



10th Anniversary

Letter to clients

Grow | Protect | Operate | Finance

October 2022

Dear Friends,

Without you, Dentons could not have inspired so many talented professionals, who together are the largest law firm in the world, or aspire to be the leading law firm in the world. On our tenth anniversary we want to share with you both the progress we have made in assisting you to reach your goals and our views on some of the biggest challenges we know you are facing.

During the last ten years, we have been focused on meeting client demands for a law firm that is always both local and global, capable of providing legal advice and business solutions seamlessly across countries and regions by connecting clients to the best lawyers and professionals in the markets where our clients operate. To do that, we:

- designed Dentons to be different from traditional law firms
- leveraged the scale of our geographic reach and breadth of experience
- connected clients to top-tier legal talent across the globe, and
- innovated our processes, technology and services to better serve clients

As we look to the next ten years, we see a constantly changing world – and one that is changing at an accelerating pace. Some of the more important trends we see having the greatest impact both on Dentons and our clients include:

- accelerating change in the New Dynamic Decade
- greater economic turbulence
- rising geopolitical risks
- climate change
- complexities of globalization
- demands for more diverse teams of lawyers and professionals
- scale's importance to success, and
- the challenge of retaining and recruiting talent in the Great Transition

Today we begin the celebration of the tenth-year anniversary of the introduction of Dentons, focusing not on the past, but on The Next Ten. Without you and your support, we would not have been able to change the history of professional service firms, and for that we thank you. But what are we celebrating and what makes this anniversary worth celebrating?

A photograph of a flock of flamingos in a body of water. The flamingos are pink with long, thin necks and black-tipped beaks. They are standing in shallow water, and their reflections are visible. The background is a soft, out-of-focus landscape with more flamingos. A large, dark purple, semi-transparent shape covers the bottom left portion of the image, containing the text.

**What is
Dentons?**

Dentons is many things to different people, but at its core, Dentons is an idea. It is more than a professional services organization with an innovative business model; it is a powerful concept that represents a new perspective of how to provide professional services around the globe.

We know that Dentons is a compelling idea because more law firms have done due diligence on the idea and its execution, examining it from all angles, and made the most important business decision of their existence to join the future of their firm with Dentons. In addition to the more than fifty law firms that have combined to form Dentons, more individual lawyers and professionals have joined Dentons during the past decade than any other law firm after making the same detailed examination of the concept. What is it that all these highly skilled professionals have seen?

Polycentric: The Dentons Difference

We call the idea that is Dentons “polycentric.” What we mean by that word is that big, traditional professional services firms had four characteristics that have limited their growth and quality of service in the past several decades. These traditional organizations have grown in headcount and revenue, but had they not had these four limiting attributes, they could have done much better.

First, they are parochial. Whatever they may say, they act as if all good lawyers and all good practices come from the north and the west. They perpetuate a myth that the highest form of legal service is only offered in big cities where most of them were founded, usually in the UK or US, is done in the English language and is perfected in the largest markets, despite the overwhelming evidence that talent is everywhere, and best practices can come from anywhere. While there are many truly brilliant lawyers in London and New York, this bias creates a perception of one circle of power that floats above

and around London and New York. This ignores that the best legal advice is culturally sensitive, given by people who are in and of each community. It takes different skills and knowledge to do a deal or solve a dispute in one place versus another, so this one-size-for-all bias creates a disincentive for the best legal work. This leads to uniformity, as if each office is just part of a franchise chain rather than a culturally appropriate restaurant offering the best in local cuisine.

Second, these traditional firms are hierarchical. Founded in an era without the technological ability to easily communicate, they cling to an organizational structure where a headquarters office sets inflexible standards, makes the decisions and tells everyone what to do – literally one center of power from which all decisions emanate. Dentons, the first and only global law firm founded after the promulgation of easy-to-use smart phones, is structured like our clients—in a more horizontal, quick feedback loop, where best practices come from everywhere and can be adopted more easily and more quickly. We can always be both a local and a global firm because of our ability to make important decisions close to where the deal must be done or the dispute has to be resolved.

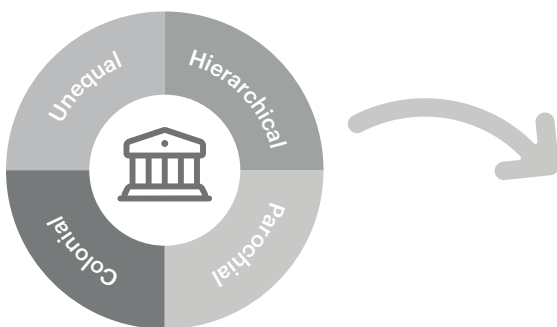
Third, their old-fashioned hierarchies and parochial view of quality lead them to be metaphorically colonial. Too often, the north tells the south what to do and the west tells the east what to do. There is an assumption that the literal or metaphorical former colonial power will make the big decisions and everyone else will simply play their bit part. This is embedded in the concept of “local counsel,” which implies that the lawyers closest to the action are only handling the less important part of whatever the task at hand may be while the lawyers who are farthest away from the deal control the deal, despite the obvious challenges in that approach.

Fourth, they treat their own people unequally. The parochial, hierarchical and colonial limitations lead these traditional organizations to treat people differently unless they meet the unstated, uniform way of doing work. They have titles like “international partner” and “local partner” that imply a hierarchy that leads to unequal treatment. They promote people less on merit and more on location. Rather than strive for an organization that is strengthened by people of different backgrounds, who bring different experiences to the table, they create uniform systems that strive to get everyone to act the same, speak the same and define what is quality the same way. People need to pretend to be something that they are not to succeed in the organization and can rarely bring their whole selves to work.

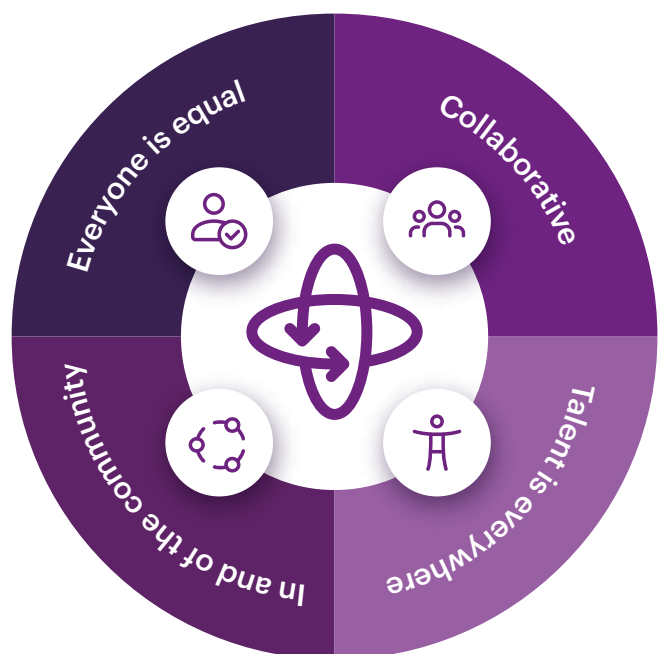
Dentons: A new, polycentric business model

Most of Dentons’ lawyers grew up in these traditional firms that are parochial, hierarchical, colonial and unequal. As the founders of Dentons, our idea was to push back on all of these traits and build a business model that does not allow the organization to have these limiting characteristics that negatively impact the quality of service. Rather than a mere marketing position, we created an innovative business model that rewards behavior that is the opposite of these traditional models and has therefore brought more people of more different backgrounds together than ever before in the history of the legal profession.

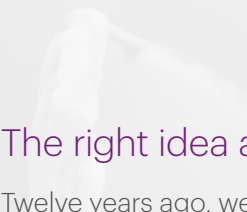
Traditional law firm model



Dentons’ polycentric approach



Today we celebrate those more than 21,000 people in more than 200 locations and more than 80 countries who have chosen to join a different kind of organization. While being the largest law firm in the world was never our goal, we see this amazing group of talented people as affirmation of the power of the idea that is Dentons.



The right idea at the right time

Twelve years ago, we combined Sonnenschein Nath Rosenthal and Denton Wilde Sapte to form an international law firm named SNR Denton in order to better serve clients. Two years later, in November 2012, we brought together Canada's Fraser Milner Casgrain and Europe's Salans with SNR Denton to announce our intention to create something the world had never seen before: the first truly polycentric, global law firm. We first formed a very large, international firm and then combined to form a truly global law firm. But that polycentric model was just the start, the foundation for all that has happened in the past ten years.

From day one, we made listening to our clients the priority, and by doing so, we created more than a new law firm; we created a new model for how to serve you.

Answering your call for a law firm that is both local and global

When Dentons was created, the primary mission of the firm was – and remains – to meet the demands of clients for a law firm that can provide high quality legal counsel and business solutions wherever they operate, whether across town, throughout a country, over continents or around the world -- and to do so in a seamless fashion. That is why Dentons has been a global law firm from its inception.

As important was the desire to connect you to top tier legal talent who understand the distinct legal traditions and business cultures of the markets in which you operate. Rather than follow the path of traditional law firms, which are designed to maintain the primacy of “head offices” or “headquarters,” when we founded Dentons we believed, and have now demonstrated, that in our modern world, talent is everywhere – and so are the opportunities for our clients. That led us to focus on combining with strong local law firms that were truly in and of their communities, known in those communities and powerful in those communities. Rather than only opening our own offices, Dentons has been a local law firm from its inception.

While there are a handful of global firms and thousands of local firms, Dentons is the only firm that is both local and global in every location. The polycentric model allowed Dentons, unlike its competitors who built their firms differently, to be truly both a local and a global firm. It is the conjunction, the word “and,” that made Dentons different from the start.

