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Foreword



Crises are making the case for closer collaborations

When we published the 2020 FT Innovative Lawyers report for Asia-Pacific last August, it had been delayed by the coronavirus pandemic. But we could already see signs of the changes that the health crisis would bring to the region's legal industry.

The pandemic has, for instance, accelerated the digital transformation of many companies and put pressure on lawyers to keep pace with business innovation. Would the legal standardisation for the first digital bank guarantee in Australia have come about so quickly without such urgency (page 14)?

The pressure was also on lawyers to work more closely with others: with peers, with new collaborators and, sometimes, even with rivals. That is why the FT is launching an award to seek out some of the best collaborative initiatives in legal services. The new project will run throughout the year (page 7).

Even before the pandemic, Chinese companies with international ambitions were navigating trade tensions. The two challenges came together when China's Fosun Pharma and Germany's BioNTech planned a strategic alliance to develop and commercialise a Covid vaccine. Lawyers' work on this and other cross-border deals in the past year has highlighted, once again, the demand for expert advice beyond the purely legal (page 16).

The role of lawyers as trusted advisers also looks ripe for exploration, thanks to renewed interest in digital tokens. The huge compliance risks make the reassurance offered by law firms attractive (page 12).

The other crisis facing the planet last year was climate change – it may have seemed less urgent in 2020, maybe, but it has the

potential to cause greater disruption in the longer term. Lawyers in Australia helped facilitate a virtual power plant that uses electric carmaker Tesla's battery technology in a social housing community. This initiative, in Adelaide, will ease the volatility of solar power – and it can be replicated (page 20).

Behind the innovations are the people making them happen – whose working lives are also being reshaped by the effects of the past year. In Australia, remote working has opened up opportunities for indigenous aspiring lawyers to work “on country” as part of their training, as described on page 8.

On page 24, we spotlight five law firm leaders who are rethinking the practice of law. Behind those leaders are the innovative practitioners. On page 22, we meet seven who have set out to break with convention.

For in-house legal teams, the past year has brought greater closeness to other parts of their companies. Their expertise in managing crisis and recovery will surely forge new relationships across their businesses and beyond.

This is the FT's eighth annual special report on innovation in the legal industry in Asia-Pacific. All the case studies on the following pages have agenda-setting innovations. The most outstanding are featured in an online awards event. Our thanks go to RSG Consulting which, alongside the FT, compiles this annual review of innovative law firms, legal service providers, in-house legal teams and innovative lawyers.

Jamil Anderlini,
Asia Editor

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Overview

Digital thinking spreads across region as roles broaden out

Lawyers in countries such as Japan are narrowing the gap with the most ‘future-ready’ law firms, writes *Reena SenGupta*

When the Financial Times published its first Innovative Lawyers report covering Asia-Pacific in 2014, it revealed some startling disparities between different countries in how innovative their law firms and in-house lawyers were.

Australian law firms, for example, were innovating more than some of the most advanced firms in the UK. By contrast, managing partners at Japanese law firms were not convinced that being innovative was right for a traditional profession.

Today, many Japanese firms perform well in the FT’s rankings of innovative law firms and are increasingly embracing a multidisciplinary, automated future.

For example, Nishimura & Asahi last year set up a digital transformation group that provides both legal and non-legal support for clients on a range of new technologies, data and regulations, to help them undertake digital transformation.

This kind of offering is unusual at Japanese firms and more common in the UK, the US and Europe, where firms have long augmented their legal expertise with complementary disciplines.

In addition, the Nishimura digital transformation group works across legal practice areas and industry sectors. Kazuhiro Takei, the Nishimura partner who set up the initiative, says the most significant feature of the group is that it is multidisciplinary and cross-sectional in its approach.

The idea of moving away from legal practice areas as the structure for organising a law firm’s way of working is truly radical thinking – from

any lawyer, anywhere. Historically, law firms have organised themselves around their own legal specialisms – unlike other businesses, which mirror the structure of their clients.

