college. The firm has collaborated on the program for the past five years by organizing, conducting, and mentoring students in a mock trial experience.

Los Angeles

In Los Angeles, the firm has established a partnership with Hamilton High School, a large urban comprehensive school in West L.A. In 2007, lawyers visited English classes and provided advice on writing successful college applications and essays. The students later wrote essays which the lawyers reviewed and edited. In 2008, the office hosted more than 40 students for an interactive program introducing and educating them about the legal profession, including alternative career opportunities within the field. After the presentation, students participated in a mock trial for which they served as the jury.

New York

The firm's New York office has paired regularly with a local high school to provide mentoring to its minority and underprivileged students. K&L Gates lawyers and staff establish these mentoring relationships with the goal of providing students with life lessons, career guidance, and an introduction to life at a law firm. A core goal of the program is to keep the students headed in the right direction toward high school graduation and on to college.

Pittsburgh

Since 2004, lawyers in the Pittsburgh office have participated in the Career Literacy for African American Youth (CLAAY) program. Founded by Duquesne University's Institute for Economic Transformation, the CLAAY program focuses on two fundamentals: career mentoring and basic skills development. In a typical year, 20 lawyers serve as mentors to high school students at Pittsburgh's Oliver High School, following a curriculum with a focus on career literacy. In the past few years, students participating in the CLAAY program have scored better on standardized achievement tests than the general student population at the school.

London

The London office works with Arrival Education, a recently established organization that works with young people to help them create success for themselves. We participate in the organization's Success for Life program which is aimed at the long-term development of students. Résumé writing and the importance of planning, integrity, and persistence are among the program's topics. K&L Gates London lawyers speak to the students about their own experiences, including what it took for them to be successful and their journey to where they are now.

“Project Village” Encourages Students to Pursue Higher Education



K&L Gates’ Dallas office recently kicked off a pipeline initiative informally called “Project Village.” This initiative supports public high school debate programs, giving students important new skills and motivation for the future.

“Together with local in-house counsel and members of the judiciary, we hope to encourage students from low-income high schools to join a debate team designed to provide students with the opportunity to learn skills they might not otherwise develop and to further encourage the students to pursue a college education,” said Cindy Ohlenforst, a partner in the firm’s Dallas office and member of K&L Gates’ diversity committee.

According to Urban Debate Leagues, debate has proven to increase literacy scores by 25 percent and grade-point average by eight to 10 percent. It has proven to produce college matriculation rates of up to 91 percent.

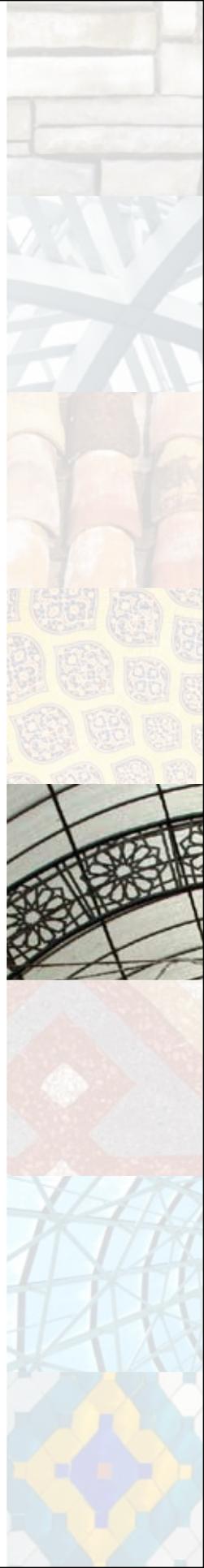
The firm’s Project Village was unveiled last fall with the help of the Honorable Dick Thornburgh, of counsel in K&L Gates’ Washington, D.C. office. The kickoff event was attended by local judges, government officials, district attorneys, in-house counsel, outside counsel, and other members of the Dallas legal community.

Project Village was created to support the Dallas Urban Debate Alliance, a public-private partnership that provides the resources to allow urban students to participate in competitive policy debate. The alliance was founded by K&L Gates Dallas Administrative Partner Craig Budner and launched during the 2007-08 school year. Approximately 15 high schools and over 150 students currently participate in the program.