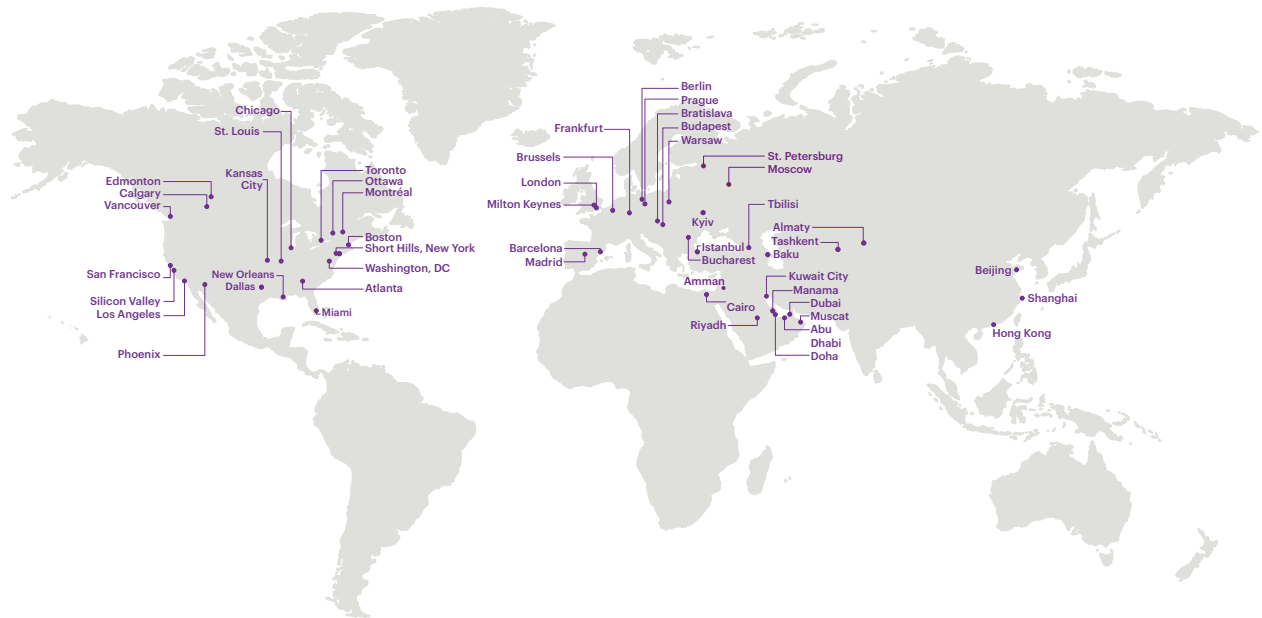
The first ten years: scaling, connecting and innovating to serve you better

From the beginning, we understood that a successful strategy had to be clear and easily articulated and followed. For the past ten years the strategy has evolved, but it remains described by three concepts: scaling, connecting and innovating. All to better serve our clients

Scaling to serve you in more markets

When we formally launched the firm in 2013, just five months following the November 2012 announcement of our intention to combine, Dentons served 53 locations in 28 countries, with affiliated firms in Africa, just four locations in Asia that were small offices with only a few lawyers and no offices in Latin America and the Caribbean.

Dentons locations 2013



Locations in purple represent Dentons offices in 2013

2013

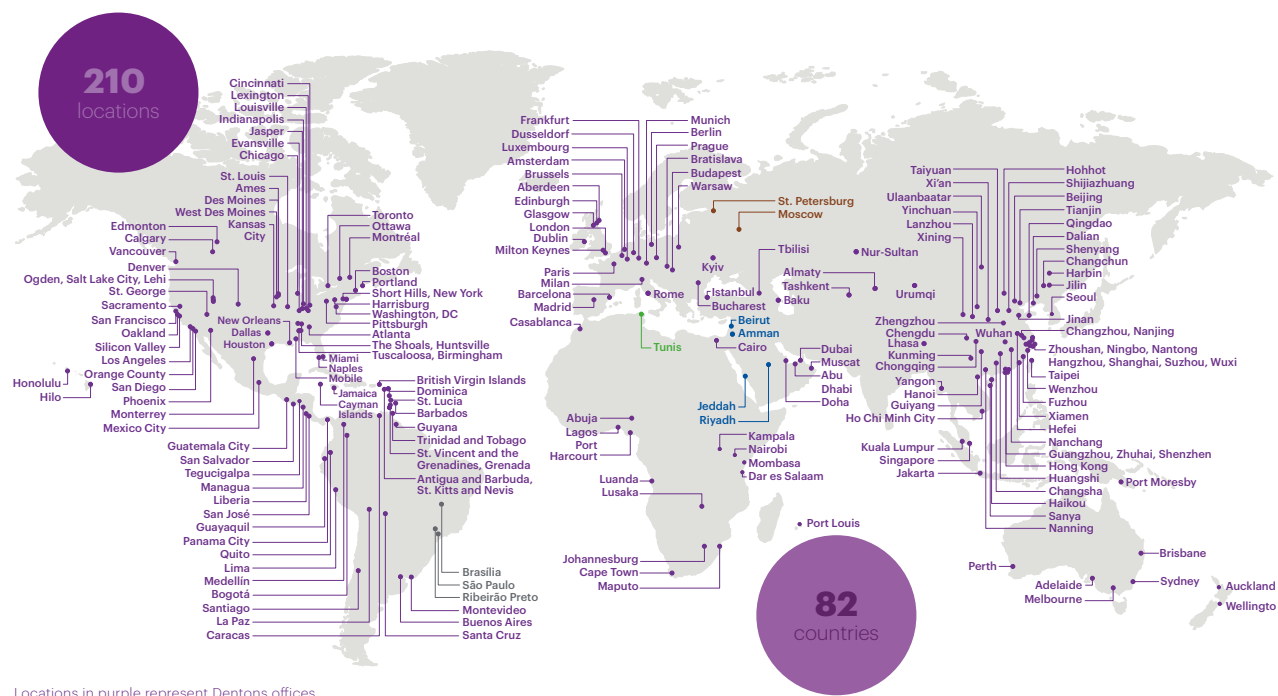
As we write this today, Dentons can assist you in 82 countries and 210 locations, which is more than any other law firm in the world. We intend to grow again in just a few weeks following the release of this letter and will continue to find the best talent in the markets around the world that are most important to our clients, often as the very first global firm in an important market.

We are not only large in the leading markets in the world. Among other distinctions, we are the only pan-Latin America and the Caribbean firm in the world, and we are the largest pan-African firm and the only one owned by Africans. We have 47 locations in China and the most extensive reach of any firm across key Asian Pacific markets.

In 2020, we announced our strategic plan to become the first truly national law firm in the US through what we call Project Golden Spike. Since then, we have combined with six law firms, resulting in 45 offices in the United States.

We continue to lead the growth of all big firms. Last year, 87% of all law firm combinations that crossed a border comprised firms choosing to join with Dentons. Because each of these firms did extensive due diligence on the idea that is Dentons, we see this, too, as more affirmation of the continuing power of the idea that is Dentons.

Dentons locations September 2022



September 2022

Connecting you to top-tier legal talent around the globe

At launch, Dentons had approximately 2,500 lawyers. Today, we have more than 12,000, making us the largest law firm in the world by headcount. Last year alone, more than 1,400 lawyers from other law firms chose to join Dentons, in addition to those who came to the firm through full firm combinations.

Why is that important? We have never met a client who needed 12,000 lawyers. But with such a deep pool of talent, it is simply more likely that we have the one lawyer you need, where you need them, than if we were choosing from 1,200 or 120 or 12. This is one example of how quantity is a tool for quality.

As we have scaled through combinations with leading firms throughout the world, our focus has been on quality – to find firms that are in and

of the communities they serve, steeped in their respective business and legal culture and respected by the lawyers and jurists with whom they interact on your behalf.

While growing in headcount, we have grown in quality. No big law firm has increased its percentage of Chambers and Legal 500 ranked lawyers, practice groups, and Band 1 and Band 2 rankings as much as Dentons. Since 2014, our first full year as Dentons, the number of Dentons lawyers who are ranked in Chambers and Legal 500 has increased 117%. The number of our practice groups awarded a Band 1 or Band 2 rating from those organizations has increased 189%. And our total Chambers and Legal 500 rankings have grown 204%. We have increased more and increased faster than any other large law firm.

Connecting to quality

Dentons has increased *Chambers* and *Legal 500* rated lawyers more than any other law firm in the last seven years.

Increases in Dentons Legal 500/Chambers rankings 2014-2021



Innovating to help you meet the challenges of the future

Dentons' vision from the beginning was always to be the law firm of the future, constantly finding ways to offer more and better services to our clients. The concept of always being the firm of the future means we have created and embrace a culture of constant change, where being a change agent, and being comfortable with change, means that we are focused on the future.

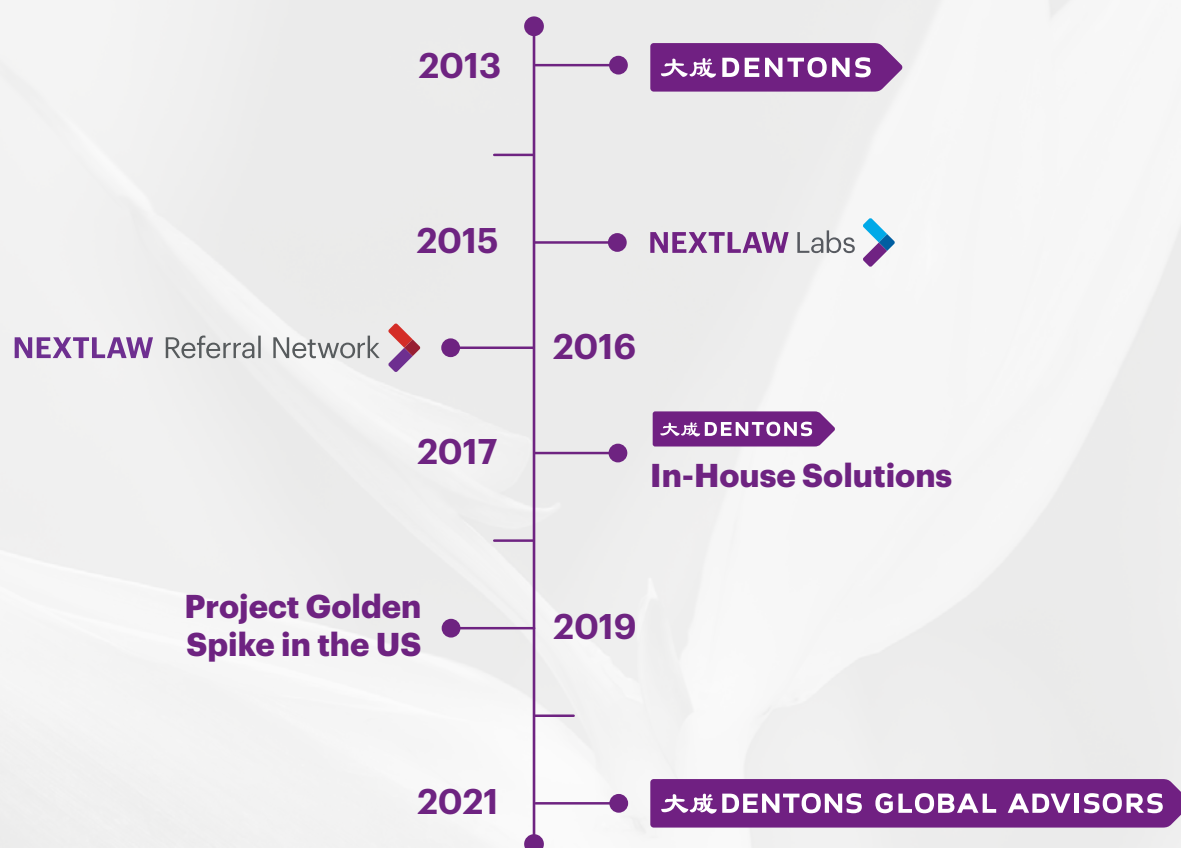
Focusing on the future means focusing on innovation. While more traditional law firms define innovation as new technology, we see technology as simply another tool in our efforts to innovate all that we do to better serve our clients. For example, our greatest act of innovation was our first: the creation of a truly polycentric, global law firm capable of providing clients with informed on-the-ground legal