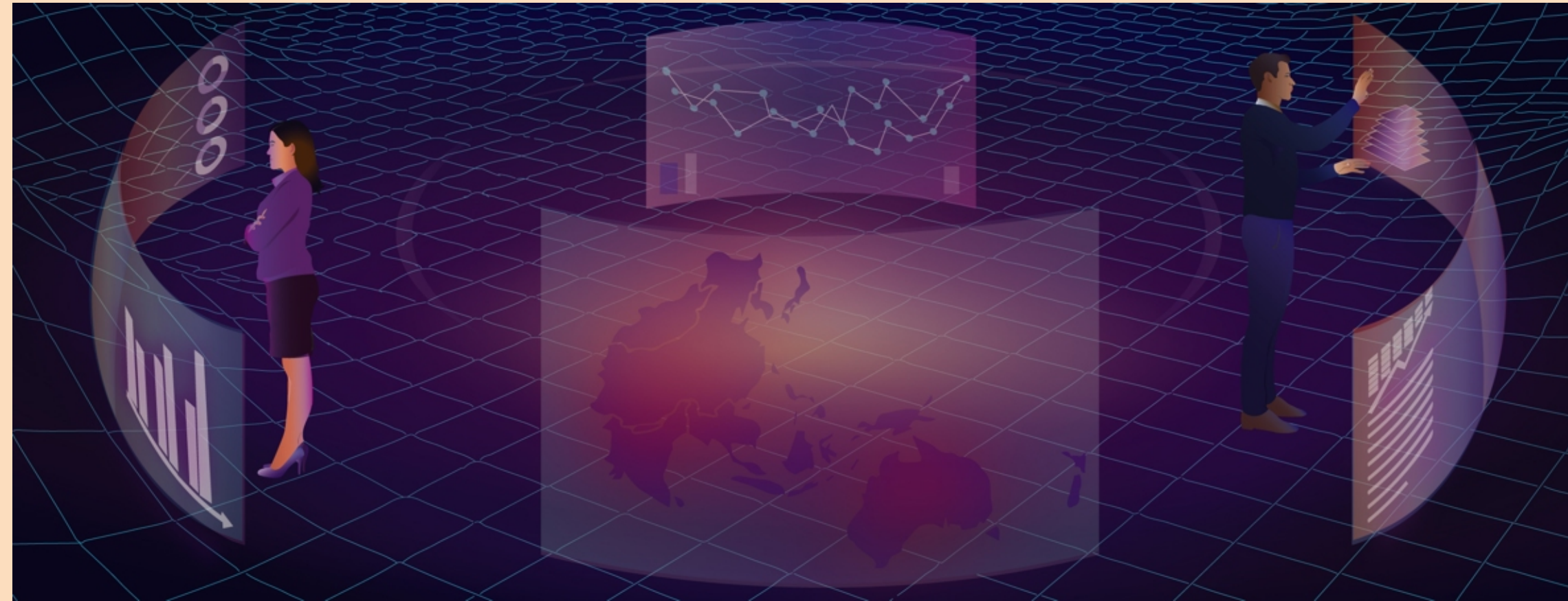
This trend of lawyers broadening out their roles is highlighted in two sections in particular in this report: developing the market (pages 12-14) and individual practitioners (pages 22-25).

As the need to work around the Covid-19 pandemic accelerates the digital transformation of many companies, lawyers have had to race to keep up with the pace of business innovation. A prime example of this came from King & Wood Malleons, which created the legal standardisation required for the first digital bank guarantee in Australia. When lockdown safety measures precluded the use of paper guarantees, the firm worked with Lygon, a consortium that includes three leading Australian banks, to create a digital version using blockchain technology.

The work – which would have been “spooky” for a traditional lawyer, according to Scott Farrell, the KWM partner involved – has provided a new business model for the issuance of guarantees. The time taken to issue a guarantee has also been reduced from one month to a single day. The project involved corporate, banking, regulatory and competition lawyers working alongside bankers, data scientists and digital engineers.