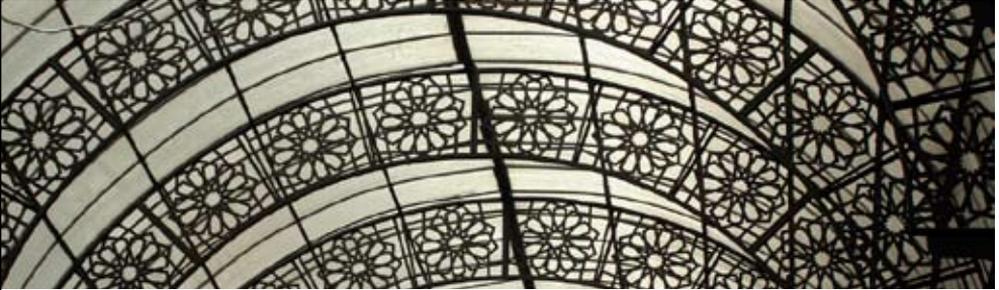
“Craig brought together leaders from various institutions, most especially the Dallas Independent School District, behind a rather profound vision,” said Les Lynn, senior program consultant for the National Association for Urban Debate Leagues. “The current and future students in the Dallas Urban Debate Alliance have Craig to thank for the educationally powerful opportunity of competitive academic debate.”

In August, K&L Gates lawyers actively participated in the alliance’s summer workshop program, coordinating presentations by various federal judges (including a 5th Circuit judge), in-house counsel, and business leaders. The firm anticipates that future involvement through Project Village will include mentoring by K&L Gates lawyers, coordinating in-house counsel judging, and other hands-on support by firm volunteers.

Recognition and Sponsorships



Recognition



Several organizations recently recognized K&L Gates for its diversity-focused efforts across the firm.

Top 100 Law Firms for Diversity

K&L Gates was ranked one of the "Top 100 Law Firms for Diversity" in the March 2008 issue of *Multicultural Law* magazine. Its sister publication, *Women 3.0* magazine, also ranked K&L Gates as one of the "Top 100 Law Firms for Women."

2008 Latino Lawyer of the Year

The Hispanic National Bar Association named Dallas partner Martin Garza the "2008 Latino Lawyer of the Year." This award honored Garza's leadership role in supporting diversity efforts in the workplace and his commitment to lawyer participation in regional and national bar associations and other organizations that promote diversity.

See the Ability Award

Director of Professional Development & Diversity (UK) Tina Two received the E.On "See the Ability" award at the 2008 Changing Lives Awards held at the House of Lords in London. The award recognized Two for her commitment to people with disabilities, as well as for promoting inclusion and diversity in her workplace and across the legal profession.

Association of Law Firm Directors

K&L Gates Director of Diversity Rick Jones was elected to the Board of Directors of the Association of Law Firm Directors. Jones will serve on the board for one year.

Sponsorships



K&L Gates works to further diversity throughout the legal profession by sponsoring diversity-focused events and organizations.

James M. Nabrit, Jr., Lecture Series

For six years, K&L Gates has partnered with Howard University School of Law to present the James M. Nabrit, Jr., Lecture Series. Established in 2004, the James M. Nabrit, Jr., Lecture Series seeks to further the message of equality promoted by James Nabrit, Jr., a former Howard University president and dean to the School of Law who also taught the first formal civil rights law course at an American law school. In addition, Nabrit handled a variety of civil rights cases for the NAACP Legal Defense and Education Fund, and was a lead counsel on the Washington, D.C., case of *Bolling v. Sharpe*, which later became a companion case to *Brown v. Board of Education*. The 2009 series featured talks from Associate Justice of the United States Supreme Court Clarence Thomas and Temple University Beasley School of Law Professor Phoebe A. Haddon.

Corporate Counsel Women of Color

K&L Gates is the premier sponsor of the Annual Corporate Counsel Women of Color (CCWC) conference. CCWC is the largest organization of in-house women of color in the country with more than 2,500 members.

Other Recent Sponsorships

- Asian Bar Association of Washington
- Association of Corporate Counsel Southern California Chapter Diversity Award
- Dallas Hispanic Bar Association Lighting the Path to Legal Education
- Diversity Partners Fund of the Charlotte Chamber of Commerce
- GLBT Bar Association of Washington (QLaw)
- Latina/o Bar Association of Washington
- Loren Miller Bar Association of Washington
- Mother Attorneys Mentoring Association of Seattle (MAMAS)
- Northwest Indian Bar Association
- South Asian Bar Association
- Texas Diversity Council's North Texas Women's Summit
- Thurgood Marshall Awards of Excellence
- Washington Women Lawyers

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K&L Gates comprises approximately 1,900 lawyers in 32 offices located in North America, Europe and Asia, and represents capital markets participants, entrepreneurs, growth and middle market companies, leading FORTUNE 100 and FTSE 100 global corporations and public sector entities. For more information, visit www.klgates.com.

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