counsel and business solutions on a global scale. The ability to have one organization that is both in each community that it is part of, but also able to connect those communities with each other, using new technologies as a tool to communicate, organize and serve, is a demonstration of true innovation.

The many innovations that followed and built on the first are too long to list here, but they include:

- In 2015, we formed Nextlaw Labs®, a global legal tech accelerator and consultancy that recognized while growth in the legal tech sector had been substantial, we could draw on the experience of the world's largest law firm to assess and develop products and services to create solutions that assist real lawyers, working with real clients on real issues around the world.
- In 2016, we launched the Nextlaw Referral Network®, the only law firm referral network that is not "pay to play," and where firms are selected solely for their quality. It is now the largest law firm referral network in the world, allowing clients to benefit from even greater geographic reach and experience. Today, more than 750 law firms around the globe are members of the Nextlaw Referral Network and complement the reach and breadth of Dentons when needed by our clients.
- In 2017, we formed Dentons In-House Solutions™, capitalizing on Dentons' elite corps of former general counsel and in-house legal counsel to advise General Counsel and other C-suites on governance and operational issues.
- And last year, we launched Dentons Global Advisors®, an independent strategic advisory firm of business consultants to help clients assess and address opportunities and challenges arising from events in the lifecycle of companies around the world, including the geopolitical risks in an ever-changing world best addressed by commercial diplomacy.

Dentons innovations



Clients come to us with legal problems, which almost always demand business solutions. This requires us to be more than a law firm. Each of the initiatives above have been critical steps in growing our capacity to provide not only incisive legal counsel but also insightful strategic advice.

A close-up photograph of a human eye, focusing on the iris and eyelashes. The image is partially covered by a dark purple, semi-transparent overlay that has a diagonal cutout. The text "The New Dynamic Decade" is written in white, bold, sans-serif font within the purple area.

The New Dynamic Decade

In 2020 a global pandemic ushered in a new era of constant change and increased risk. While others pondered what the “new normal” might look like, we realized that because normal implies that tomorrow will be like yesterday, in this decade of increased and accelerating change there would be nothing consistent, reliable or normal. We have found it more helpful for our clients, and our firm, to recognize that we are in a New Dynamic Decade.

The defining characteristic of the New Dynamic Decade is not constant change, but constantly *accelerating* change.

We are never going back to normal

Before the advent of COVID, laptops, videoconferencing services, and same day or overnight delivery services were already beginning to make remote work possible in many sectors of the economy. But the pandemic made remote work preferable and essential for many workers and organizations – and, as Dentons was forced to do when the pandemic hit, it was necessary to provide remote work capabilities virtually overnight. Now, as the most severe impacts of the pandemic are receding, the knock-on effects of the move to remote work, such as a drastic reduction in the need for office space in urban centers, or the significant increase in demand for widespread, high-quality internet service outside them, are shaping a new social, economic and infrastructure landscape that bears little resemblance to the pre-pandemic normal.

The new uses and abilities of technology, from artificial intelligence-driven vaccine research, to cars that nearly drive themselves, to the ability of people to work together easily across the boundaries of time and distance, are all accelerating. Change in the tools we choose to use, let alone change from those tools that force us to make other choices, continues to speed up and, in a ripple effect, make other changes.

The new dynamic is more than technology

To be clear, this new dynamic is more than just the combined effect of innovations in hardware and software. As an organization that employs more than 20,000 people around the globe, Dentons is experiencing the same dramatic change in the career perspectives of its talented team members as your organization is. We realized early on that the pandemic was leading workers at all levels to participate not in a “Great Resignation,” which implied they were dropping out of the labor force, but rather to engage in a “Great Transition” as they sought more meaningful employment.

To be successful in the New Dynamic Decade, organizations have to be purpose driven.

While it might be tempting to view the pandemic as a “one-off” event, a once in a lifetime happening, perhaps even a once in a century occurrence, it also provided a valuable window into another key characteristic of the New Dynamic Decade: the increasing exposure all of us have to greater geopolitical risk.

The role of geopolitical risk in the New Dynamic Decade

Globalization, almost by definition, has left every region of the earth more vulnerable to circumstances and events in other regions over which they have little direct control. The most successful companies on the planet are successful not only because of their global scale, but their worldwide operations also mean that a pandemic, a regional cross-border conflict, an intra-border civil war or a large-scale natural disaster can threaten their survival.

And, frequently, steps taken to become more resilient on one front, such as diversifying the sourcing for key components, exposes an organization to other risks, such as the politics and regulations of even more regions. The greater our interconnectedness, the greater our exposure.

The ultimate geopolitical risk: Climate change

Finally, as our friends in the northern hemisphere emerge from another summer of record-breaking heat domes and drenching atmospheric rivers and our friends in the southern hemisphere wonder warily what might be in store for them in the coming months, the need to address both the sources and the impact of climate change grow ever more apparent. The frequency, size and intensity of climate events are all increasing rapidly, making them yet another manifestation of the challenges presented by the New Dynamic Decade. The ensuing economic distress, famine and health crises they cause also makes climate change perhaps the greatest source of geopolitical risk.

Listening to our clients to help solve the challenges of the New Dynamic Decade

In order to help our clients meet the challenges of the New Dynamic Decade, Dentons embarked on an extensive listening campaign, talking with a broad range of clients and stakeholders across the globe. Clients told us that they are outcomes focused. The issues that concern them most are strategic considerations regarding how they grow, protect, operate and finance their businesses. They want lawyers who understand their business and the specific challenges it faces. They need teams that are proactive and can help them scan the horizon. And they want consistent quality and service.

For example, clients can usually determine the markets where they want to grow on their own. What they need from their legal teams is advice on whether to locate a facility in one city or another – and sometimes they need to know the implications of locating on one side of a city or another. This is the type of strategic and business development advice that has to be offered hand in hand with legal counsel so that the client can make the best decision

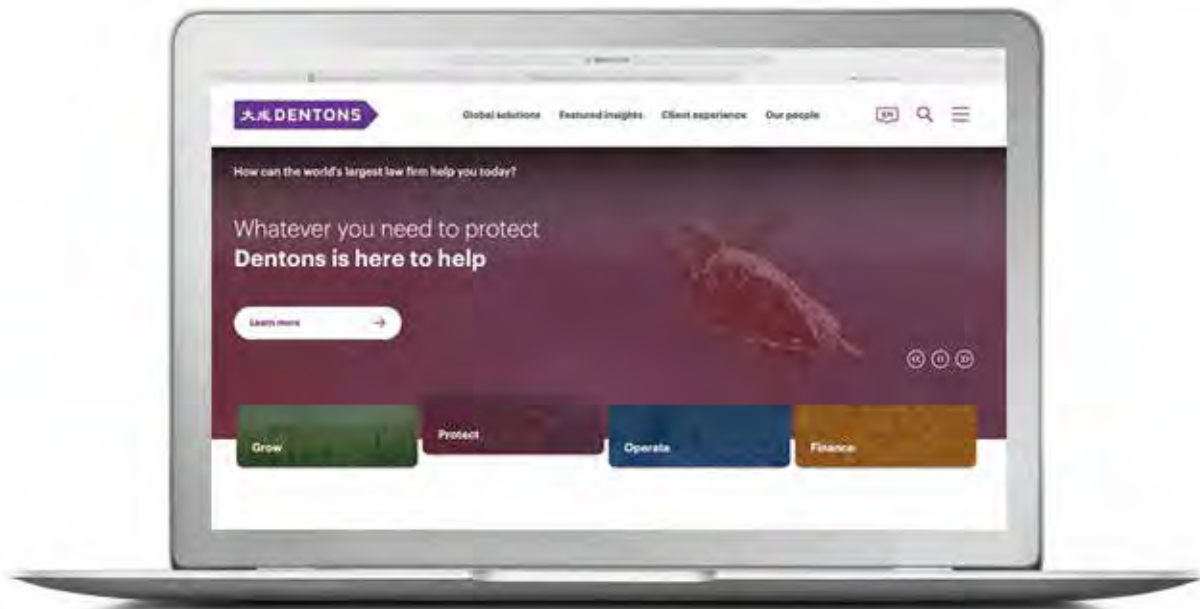
Speaking the language of your business

It became clear to us that it was not enough to offer you teams of lawyers who can speak the language of the markets where you operate; we needed to offer you teams who speak the language of your business. As a result, in 2021 we became the first global professional services firm to align our service offerings with the way you think about running your business.

We have innovated the way we go to market, and rather than presenting ourselves in the old-fashioned legal practice or sector groups, our website and our external organization is fashioned around four key concepts: Grow, Protect, Operate and Finance. This innovation may seem simple at first, but it creates profound changes in the way lawyers, and all professional services, interact with their clients.