“The work probably touched on, even in the firm, five or six traditional [practice] areas,” Farrell says. “But the skill wasn’t just corralling people, it was corralling ideas.” Law and tech had to work in harmony with each other.

In the innovative practitioners’ section, it is apparent that several of the individuals featured could simply be referred to as “digital lawyers”. From pioneering non-legal advice to making the law easier to access and understand via legal design, these practitioners are able to straddle converging industries, such as finance and technology. Grace Chong at Simmons & Simmons in Singapore, and Scott



Most innovative law firms in Asia-Pacific 2021

Rank	Law firm	Total score	Submissions score	Data and tech score	HQ
1	Winner: King & Wood Malleons*	120	77	43	Asia-Pacific
2	Winner: Freshfields Bruckhaus Deringer**	118	74	44	International
3	Herbert Smith Freehills	115	68	47	International
4	Allen & Overy	112	67	45	International
5	Baker McKenzie	110	70	40	International
6	Gilbert + Tobin	108	63	45	Asia-Pacific
7	Hogan Lovells	107	61	46	International
7	Pinsent Masons	107	67	40	International
9	Ashurst	102	66	36	International
9	Corrs Chambers Westgarth	102	64	38	Asia-Pacific
9	Nishimura & Asahi	102	68	34	Asia-Pacific
12	Mayer Brown	100	62	38	International
12	MinterEllison	100	61	39	Asia-Pacific
14	Shearman & Sterling	97	57	40	International
15	Anand and Anand	95	64	31	Asia-Pacific
16	White & Case	94	55	39	International
17	Dechert	93	56	37	International
18	Paul Hastings	92	55	37	International
19	Norton Rose Fulbright	91	55	36	International
20	Lander & Rogers	89	55	34	Asia-Pacific
21	Rajah & Tann Singapore	88	54	34	Asia-Pacific
22	Algo Legal	84	51	33	Asia-Pacific
23	DLA Piper	83	46	37	International
24	WongPartnership	79	57	22	Asia-Pacific
25	Allens	77	39	38	Asia-Pacific

*Winner of the FT Innovative Lawyers 2021 award for ‘Most innovative law firm in Asia-Pacific’, based on combined scores for top three submissions and response to data and technology survey

**Winner of the FT Innovative Lawyers 2021 award for ‘Most Innovative Law firm in Asia-Pacific (International)’, based on combined scores for top three submissions and response to data and technology survey for a law firm headquartered outside Asia-Pacific

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Thiel at DLA Piper in Hong Kong, are both versatile in the fintech sector, for example. Another featured practitioner, Sara Rayment, trained as a lawyer at KWM before setting up her own legal design law firm, Inkling Legal Design, in Australia to help revolutionise the content of legal documentation and make it more consumer-friendly.

Much of the innovative work by lawyers makes the law easier to access and businesses more sustainable – even if these are not the

‘KWM’s work touched on five or six traditional practice areas. But the skill wasn’t just corralling people, it was corralling ideas’

prime objectives. One feature of Nishimura’s digital transformation group is its focus on sustainable governance, helping clients think digitally and consider their environment, social and governance (ESG) obligations.

Thiel believes his tokenisation platform for asset-backed securities – in a test by DLA Piper, the first asset used was a piece of fine art – has the potential to increase access to finance

because it lowers the entry level for investors.

Nearly all the firms in the FT’s annual ranking of the most innovative law firms in the region (see table) have noticeably embraced digital transformation and sustainability. Those at the top are all becoming “future-ready” law firms.

Among the international firms – those that do not have their headquarters in Asia-Pacific – Freshfields Bruckhaus Deringer is an example of a leading organisation using its credibility and influence to have an impact on both local and global social and trade questions. In the past year it has created an app for asylum seekers in Hong Kong that helps them know their rights. The firm has also been trying to ease trade frictions between China and the west by helping to facilitate Chinese investment deals in Europe.