If you go to our website, [dentons.com](https://www.dentons.com), you will see it is focused on how to help you grow, protect, operate and finance your business – the same strategic priorities by which you set your business strategy every day. As important, we have developed a wide arrange of products – webinars, thought leadership, and training series – designed to assist you in facing the challenges of the New Dynamic Decade.

Dentons is aligned with our clients



Recently, a client told us,

“Most of the law firms I deal with are indistinguishable. They all have good lawyers who can tell me what the law is. What they are not so good at is telling me how the law can be *applied* to accomplish what we want to get done. That’s what I’m really looking for. I think you have figured this out.”

The Next Ten: challenges facing clients

As part of our vision to always be the law firm of the future, Dentons is committed to helping our clients address the challenges presented by the New Dynamic Decade. As we talk with clients, we hear their concerns about a number of challenges which are requiring new thinking and new approaches in the C-suite. Chief among these are:

- our **challenging economic times**
- the desire to take meaningful steps to address **climate change**
- the need to navigate the operational complications presented by the changing nature of **globalization**
- the priority to deploy **diverse teams of lawyers and professionals** – with an emphasis on women and historically underrepresented groups – to achieve the best solutions
- the drive to leverage **scale** to increase market share and profitability
- the imperative to attract and retain top **talent**

And because we are also an organization that employs more than 21,000 people in hundreds of locations around the world, Dentons is addressing these challenges too. More importantly, as a professional service firm that is nearly three times the size of our closest competitor, with more than 210 offices in 82 countries, we are better positioned to assist our clients in identifying, addressing and managing challenges.

In short, the firm we have created is better positioned than any other to support our clients in an ever-changing world.



Our challenging economic times

One of the clearest manifestations of the New Dynamic Decade is the challenging economic times in which we find ourselves. Inflation is up and central banks have responded by raising interest rates. Global economic growth is slowing, yet unemployment rates continue to fall in most places around the world. Energy supply shocks threaten the economic security of working families in virtually every region of the world. Climate catastrophes and food shortages disproportionately impact emerging economies in South Asia and Africa. In response, some governments are taking austerity measures and reducing spending, others are increasing direct assistance to households and still others are looking to major tax cuts to drive growth.

A contributing source of the economic uncertainty we face is the divergence between the behavior and expectations of central banks and the world's stock markets. Major central banks seem committed to maintaining higher interest rates well into 2024, a sign of their optimism that they can tame inflation without causing a severe global recession. On the other hand, investment banks and hedge funds predict that a deep recession is likely next year, which will then lead central banks to cut rates much earlier in order to stimulate economic growth. This uncertainty among key market participants, and the turbulence it is creating, is part of the accelerating change of the New Dynamic Decade.

Our hope is that if a global economic downturn is in the cards, it is a compressed contraction, shorter and shallower than historical recessions, which would be in keeping with the increased volatility we can expect in the New Dynamic Decade. While the economics may be uncertain, what we can say with certainty is that our clients need to be prepared for whatever happens. We believe that with proper planning our clients can go into the contraction later and come out earlier, and Dentons is uniquely positioned to help you weather the storm.

What it takes to emerge stronger from a crisis

When the full impact of COVID-19 and the effects it would have on every aspect of our operations became clear, Dentons committed itself to emerging stronger from the pandemic than it was when the pandemic began. In developing our strategy, we undertook a study of organizations that successfully met the challenges of the 2008/2009 financial crisis. Our survey identified 15 traits that made organizations more resilient.

Some of our findings were counterintuitive. For example, more successful organizations continued to make investments in vital initiatives such as research and development, digital innovation and inclusion and diversity efforts, despite economic hardship. Others, such as postponing but not canceling strategic moves, were more expected. In all cases, though, the most important factor was whether the organization had clearly outlined organizational goals prior to the recession. Those who did stick to their goals but had the flexibility to change tactics and timing about how and when to achieve them did best.

Fifteen common traits of organizations that came out of the crisis better than they went into it

<p>Stuck to their pre-recession strategy, changing tactics but not goals.</p> <p>1</p>	<p>Postponed rather than cancelled strategic moves.</p> <p>2</p>	<p>Demonstrated flexibility – tried things and if they did not work, changed tactics.</p> <p>3</p>	<p>Early financial discipline, did not wait until they had to act.</p> <p>4</p>	<p>Showed confidence in the organization's future by balancing cost reduction with investing in the future.</p> <p>5</p>
<p>Test for each action was: How fast can we ratchet back up?</p> <p>6</p>	<p>Investment in research and development.</p> <p>7</p>	<p>Investment in innovation.</p> <p>8</p>	<p>Investment in digital capabilities.</p> <p>9</p>	<p>Investment in aggressive marketing.</p> <p>10</p>
<p>Investment in proactive M&A: nearly all of those in top ten percent did a deal during the crisis.</p> <p>11</p>	<p>Investment in diversity and inclusion. As they made tough choices still focused on their goals.</p> <p>12</p>	<p>Encouraged decentralized creativity, and information gathering, but centralized, global response.</p> <p>13</p>	<p>Broadened their audience through CSR initiatives in the communities where the organization was located.</p> <p>14</p>	<p>Showed clarity of goals: set out what they hoped to accomplish and were perceived to "over-communicate" what they were trying to accomplish.</p> <p>15</p>

Dentons has brought together more than 60 former general counsel and business, technology and legal operations experts to form Dentons In-House Solutions. This corps taps a wealth of experience and insiders' knowledge to help clients and their legal departments operate more efficiently, manage and develop talent and build high-performing teams.

Our team has developed a toolkit which we will soon make available to our clients to help legal departments assess their resilience and prepare for economic uncertainty. This is but one of many activities we have planned for the next one hundred or so days to celebrate our tenth anniversary. We will announce each one in the coming weeks and they will be linked to our "The Next Ten" page on our website.

Our legal operations hub also hosts a library of webinars, guides and presentations to help clients and legal departments. The breadth of experience of the Dentons In-House Solutions team is one of the reasons that 181 of the largest 200 companies in the world have relied on Dentons for legal counsel and business insights.

Preparing for a recession toolkit

- ✓ Horizon scanning
- ✓ Planning
- ✓ Own your data
- ✓ Own your narrative
- ✓ Strong commercial awareness
- ✓ Cost control options
- ✓ Automation
- ✓ Prioritization
- ✓ Team retention & management

New geopolitical risks:

“We think it’s going to happen tomorrow.”



While it seems like a long time ago now, we can remember the day in late February of this year when Dentons' Global Chief Security Officer Karl Hopkins told us, "We think it's going to happen tomorrow."

In addition to his responsibilities for protecting the firm's technology infrastructure and our clients' data from cyberattacks, Karl directs a team of lawyers, policy analysts and defense and intelligence agency veterans who help clients prepare for the impacts of incidents such as natural disasters, cybersecurity attacks and supply chain disruptions with tabletop exercises, threat analyses and incident response plans.

In this instance, Karl was talking about the impending Russian attack on Ukraine. Dentons had significant offices in Ukraine, Russia and many of the countries on the borders of both countries, so his prediction was not just of conversational interest – it had significant personal and operational implications for everyone in the firm. As it turns out, his prediction was off by just one day, but our plans to evacuate the families of colleagues in danger were already under way.

Dentons at its best

Over the course of the following months, we witnessed Dentons at its best. Dentons team members in Poland and throughout Europe rallied to provide their Ukrainian colleagues with shelter and clothing. Just as we have done in the pandemic, other conflicts, or with hurricanes, typhoons,

tornadoes, heat waves, earthquakes and floods, we came together to help each other, connected not only by our common humanity, but by being part of Dentons.

At the outset of the war, the firm successfully evacuated more than 100 people, team members and their families, from Ukraine. Frequently, they were met at the border of a neighboring country by Dentons colleagues who helped them make the transition to their new surroundings. Our human resources team worked day and night to secure lodging and temporary visas for the evacuees and their families in Budapest, Warsaw, Bratislava, Prague and Chisinau.

All of this was made possible thanks to security plans the firm had in place prior to the outbreak of the war. Frequently-tested emergency communications networks, the ability to track employees, with their consent, via their mobile devices and arrangements with on-the-ground security advisors all helped to make the evacuations possible. Once team members were safe, either inside or outside Ukraine, the firm was able to provide them with ongoing logistical, financial and legal support.

We all face geopolitical risks

Aside from the outpouring of humanitarian efforts from Dentons colleagues, the Ukraine crisis presented significant operational and strategic challenges for the firm. How do we support our colleagues who remained to serve clients in Ukraine? After we decided it was in the best interest of all to have our large, old and important offices in Russia separate from the firm, what was the best way to accomplish that while improving our service to our clients?

Geopolitical risk has risen to the top of the list of C-suite concerns. Whether it is a civil war that disrupts operations on the ground, an international conflict that disrupts the supply of food and fuel, a global pandemic that disrupts your supply chain, or a natural disaster that does all three, issues of resilience, agility and preparedness are top of mind for our clients. It is easy to understand why:

First, the threat of geopolitical risk is rising.
A 2021 analysis from Boston Consulting Group

(Turning Geopolitical Risk into Strategic Advantage, Boston Consulting Group, March 30, 2021)

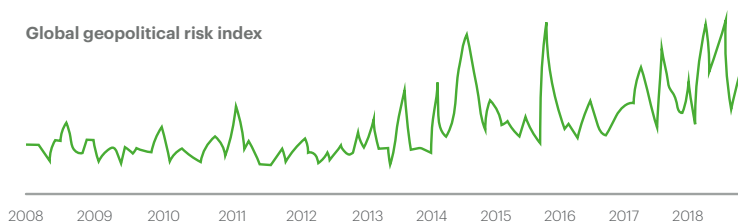
discovered a general upward ratcheting of both geopolitical risk and uncertainty in the global economy since 2008. While the cycle of greater risk and uncertainty peak at varying points, the valleys of each cycle march steadily upward over time.

Geopolitical risks are rising



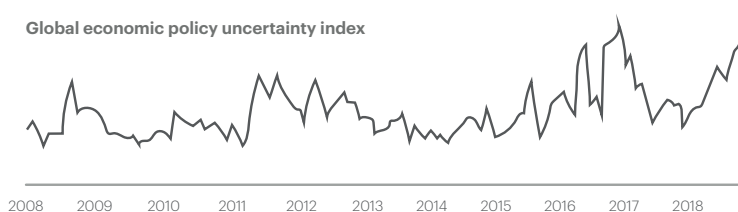
Geopolitical risk has steadily increased over the past decade

Global geopolitical risk index



And **uncertainty** in the global economy is at an all-time high

Global economic policy uncertainty index



Source: <https://www.bcg.com/publications/2021/advantages-of-geopolitical-risk-management-organizations-and-processes>

Second, greater geopolitical risk has a significant impact on operations and innovation. As an example, researchers from the US and Australia analyzing data on more than 4,000 US companies from 1985 to 2017 found that greater geopolitical risk stifles innovation, disproportionately effects companies with international customers and can have ongoing negative impacts on a company for three to five years ([*When Geopolitical Rises, Innovation Stalls, Harvard Business Review, March 3, 2022*](#)).

Just as important, the researchers found that a mere *threat* of geopolitical risk can have greater impacts than what eventually comes to pass.

“...geopolitical risk has a substantial stifling effect on private sector innovation, in particular for companies with substantial exposure to foreign markets, and that that negative impact can persist for three to five years after the initial conflict.”

— *When Geopolitical Rises, Innovation Stalls, Harvard Business Review, March 3, 2022*

Dentons is designed for the world of geopolitical risk

In an era of rising geopolitical risk, Dentons’ position as the only polycentric, global law firm – one that is in more places than any other firm, simultaneously global in scale and in and of the individual communities and markets we serve – makes us uniquely qualified to help clients analyze and respond to geopolitical threats, whether in the form of new regulations or old vested interests, the volatility of energy supplies or the unpredictability of supply chain complications, or predicting where the next threat will originate.

Dentons Global Advisors: strategic advisors for the geopolitical risks of an ever-changing world

In 2021, Dentons launched Dentons Global Advisors, an independent strategic advisory firm to help advise clients during critical moments of risk, opportunity and change. Comprised of the Albright Stonebridge Group, Interel and a global team of former government advisors, office holders and analysts, Dentons Global Advisors mobilizes teams to develop and execute strategies that persuade public opinion, policy makers and stakeholders during key financial situations, reputational crises, political and regulatory developments and business strategy initiatives. We often call this “commercial diplomacy,” using the same skill sets as diplomats who work for countries to assist companies around the world.

Dentons Global Advisors specializes in advising clients during critical moments of risk, opportunity and change

大成 DENTONS GLOBAL ADVISORS



Financial Issues

Transactions (IPO, SPAC, M&A, bankruptcy, restructuring)

Financial restatements

Activist investor attacks and proxy fights

ESG, sustainability and social purpose



Reputational Issues

Corporate litigation

Cybersecurity breaches

Labor issues

Product liability or recalls

Operational or environmental incidents

Workplace malfeasance or fraud



Regulatory Scrutiny & Political Risk

Government oversight, investigations and high-risk inquiries

Political disruption

Regulatory reviews

Public policy formation or change



Business Strategy

Leadership transitions

New market or product line entry

As a pioneer in the practice and the development of commercial diplomacy strategies, Dentons Global Advisors has the unique ability to work hand-in-hand with Dentons lawyers around the globe to offer clients integrated legal and strategic advisory services when and where they need them most. Just as we are always both a local and a global law firm, we are both a legal and business solutions provider.



Dentons Flashpoint: helping you see what's coming

Another advantage of Dentons global scale is that we have the resources and the geographic breadth to monitor and analyze risk unlike traditional law firms. Every business day, we publish a global risk assessment called Dentons Flashpoint. More than just a summary of breaking events around the world, Flashpoint offers concise, informed insights from the firm's team of intelligence analysts and their network of policy creators and commenters to help you see what's coming tomorrow. You can access past issues [here](#) or click [here](#) to have it delivered to your inbox every day.

With the rise of geopolitical risks, it is rare that a client comes to us with "just a legal issue." They need more than legal counsel to address the impact that political developments will have on their operations. That is one reason why Dentons will continue to evolve to be more than a law firm.





Climate change:

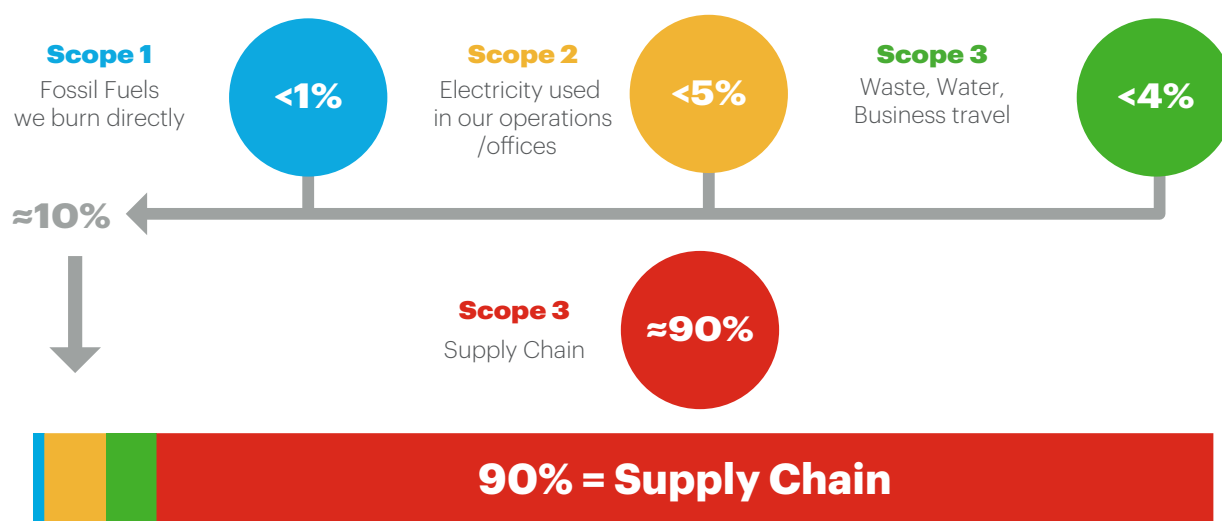
“We are part
of our clients’
supply chain”



The single most impactful graphic we have seen in the last year is this one:

Measuring CO₂ emissions

The scope of the problem



It was part of a presentation delivered by Aragon St-Charles, Dentons' Global Head of ESG, to our Global Board. Aragon explained that clients who had signed the Business Ambition for 1.5°C pledge, working to limit the rise in global temperature to 1.5° and to reach net zero emissions by 2050, needed to cut their emissions across all their operations, including not only direct expenditures on fossil

fuels burned directly and electricity for offices and business travel, but also what was being emitted along various stages of their entire supply chain. The supply chain counts for 90% of an organization's total emissions. "Which is why," Aragon said, "clients want to know so much about Dentons' ESG measures. WE are part of our clients' supply chain."

Clients are taking the lead

If Aragon's graphic was the most impactful graphic we have seen recently, then the one below from a report by the insurance company Swiss Re is the scariest.

The impact of climate change on the global economy

	Temperature rise scenario, by mid-century			
	Well-below 2°C increase	2.0°C increase	2.6°C increase	3.2°C increase
	Paris target	The likely range of global temperature gains		Severe case
Simulating for economic loss impacts from rising temperatures in % GDP, relative to a world without climate change (0°C)				
World	-4.2%	-11.0%	-13.9%	-18.1%
OECD	-3.1%	-7.6%	-8.1%	-10.6%
North America	-3.1%	-6.9%	-7.4%	-9.5%
South America	-4.1%	-10.8%	-13.0%	-17.0%
Europe	-2.8%	-7.7%	-8.0%	-10.5%
Middle East & Africa	-4.7%	-14.0%	-21.5%	-27.6%
Asia	-5.5%	-14.9%	-20.4%	-26.5%
Advanced Asia	-3.3%	-9.5%	-11.7%	-15.4%
ASEAN	-4.2%	-17.0%	-29.0%	-37.4%
Oceania	-4.3%	-11.2%	-12.3%	-16.3%

Note: Temperature increases are from pre-industrial times to mid-century, and relate to increasing emissions and/or increasing climate sensitivity (reaction of temperatures to emissions) from left to right.

Source: <https://www.swissre.com/dam/jcr:e73ee7c3-7f83-4c17-a2b8-8ef23a8d3312/swiss-re-institute-expertise-publication-economics-of-climate-change.pdf>

It shows that even if the target set by the Paris Climate Agreement to limit global temperature rise by 2°C by 2030 was met, world GDP is projected to be 11% less than it would be if temperatures were not rising. Now the really bad news: despite the Paris accords, the world is on track to see the global temperature increase by 2.6°C by 2030. If the trend continues, global GDP would be nearly 14% less, with developing nations in Asia and Africa being disproportionately affected due mostly to rising sea levels and decreased agricultural production.

Real-world progress in reducing harmful carbon emissions is catastrophically slow in a world where policy makers find it easier not to act than to change course. The failure of governments to act quickly and fully is creating more geopolitical risks for our clients in the form of famine and decreased economic capacity, leading to a greater likelihood of civil strife and supply chain disruptions.

Small wonder, then, that more and more clients are making sustainability and environmental stewardship a priority in their own operations.

Helping our clients create their own climate change strategies

“Where do we start?”

That is frequently the first question a client poses to a Dentons lawyer when the discussion turns to crafting a climate change policy. At Dentons, the answer is easy: our ESG Group brings a multi-practice, multi-region approach to helping clients develop a customized strategy to achieve their environmental policy objectives. Drawing on Dentons’ deep bench of environmental lawyers, former general counsel and the broad range of professionals with science and technology practices, we can assemble teams that understand the specific issues facing every business sector and the

organizational change and support required to take meaningful steps to combat climate change.

We also make a large number of resources available at our [ESG Global Solutions Hub](#). There, clients can access materials such as our [guide](#) for CEOs, general counsel and board members who are developing ESG policies and our substantial [library](#) of webinars that allow our clients to take a deep dive into ESG issues at their own pace.