However, the standout innovative law firm in the Asia-Pacific region is King & Wood Malleons. Its commitment to the digital economy can be seen throughout its business, from training its lawyers to improve their digital literacy to helping Chinese clients better understand the implications of using data in an international market place.

More importantly, KWM is a firm that continues to show resilience. As Farrell puts it: “The world is changing so fast. Everything I know has to be changed again.”

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Taking control: retailer Nitori made a bid for Shimachu, above, last year in the first openly hostile approach by a listed Japanese company for another in more than 35 years — Bloomberg

Japan Inc braced for more hostile bids

OPINION

Leo Lewis



there is an emerging market in Asia for unsolicited takeovers.

Where there is such rapid change, says Yo Ota, a veteran M&A partner at law firm Nishimura & Asahi, there must also be rapid innovation. While many investors may be cheering the emergence of a more assertive Japanese market for corporate control, some companies will worry about becoming the target of bids that are potentially injurious.

With the old hostile takeover taboo no longer a reliable insulation, they must turn to more inventive lines of defence.

Some of the tactics used by Ota have included the tailored “poison pill” — issuing stock warrants to existing shareholders. This proved successful in helping industrial robot maker Toshiba Machine ward off a hostile approach from an activist fund earlier this year and it looks likely to become a favourite of conservative corporate Japan as it adapts to a new world.

This new appetite for hostile takeovers in the region indicates a fundamental change in attitude among companies, their investors, M&A professionals, media and government. In addition to foreign and domestic investment funds, a growing number of blue-chip Japanese businesses have dropped their concerns over the reputational risk of mounting a bid that the target initially declares hostile.

Japanese companies such as optical product maker Hoya, travel company H.I.S. and trading house Itochu have, within the past two years, decided that the hostile bid is now a legitimate tool for corporate growth. One pivotal moment

came in late 2020 when furniture retailer Nitori launched a \$2bn unsolicited bid for rival Shimachu. It successfully trumped a friendly offer for a third competitor and completed the first openly hostile bid by one listed Japanese company for another in more than 35 years.

That deal, predicts Kensaku Besho, head of the M&A advisory group at Mitsubishi UFJ Morgan Stanley, will be a meaningful catalyst for change in the Japanese market because, as he puts it, “people did not see this deal as an evil or hostile bid”.

The rise in unsolicited or outright hostile takeover bids for listed companies — there have now been at least 17 since 2017 — is in part a delayed outcome of the 2015 governance code and its accompanying stewardship code.

These two documents have had several visible effects, most notably an increase in shareholder activism that has made Japan the

With the hostile bid taboo no longer a reliable insulation, companies must turn to more inventive lines of defence

world’s second-largest market, after the US, for ongoing activist situations, according to brokerage CLSA.

Greater scrutiny from shareholders, and pressure on previously laissez-faire investors to force managements to maximise corporate value, have put a spotlight on the 630 subsidiary companies listed on the Tokyo Stock Exchange.

Parent companies holding large stakes in these listed “children” now feel more obliged either to buy them back into the fold or sell them off completely.

Other changes make it more likely that attempts at hostile takeover will increase.

Until recently, as CLSA strategist Nicholas Smith noted in a recent report on hostile M&A, it was difficult for a potential hostile bidder — however respectable its pedigree — to find a leading securities house or M&A law firm to act as adviser. That, says Smith, changed when Toshiba launched its 2018 hostile bid for NuFlare and was advised by Daiwa Securities. A year later, Japan’s largest securities house, Nomura, was comfortable advising Itochu in its hostile bid for the clothing company Descente.

Demographics are also stirring the market for corporate control as older chief executives with protective instincts for their companies hand over to a generation more open to being involved in M&A, whether as buyer or seller.

But, as part of the emphasis on corporate governance and shareholder value, says Ota, many companies have also come under pressure to jettison the so-called “pre-noticed” poison pill defence mechanisms that once provided blanket cover from unsolicited bids.