Helping clients achieve their climate change goals

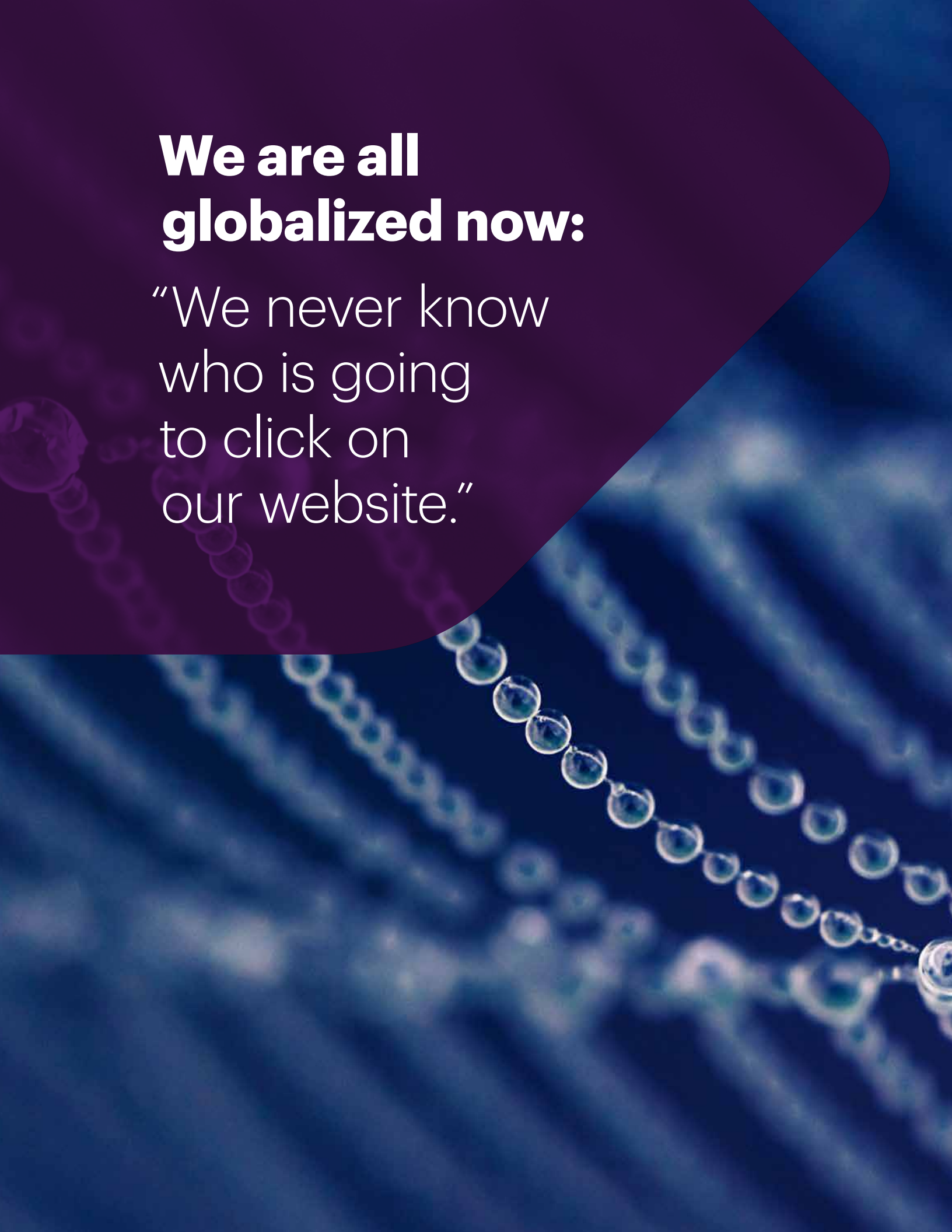
To come full circle, Dentons is also aggressively pursuing its own climate change strategies to do our part for the planet and for our clients. Most law firms (and many other organizations) put their ESG programs in their marketing department or their pro bono or charitable efforts. In contrast, Aragon St-Charles is firmly embedded in the firm’s global operational structure, advising on everything from procurement (we, too, are working to reduce emissions in our own supply chain) to our office real estate contracts to strategic planning at the global board level.

Like you, we are determined to have our actions match our commitments.



**We are all
globalized now:**

“We never know
who is going
to click on
our website.”



Thirty years ago, the World Wide Web was launched into the public domain. Up until that point it had been an information sharing system whose access was limited to academic and research institutions.

Before then, the line between what was a “domestic” and what was an “international” business, as defined by who your customers were, was fairly easily discerned. But today, as one client who considered themselves a purely “domestic” business observed a few years back, “You never know who is going to click on your website and want to do business.”

These days, virtually every organization, no matter where it is in the world, has the potential to be “international” either by dint of where it sells its output or by virtue of where it sources its inputs. And the pandemic and Ukraine conflict have taught us that consumers everywhere in the world can be quickly affected by geopolitical developments and market forces anywhere in the world.

The key question is not whether globalization is good or bad; the real question is how has globalization changed us and how are we changing globalization?

Rates of globalization have often waxed and waned and they will continue to do so as new technologies make old fashioned labor arbitrage less compelling. New robotics allow us to produce products and services less expensively no matter where they are made, and as noted, with global risks going up, the logistical dilemmas of international transportation are increasing. But a global law firm does not rely on globalization to grow—it relies on change. Any movement, whether offshore or onshore, from external to internal or back again, involves lawyers negotiating that change. Therefore, the accelerating rate of change in how goods and services are produced and provided is itself the principal driver to the growth of a global law firm, not whether that move is offshoring or onshoring.

Globalization made Dentons possible – and necessary

Thirty years ago, a law firm like Dentons could not have existed.

The World Wide Web was not made accessible to the public until 1993. “Laptop” computers weighed seven pounds. Tools like email had only been developed a few years before and systems that allowed senders to send attachments easily were still a few years down the road. It would be another decade and a half before a mobile phone could surf the internet with ease. When we introduced Dentons to the world ten years ago, it was the first global law firm of the smartphone age. Our predecessors may have originally had no choice but to have hierarchical systems, with a headquarters and someone telling everyone else what to do, but their refusal or inability to change, has slowed down their capacity to scale to match their clients’ needs.

Rather than modify systems to adapt to new mobile technology that easily connects offices and provides instant communication, we built a firm that assumed these abilities and have demonstrated that they are needed to provide high quality, local legal services on a global scale.

But, of course, technology is only part of the picture. All the graphic below demonstrates, all types of business rely on globalized supply chains to provide the goods of everyday life. And because they do, they also need a law firm that can provide seamless service along all the points of the supply chain.

Globalization makes Dentons both possible and necessary.

Unconscious globalization versus conscious globalization

The term “conscious consumerism” has gained currency in the last 30 years as a catchphrase to describe how some customers make purchasing decisions based on their desire to support products and producers which they believe have a positive impact on society and the environment, even when those choices cost more money. The truth is that this concept is not new: humans have been making values-based consumption choices for thousands of years. For example, religious strictures to keep halal, kosher or vegetarian diets, or to forego meat on Fridays, despite the personal sacrifices required, may be the earliest examples of literal values-based consumption. But the concept has taken on new relevance as more people have more consumer choices around the globe.

Conscious consumerism’s advocates intentionally draw a contrast with the “unconscious consumerism” that is driven by what is immediately available and affordable and that has been the default nature of market choice since the beginning of humanity.

Unconscious consumerism’s cousin, “unconscious globalization,” has been with us nearly as long. The names of the oldest trading networks speak to their commercial origins: the Spice Route, the Silk Road, the Incense Route, the Gold-Salt trade. River cultures along the Nile, the Amazon, the Volga and the Mississippi were also trading networks thousands of years before transoceanic travel.

For millennia, trade was driven by the desire for goods, bartered or bought, that could not be found or produced locally. During the Industrial Revolution, technological innovations created comparative advantages in manufacturing among regions, enabling countries to import raw materials from around the world, like cotton or ore, to make products that could then be exported at competitive prices to a global market. After WWII, a global trade and tariff system lowered barriers to trade and led to the type of unconscious globalization that predominates today. Now, technology is more widespread geographically and production costs related to labor arbitrage, energy expense, environmental and workforce regulatory regimes (or lack thereof), and, to a lesser extent, the availability of rare raw materials, are what provide nations and regions with a comparative advantage.

But now we are witnessing the rise of “conscious globalization,” in which producers base sourcing and production decisions on criteria beyond, and frequently unrelated to, production costs. With conscious globalization, decision makers consider issues such as the treatment, rights and compensation of the people producing the goods, the environmental damage caused by the production and the behavior of the regulatory or governmental regimes where they operate.

The age of unconscious globalization required international companies to find legal counsel in multiple countries to help navigate local regulatory regimes and legal customs. The advantage that Dentons offers to clients is that it is now possible to access quality, locally-based lawyers in multiple places by hiring a single firm instead of several.

With the increasing popularity of conscious globalization, clients need more than just legal advice; they need additional services such as policy analysis, risk management assessments and political guidance. Because Dentons is a business solutions firm as well as a law firm, our ability to offer these services through Dentons Global Advisors gives clients a competitive advantage in this new age as well.

None of this would be possible without the commercial rule of law

Modern-day globalization, unconscious or conscious, is possible only because the world has come to accept the notion of the commercial rule of law, which is, in its most simple form, the ability to enforce private contracts, rather than the broader concept of “rule of law” that considers many non-commercial values.

In the colonial era, too often, “might made right.” Colonizing powers, and the companies that enjoyed their protection, frequently imposed the commercial rules of the road as they exploited the peoples and resources of another country. But post-war global trade and tariff regimes, combined with widespread independence movements throughout Africa and Asia, brought a greater balance to trading

relationships. Tariff agreements and the ability to access competing markets provided powerful incentives to partners on both sides of a trading relationship to adopt a regime that provided enforceable contracts across borders.

Whether a country is a democracy or a dictatorship, somewhere in between or in transition, to benefit from the globalized economy it has to adopt the commercial rule of law. That is not to say that there are no corrupt countries where “might makes right” – in the form of a government monopoly, state-involved enterprise or favored oligarchs in the private sector. What it means, though, is that we have an international system where the economic and political elites in just about any country will benefit, and benefit more, from the trust-building reliability and predictability provided by the commercial rule of law.

While the adoption of the rule of law has far more to do with the economic incentives than moral concerns, the concept of conscious globalization would not be practical without it. Vetting for labor practices or environmental protections in another market would be virtually impossible. The ability to encourage positive behavior and discourage bad actors would be non-existent. The application of sanctions, which requires cooperation, adherence and transparency among nations, are unworkable without the guarantees that everyone involved is following the rules.

Globalization and geopolitical risks

Virtually every Dentons client either operates internationally or is affected by another company that does which exposes them to greater geopolitical risks. Interrupted supply chains or regime changes almost always pose challenges in the short term, but their effects can be long lasting as well.

Not surprisingly, the authors of *When Geopolitical Rises, Innovation Stalls* found that a company's exposure to geopolitical risk was greater when foreign customers or revenues comprised a greater proportion of the company's business. As important, that greater exposure led to longer term adverse impacts for up to three to five years.

A globalized world requires a truly polycentric global law firm, with a global advisory firm, that is both global and local to successfully help companies solve the challenges created by geopolitical risk as well as the challenges of dealing with multiple legal systems.

Dentons: uniquely capable in a globalized economy

Dentons is uniquely positioned to serve clients in a globalized economy.

Yes, with 210 locations in 82 countries, we cover more markets than any other law firm. But we are more than just an accumulation of dots on the map. What makes us most able to serve clients is the breadth of our local, on-the-ground experience in each of those markets. Our polycentric nature has enabled us to combine with strong local firms and then continue to attract top tier lawyers and professionals in each of those markets, talent who

know the legal, economic and political cultures of the locations they serve.

Only Dentons is able to combine the legal acumen of its talented lawyers with the insights and experience of Dentons Global Advisors' high-caliber professionals to help you analyze and manage geopolitical risk. Through Dentons Global Advisors, more than 200 country experts and sector specialists, dozens of senior government officials and business executives and teams of skilled communications professionals work hand in glove with Dentons lawyers to advise on market-specific regulatory issues, reputation management and policy advocacy. The principals of Dentons Global Advisors created the practice of commercial diplomacy, helping clients anticipate, interpret and respond to political and policy developments. As first movers in this fast-growing space, Dentons Global Advisors also has the benefit of Dentons on-the-ground support in 82 countries.

Globalization made Dentons possible and necessary. It also made Dentons Global Advisors essential to managing the geopolitical risks that globalization creates. Conscious globalization requires the skills of the two combined.



A close-up, low-angle shot of several dandelion seed heads against a bright, slightly hazy blue sky. The seeds are captured in motion, creating a sense of lightness and dispersal. The image is partially obscured by a dark purple, rounded-corner shape in the bottom left corner, which serves as a background for the text.

The importance of leveraging scale:

“In today’s economy,
big is beautiful.”

In his recent book, *Ten Lessons for a Post-Pandemic World*, the journalist Fareed Zakaria notes a study by the Organisation for Economic Co-Operation and Development (OECD), which found that between 2001 and 2013, the top 5% of service firms in the industrialized world increased their productivity by 44%, while all other services firms saw just a 5% increase. This was just one proof point Zakaria uses to reach his conclusion that, "In today's economy, big is beautiful."

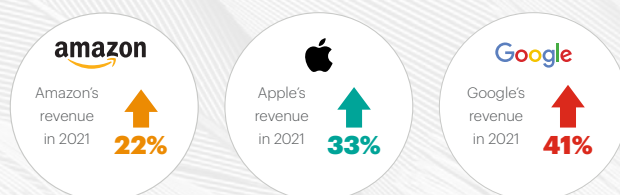
The combination of technology with unique and innovative business models – whether in the form of the globalized marketplace on the Internet or in the form of proprietary platforms – has enabled the world's largest companies to dominate their respective sectors in ways rarely seen before. Like Dentons, these companies are not just large, they are innovative and have used their platforms to expand into interconnected services and products. By scaling through technology, these companies have been able to grow revenues and market share disproportionately to what it costs to develop, maintain and improve the technology they use.

Today, more than 90% of all the online searches in the world are done on Google. But rather than lose market share, which is historically what has happened with dominant players, Google's revenues last year were 41% greater than last year by using its size and platform to go into adjacent services.

Amazon accounts for 13% of the gross merchandise volume on the entire Internet. Despite the constant competition, by expanding and using its platform, its sales grew 22% last year, building on a pandemic-driven 38% growth in 2020.

Apple's revenue grew more than \$90 billion last year, a 33% gain, thanks not only to its 57% share of the global premium smartphone market, but to the innovative platform that it has built both with technology and for technology.

Leveraging scale



Sources:

<https://searchengineland.com/google-q4-2021-earnings-379735>
<https://www.insiderintelligence.com/insights/amazon-revenue/>
<https://appleinsider.com/articles/21/10/29/examining-apples-impressive-but-supply-constrained-q4-2021-earnings>

While all of these global titans are generally thought of as “tech companies,” it is more accurate to say they are tech application companies. The accelerating use of their platforms is what has allowed them to apply technology to opportunities and challenges their customers and clients. Amazon has applied its technology to grow retail sales and data service. Apple has applied its technology to device manufacturing and related products. Google has monetized its platform through advertising. Their success is what provides the resources to attract the best talent, bring new products and services to market and improve operations, creating a virtuous circle of growth.

The outsized gains they can make is what makes their bigness beautiful.

Dentons leverages its scale to help clients leverage theirs

Every Dentons client wants to grow. Small or large, your future success depends on becoming more profitable, frequently in more places and in more ways.

Dentons’ scale, which is the result of the innovative business platform we built in order to be polycentric while providing seamless global service, means we can help not only in more places but in more – and better – ways.

Whether you are expanding across town, across the country or across the world, chances are one of Dentons’ 12,000 lawyers and professionals knows the lay of the land where you want to go.

With 210 locations, and more to come soon, we can make the management of your legal operations better and easier. We offer the advantage of high-quality legal counsel provided across all of your locations without the expense and difficulty involved in hiring a different firm everywhere you do business. Our economies of scale provide better service at a better value. As an example, we provide client tools that allow you to track our work on a single platform to make time management easier and prevent surprises.

Dentons’ scale enables us to offer services beyond legal guidance that are essential to your success. As you grow and enter more markets, you are more likely to encounter the type of geopolitical risks that Dentons Global Advisors has been created to analyze and mitigate. Dentons In-House Solutions is designed to help legal departments address the challenges presented by increased responsibilities, reorganized corporate structures and planning for the future. Our cybersecurity team makes sure that our work, and yours, is kept safe. Nextlaw analyzes and recommends technology to improve service and lower costs. Our Nextlaw Referral Network allows us to connect professionals in nearly every country in the world. This is all because of the idea of polycentricism and the expanding platform we have built to better serve clients.

In short, we leverage our scale in order to help you grow.

The Great Transition and the global search for talent:

“I explore the great
libraries with my phone.”



Several years ago, Dentons' Africa Region CEO Noor Kapdi and Joe visited a village in sub-Saharan Africa. While they were talking with a group of the village's leaders, Joe noticed a teen-aged girl doing what all teenagers around the world spend a great deal of time doing: looking at a smart phone. Joe invited her into the conversation by asking what game she was playing. "No games," she said, holding up her screen. It featured the webpage for Oxford's Bodleian Libraries system. "I explore the great libraries with my phone."

Access to information is no longer a dividing line between the larger cities known as "the money centers" and that sub-Saharan African village. The principle that talent can be found anywhere in the world is foundational to Dentons and its polycentric approach. The question, then, is can you connect that talent to information, and then apply expertise and experience to the opportunities and challenges clients face around the world? Dentons' approach stands in stark contrast to the traditional law firm model that reinforces the idea that high quality legal talent is produced only by a handful of law schools and can be found only in a handful of business centers around the world, mostly in the north and the west.

In the age of the Internet and the smartphone and the globalization of education, the traditional view of where legal talent can be found was already outdated. In the age of a global pandemic and the resulting contest for talent, it poses an existential threat to the law firms who perpetuate it and the clients they serve.

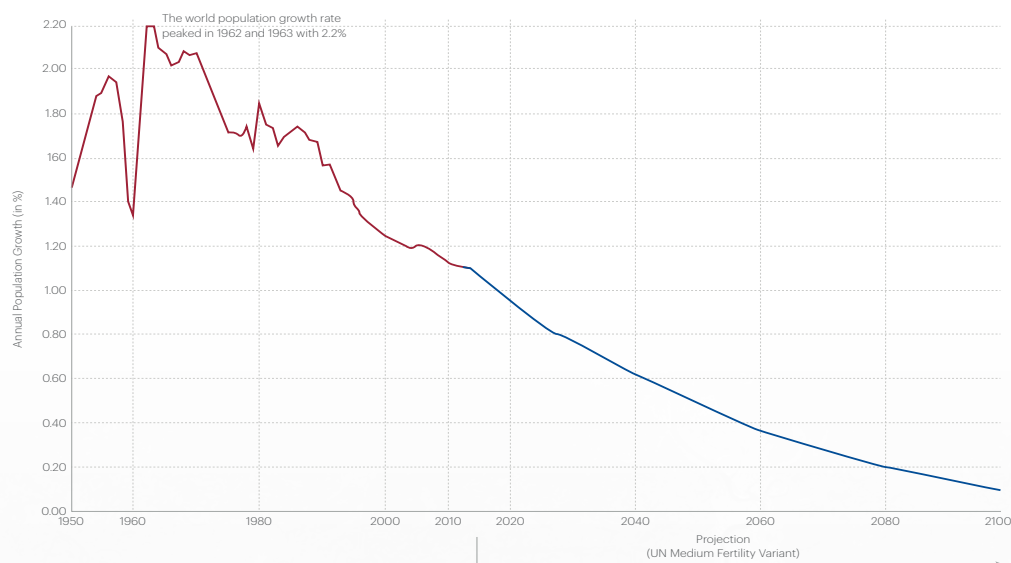
Recognizing "The Great Transition"

As the global economy began to recover from the COVID recession, workers began leaving their jobs in record numbers. Amid all the headlines about millions of workers quitting their jobs during the Great Resignation, it was easy to miss the signal in the noise. The signal workers are sending is that the Great Resignation is actually what we named a "Great Transition."