With those defences gone, and with M&A much more emphatically likely, companies require new methods to defend themselves.

Ota’s strategies have, for now, shown some of the early possibilities. As the market evolves, however, the need for defence measures to catch up with the pace of new hostile strategies will demand even faster innovation.

FT Innovative Lawyers Asia-Pacific

Collaborative innovation award

Wanted: role models for solving problems together

Many of the problems facing the legal industry today cannot be solved by one law firm or company alone. Some pioneering lawyers have sought to work with specialists, peers or even rivals on innovative solutions but, until recently, their efforts have been limited. So that is why the FT Innovative Lawyers programme is now launching a new award to recognise some of the best collaborative initiatives being put into practice — and to encourage more.

In the past five years, legal technology has proliferated, thanks to a big increase in prod-

ucts and suppliers. This has enabled certain lawyers to take advantage of automation, to reduce the amount of laborious legal work they need to do. Others have been able to use artificial intelligence to uncover hidden patterns in data. Some are also experimenting with blockchain as a way to establish trust.

However, tech solutions to legal-sector problems are too often confined to specific practices within one law firm.

Lawyers may love tech that helps with their work, but they do not always allow it to have an impact beyond its creators and clients. The open-source ethos that drove innovation and

growth in the technology sector is not so easily applied in the legal world, with its principles of confidentiality and legal privilege.

But our new Collaborative Innovation Award will try to find exceptions to this, over the course of the year. Selected projects, which must involve at least three different organisations working in collaboration, will feature in Innovative Lawyers reports throughout 2021. Finalists from each of these “heats” will be invited to present their prototypes or working solutions at the end of 2021 to be considered for the FT Collaborative Innovation Award, announced in early 2022.



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2021 STAGES

The Collaborative Innovation Award will run in ‘heats’ over the rest of the year. For more details, go to ft.com/innovative-lawyers.

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The contenders so far

The following projects have been selected as contenders for the Collaborative Innovation award, for their potentially industry-wide impact.

Each of the ventures has been designed to create a solution that will have a significant impact and application beyond the needs of its creators. Contenders for the award will be identified over the course of the rest of the year, and the best solutions will be recognised in early 2022.

Coca-Cola European Partners and UBS.

Pinsent Masons Working with corporate legal teams and a technology vendor, the firm plans to develop a tool to help organisations assess the carbon emissions and other sustainability measures inherent in their commercial contracts with suppliers. The tool will support organisations to make progress towards net-zero commitments.

Simmons & Simmons

In collaboration with visualisation software and regtech firms, the law firm proposes to create a flexible and user-friendly tool that would allow law firms to track and visualise relationships between individuals, to explore connections within their firms and at key clients.

CMS

Working with co-founders Cooley and Rajah & Tann, a team plan to introduce providers and users of legal services to the open industry platform Lupl, to use it to collaborate on complex legal matters.

Eversheds Sutherland, iManage, OpenText and Opus 2

The law firm has proposed a project working with technology providers to integrate different software systems used during the disclosure and trial stages of a legal case.

The system would allow a seamless flow of data between systems, remove the risk of manual error and promote greater use of technology in litigation.

OneNDA

The OneNDA project aims to create a universal standard non-disclosure agreement that is open source and free to use by businesses.

The OneNDA club was launched by the founders of **The Law Boutique** and has signed up more than 700 collaborators. The project’s steering committee includes the law firms **Allen & Overy, Gilbert + Tobin, Linklaters, Norton Rose Fulbright and Slaughter and May**, as well as companies including **American Express, Airbus, Barclays,**

University of Hong Kong Faculty of Law, HSBC, FedEx Express, Goodman Asia, Angelhub and the Association of Corporate Counsel Hong Kong

The team of academic and company collaborators plans to develop an online collaborative platform to connect corporate legal departments, law students and lawtech start-ups in Hong Kong, to co-design technology solutions for companies and non-governmental organisations.

Vieira de Almeida, Genesis.studio, Novartis and The GovLab

The consortium plans to design a legal technology solution to enable data-sharing between organisations in healthcare, which could also be applied to other industries.

The solution will involve a data-sharing contract using smart contracts and a blockchain distributed ledger technology to address security, compliance and cost challenges around data-sharing.

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FT Innovative Lawyers Asia-Pacific

Diversity and inclusion

Voices for Australia's marginalised

Recruitment Law firms are trying to bring more Aboriginal people into the profession. By *Jamie Smyth*

When Marlikka Perdrisat was detained by police for doing nothing more than waiting outside a friend's house, she decided to learn more about her rights and the law, and become an advocate for Australia's indigenous communities.

"I thought if something like that could happen to me, then how is somebody who has no education going to respond in those situations?" explains Perdrisat, a Nyikina and Wangkumara woman from a remote part of Western Australia. "So, once I got the confidence, I got into law, really learnt about my rights and what I could do to change things."

The 29-year-old now works as a paralegal for law firm Gilbert + Tobin in Sydney. She is one of a generation of indigenous students who are now taking advantage of innovative cadet programmes devised by law firms, which aim to reverse the underrepresentation of Aboriginal people in the legal profession.

Fewer than 1 per cent of solicitors in Australia identify as Aboriginal, even though indigenous people make up almost 3 per cent of the population, according to Law Society data. And in the Northern Territory, where indigenous people comprise almost a third of the population, 1 per cent of lawyers are Aboriginal.

The low proportions of indigenous people in the legal sector are particularly concerning, as these communities are among the most marginalised in Australia and need effective advocacy to protect their rights, argue some in the industry. National statistics show Aboriginal



Home again: Marlikka Perdrisat has returned to Western Australia to work on environmental legal issues

people make up 28 per cent of the prison population and more than half of young people in detention. At least 474 Aboriginal people have died in custody since 1991, when a government report recommended a shake-up

of the justice system. There have been seven Aboriginal deaths in custody so far this year. Maxine Evers, associate dean (education) in the University of Technology, Sydney (UTS) law faculty, says the marginalisation of indigenous

people dates back to the colonial era when white people took the land and managed Aboriginal communities through policies that included segregation and assimilation. "Many indigenous
Continued on page 10

Diversity and inclusion

Many firms consult with staff and undertake community outreach to ensure diversity programmes are genuinely inclusive.

WINNER

Nishimura & Asahi

In 2020, the Japanese firm established a nine-strong council to promote diversity and inclusion internally and in the wider community. Initiatives to improve gender equality include not requiring applicants to specify their

gender during the hiring process and designing a flexible leave policy that allows staff to accrue additional time off work for illness, fertility treatment, childbirth or pregnancy.

Allen & Overy

A diversity and inclusion policy for each of the firm's nine offices in Asia Pacific is tailored by locality to account for cultural differences across the region. The policies were devised following a listening programme last year to gather ideas

from more than 300 lawyers and staff. *Commended: Fiona Cumming.*

Gilbert + Tobin

The firm established a cadetship programme for Australian indigenous lawyers that offers part-time work in its Sydney, Melbourne and Perth offices, as well as allowing individuals to work remotely. More than 30 cadets have been through the programme, five of whom have joined the firm as graduate lawyers.

King & Wood Mallesons

In collaboration with the University of Technology, Sydney, the firm

launched a paid internship programme for Australian indigenous law students aimed at increasing indigenous representation in the legal industry. The programme was designed with input from indigenous students in interactive workshops.

Mori Hamada & Matsumoto

The firm ran a seminar for its lawyers, clients and the wider community on LGBTQ+ rights in Japan and participated in Goldman Sachs's Pink Friday Pride, which



celebrates inclusion in the workplace. With other Japanese law firms — such as Nishimura & Asahi — Mori Hamada & Matsumoto is supporting Shibuya, a ward of Tokyo, to create English-language guidebooks on the ward's same-sex partnership certificate system.