People of varying backgrounds, places and circumstances are looking for something different than what they have now. Those who are quitting are finding new jobs they perceive as more attractive. This Great Transition is a key attribute of the New Dynamic, an environment shaped by constant and rapid change.

Here is why: not only are workers more valuable today, as indicated by rising wages, they are going to be even more valuable tomorrow. The United Nations expects the annual global increase in population to decrease by about a million people per year for the rest of the century. Since people are living longer, this decrease in the population growth rate actually represents an even more significant drop in the growth rate of the working age population entering the workforce.

Annual world population growth rate (1950–2100)



Source: [Max Roser, Hannah Ritchie and Esteban Ortiz-Ospina \(2013\) - "World Population Growth". Published online at OurWorldInData.org. Retrieved from: 'https://ourworldindata.org/world-population-growth'](https://ourworldindata.org/world-population-growth)

So, employers in every part of the world face the same challenge. Just when a strong economy requires more workers, there are fewer workers entering the workforce. This shift has given workers a greater sense of agency.

Workers are willing to take bigger risks and more likely to move to another company. Earlier this year, in a case of remarkable synchronicity, both an [EY survey](#) of more than 17,000 employees in 22 countries and the [Microsoft Trend Index survey](#) of 31,000 people in 31 countries found that 43% of workers were considering leaving their jobs.

Changing expectations for workers and employers

In order to attract and retain prized workers, employers will have to engage in their own Great Transition – one that is more responsive to workers' priorities and values. As newly empowered stakeholders, workers will have more to say about the future of their organizations. In this environment, managers have to ask whether the customer is always right, or should workers have a say too? Meeting investor expectations is still important, but employee expectations will also need to be considered.



A recent [multi-region McKinsey survey of managers and workers](#) reveals that there is a significant disconnect between how management and employees currently view this new dynamic. Managers perceive workers' desire for more money, greater development opportunities, and remote work options, as well as competitor recruitment as more important factors to change jobs than workers do. Workers say their departures are more influenced by whether they have a sense of purpose, are valued by the organization, feel a sense of belonging and can find a work-life balance.

The disconnect between management and employees



Source: <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/great-attrition-or-great-attraction-the-choice-is-yours>

This disconnect is particularly acute in the tightest part of the labor market, younger employees starting their careers. A November 2021 [EY survey](#) found that 63% of Gen Z employees feel it is “very or extremely important to work for an employer that shares their values.” Only 32% said making a lot of money in their career is a priority. This is not just an American phenomenon. A [2021 Deloitte survey](#) of 8,200 Gen Z workers in 45 countries found that nearly half (49%) make decisions about where to work based on personal ethics. In this environment Gen Z concerns regarding diversity, inclusion and sustainability must also become the concerns of the organizations for which they work.

For employers, the answer to attracting and retaining workers for employers must be a cultural solution as well as a financial one. As workers realize they are more valuable, what workers want and what they value will have a greater influence on the strategic direction of institutions than ever before.

The cultural solution to the contest for talent

Which brings us back to that village in Africa.

In order to retain and attract talent today, organizations must focus on creating an employee experience that is inclusive, team-oriented and purpose-driven. The McKinsey report referenced above highlights that employers focus on transactional factors, such as better compensation and benefits, when trying to retain employees, but employees are more influenced by relational factors, such as whether they feel valued by the organization and whether they feel a sense of mission at work.

At Dentons, our polycentric nature and focus on purpose helps foster higher levels of employee engagement, greater organizational commitment and stronger feelings of well-being.

Dentons’ polycentric approach embodies the concept that talent can be found anywhere in the world and anywhere within a region or a country.

In a world where law firms and their clients are locked in a competition for talent, Dentons’ polycentric ethos gives it an edge not only in recruiting talent but in serving clients.

We know clients are committed to fostering diversity both within their own organizations and the law firms and other outside vendors they hire. Just in the last year, the number of requests for proposal asking for information regarding the firm’s commitment to diversity and its ability to field diverse teams has doubled.

Our polycentric model has enabled us to become one of the most diverse law firms in the world, both globally and within our regions. Our commitment to inclusion and diversity is more than a values statement – it is integral to our business model. Studies show that more diverse organizations are more profitable. And we know that younger lawyers are attracted to firms that are welcoming and diverse. By growing, principally, through whole firm combinations, with strong, well-known firms in each marketplace, we are more likely to have teams on the ground that more closely resemble the demographic make-up of the businesses we serve in those markets. By being the world’s largest law firm, and the only one with the polycentric approach, we are better able to recruit great talent, regardless of race, religion, sexual orientation or gender.

As the world’s largest law firm, Dentons has more women lawyers than any other firm. More than 50% of our associates and 29% of our partners are women. Last year, 43% of our partner elevations were women.

We are particularly proud that our inclusion and diversity efforts have been recognized by organizations around the world that advocate for more welcoming workplaces.

Dentons has partnered with key organizations that focus on helping people advance, regardless of background.



In 2018, before the Great Transition highlighted the desire of talent, particularly those just beginning their careers, to engage in purpose-driven work, Dentons was the first global law firm to adopt a purpose statement. We heeded the example of some of our best clients who demonstrated that team members at purpose-driven organizations are more likely to be engaged within the organization, more satisfied with their working conditions and less likely to leave.

Earlier this year, in the wake of the pandemic and the emergence of the New Dynamic Decade, we reevaluated and refined that statement to read:

***We redefine what is possible
and shape the future.
Together. Everywhere.***

We are currently engaged in a firmwide campaign to bring our purpose statement to life within Dentons so that is infused throughout all of our operations.

How Dentons' culture helps you

All of these efforts – our polycentric approach, our commitment to inclusion and diversity, our ESG efforts, our adoption of a firmwide purpose – make us a better law firm and business solutions provider. It aligns us with both our clients' needs and our clients' goals.

Today, Dentons is not only the largest pan-African law firm but also the only one owned by Africans. By pursuing a similar strategy throughout the world, we have also become the only pan-Latin American and the Caribbean firm and the firm with most locations in Asia. Our polycentric philosophy is what is attracting the best legal talent from around the world – talent that is ready to serve clients wherever clients need them.

Our diversity helps clients meet their own commitments to encouraging diversity and inclusion. It also enables us to provide the type of on-the-ground insights that help clients succeed, whether on the other side of town, the other side of the country or the other side of the world.

As a purpose-driven organization, we are better able to attract and retain talent. That means clients can benefit from the insights of our experienced team members while also tapping the energy and fresh perspectives of lawyers and professionals who are just beginning their careers.

In addition, our experience in promoting a positive culture throughout the firm is something we can share. With offerings such as [Dentons In-House Solutions](#) and programs such as [Women of the World](#), which brings together leading women in-house counsel to engage peers on strategies for success, we help clients meet their aspirations for creating a welcoming, diverse and, ultimately, more profitable culture.



Leading in the Next Ten

During our first ten years, Dentons has made great progress toward its goal to become a leading provider of legal and business solutions around the world. Along the way, we have become the largest law firm in the world, in terms of headcount and markets served. All of these efforts were in pursuit of single vision: to always be the firm of the future.

So, what does the future hold? Where do we go in the next ten years as we strive to serve clients better and in more ways? How do we continue to move from largest to leading?

In a world where geopolitical risk presents a greater challenge to clients than ever before, no law firm is better positioned to assist clients manage and anticipate those risks. Our polycentric, in-and-of-the-community approach, that makes us both a global law firm and a local law firm in every market we serve, provides clients with the competitive edge they need, wherever they need it. We will continue to pursue whole firm combinations where possible with strong firms that are in and of their communities, expanding our service offering, our innovative business model, and our platform, increasing our economies of scale to provide better value, while continuing to demonstrate that quantity can be a tool for quality.

Our strategy to be more than a traditional law firm means that we will continue to build out the breadth of our offerings as well as the depth of our teams. Our foundation will always be to offer the highest quality legal counsel, at both the global and local level and we will seek ways to provide adjacent services, particularly where the challenge or opportunity is both a business and a legal issue.

Using that foundation, we have already begun to build advisory services that will extend our ability to offer not only legal services but business solutions in a seamless fashion around the world. The launch of Dentons Global Advisors last year was a major step in our drive to develop advisory services that can work hand-in-hand with Dentons' legal teams to provide the type of strategic advice that is both integrally dependent upon legal considerations and also encompasses far more than knowledge of the law. In addition, we have teams who advise clients on assessing and mitigating cybersecurity threats, developing and implementing ESG strategies and analyzing and reorganizing legal department functions.

In the near future, we look forward to building out advisory expertise in fields such as family office, corporate and fiduciary services, workplace organization and alternative delivery of legal services such as remote lawyers and lawyers on demand. The exact timing of these innovations, as always, will be determined by what our clients tell us they need.

Together, over the past ten years, we have redefined what a law firm is and, by doing so, redefined the future for our people and our clients. Together, we have shaped the future, working with our clients to meet their aspirations and, in doing so, making a better world. Together, by pushing back on the old parochial, hierarchical, colonial and unequal ways of doing business, we have inspired new generations of professionals to redefine what is possible and shape their future. Together.

This is the idea that is Dentons. An idea so powerful that it has created the world's largest law firm and built an expanding platform for services that clients need all around the world. We are proud of all that we have accomplished together in the past decade, but we know that, together with our clients, the best is yet to come. In the next ten years, in this new, dynamic decade where we are all facing constant, accelerating change, we have built an organization that thrives on change and is positioned to help you take advantage of change.

At Dentons, we welcome the future because we are the future—eager to help you, right now.

Thank you for your support and we look forward to continuing to work together.

Best regards,

A handwritten signature in dark ink, appearing to read "Joe Andrew".

Joe Andrew
Global Chair

A handwritten signature in dark ink, appearing to read "Elliott Portnoy".

Elliott Portnoy
Global CEO



ABOUT DENTONS

Dentons is designed to be different. As the world's largest law firm with 20,000 professionals in over 200 locations in more than 80 countries, we can help you grow, protect, operate and finance your business. Our polycentric and purpose-driven approach, together with our commitment to inclusion, diversity, equity and ESG, ensures we challenge the status quo to stay focused on what matters most to you.

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