Researched and compiled by RSG Consulting. "Winner" indicates the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

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FT Innovative Lawyers Asia-Pacific

Diversity and inclusion



Aboriginal children near Uluru: secondments allow cadet lawyers to stay closer to their roots — Dan Peled/PA Images

Voices for Australia's marginalised

Continued from page 8

people don't see themselves working at a law firm, let alone in a Supreme Court . . . or even a magistrates court," she says. "It's so far removed from their environment because they have had such a lack of opportunity."

Besides poor education and lack of finance, indigenous students may also face cultural challenges in adjusting to life in big cities when they take up work experience or jobs with law firms. In 2019, UTS teamed up with law firm King & Wood Mallesons to offer law students paid internships to help them transition to legal jobs. The Waiwa Mudena programme (the name means "to rise up and go after" in the native language of the Aboriginal artist who designed its logo) offers skills development, mentoring and secondments with KWM clients to provide experience of in-house legal work and training.

Dan Creasey, Melbourne-based head of pro bono and community impact at KWM, says a critical aspect of the programme is that it was created in consultation with indigenous students at UTS to ensure the firm provided the right support, mentoring and training.

Feedback from previous cadet programmes run by KWM had also highlighted a desire among students for broader legal experience, and more contact with clients and alumni networks to maintain connections when an internship ends, he says. "Starting [this programme] by asking students, how we can . . . support you . . . to become a lawyer and to stay in the profession — that's a powerful thing and that's why it has been a success." One of the big problems with Australia's justice system is that it makes decisions about Aboriginal people, rather than with them, and without proper consultation, he says.

'The Fitzroy river is under threat . . . so it just felt a bit silly for me to focus on corporate law in Sydney'

Since KWM's pilot in 2019 with four students from UTS, the firm has expanded the programme nationwide, accepting 10 cadets in 2020 and a further 10 this year. Three secured jobs at KWM and five others found jobs in the wider legal sector.

At Gilbert + Tobin, the cadet programme has been adapted for Aboriginal students who come from remote parts of Australia and do not want to lose their connection with home. "It's a challenge because you are away from your family support network," says Eloise Schnierer, an indigenous lawyer and Gilbert + Tobin's head of corporate social responsibility. She says her firm is helping cadets who want to return "on country" to work in their communities by facilitating secondments with organisations practising law. Last year, one cadet worked in Darwin at the North Australian Aboriginal Justice Agency, which advocates for indigenous people.

Schnierer says offering remote working breaks down barriers for indigenous students and helps Gilbert + Tobin build relations with organisations and leaders away from cities. But supporting indigenous students to find jobs in the legal sector is important anyway, she adds. Five cadets have gone on to be graduate lawyers at Gilbert + Tobin.

Perdrisat has taken up a secondment in Western Australia with the Environmental Defenders Office law centre, where she is using her legal skills to work on issues affecting her community, including drafting submissions to the government to try to protect the local river system. The secondment was made possible because Gilbert + Tobin encouraged flexible remote working.

"The Fitzroy river is under threat from fracking, water harvesting and a lot of different issues — so it just felt a bit silly for me to focus on corporate law in Sydney, when there was a big issue at heart for me," Perdrisat explains.

"I'm back on country, I'm working for my people and I'm on the side of the battle that I want to be on," she says. "At first, when you're an Aboriginal person you think 'am I just here to tick a box and get them over the diversity line', but when you realise what your speciality is and what you can add, then I think you can really make a difference."

Social justice

Lawyers have used legal expertise and technology to help social justice projects extend their impact and reach.

WINNER
Freshfields Bruckhaus Deringer

The firm worked with human rights organisation Justice Centre Hong Kong to devise an app, HK Asylum Guide, to help asylum seekers in Hong Kong understand their legal rights. The app provides a simple, accessible help with applying for "non-refoulement" protection, which forbids a country to return asylum seekers to a country where they would be likely to suffer persecution.



Corrs Chambers Westgarth
On behalf of historian Jenny Hocking, the law firm obtained a High Court ruling in Australia stating that the national archive should release correspondence between Sir John Kerr, former governor general, and Buckingham Palace that related to the dismissal of the Whitlam government in 1975. The documents were embargoed as private correspondence, but the lawyers argued they should be treated as public. The ruling released the papers, and 30 years of letters. The papers revealed that Queen Elizabeth did not have advance knowledge of the dismissal.

Davis Polk & Wardwell
The firm represents charity Oxfam in its "pay-for-success" programme, Start From the Beginning — the first social impact fund in Hong Kong to use this model. The aim of the programme is to increase teaching of Chinese as a second language in Hong Kong kindergartens to reduce inequality between Chinese and non-Chinese speakers.

Davis Polk & Wardwell's involvement has helped Oxfam to scale the programme from six kindergartens in 2018 to more than 70.

MinterEllison
The firm has developed a team that supports social enterprises by providing pro bono services, such as government lobbying, and devising low-cost debt products

and funds that specialise in impact investment. One client is Social Traders, an organisation in Australia that helps businesses to procure services, such as construction work, from social enterprises.

Nagashima Ohno & Tsunematsu
Partner Akihisa Shiozaki co-chaired an investigation led by think-tank Asia Pacific Initiative into the Japanese government's policies responding to the pandemic, supported by six associates seconded from the firm. The lawyers took a leading role in planning and executing the investigation, conducting more than 100 interviews, and they authored the second half of the report. Several recommendations have been adopted by the Yoshihide Suga government, including harsher penalties for breaching restrictions and financial support for people who have suffered economically because of the government's Covid policies.

Shearman & Sterling
In collaboration with Star Shelter, a crisis centre in Singapore, and financial education charity Aidha, the law firm is facilitating a series of training and mentorship sessions on financial literacy. The aim is to help women fleeing abusive relationships to achieve greater financial independence. Shearman & Sterling is using its network and expertise to find mentors and develop programme content.

White & Case
Nearly 40 lawyers and legal staff dedicated more than 400 pro bono hours in 2020 to assisting the International Federation of Red Cross and Red Crescent Societies (IFRC) to continue its operations during the pandemic. The firm provided the IFRC with insight into the status of humanitarian organisations, as well as emergency regulations such as travel restrictions, quarantines and restrictions on imports.



Researched and compiled by RSG Consulting. "Winner" indicates the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

Purpose-Led

Professional Services

Law at the Core



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Developing the market



Eyes on the prize: the DLA Piper partners in Hong Kong who commissioned a painting, above, by Chinese artist Wang Xiaobo hold digital tokens, each relating to a portion of the image

Chasing a piece of the crypto action

Digital tokens The legal grey areas in this field have opened up opportunities for lawyers to become trusted advisers, writes *Jane Croft*

When Scott Thiel first tried to talk to colleagues and contacts about digital tokenisation almost three years ago, he says it was like “shouting into a hurricane”. The DLA Piper lawyer had spent days holed up in a Hong Kong attic writing a paper on the implications of digital proofs of ownership for virtual or physical assets.

But many potential clients were still wary after the so-called crypto winter of 2018, when cryptocurrencies fell in value dramatically.

Now, that audience has suddenly started listening. Cryptocurrencies have taken off – bitcoin’s value has jumped 400 per cent in the past year. And interest in non-fungible tokens (NFTs) – a digital token or digital collectible – exploded this year after an NFT representing a digital work by artist Beeple sold for \$69.3m in an online auction at Christie’s in March.

It later emerged that the buyer owns an NFT fund and already owns Beeple’s work, so the figure may not ultimately represent the true value of NFTs. However, an NFT for the first ever tweet was sold for \$2.9m by Twitter co-founder Jack Dorsey, while an NFT for a gif of a flying cat sold for more than \$500,000.

In essence, non-fungible tokens are lines of code, letters and numbers saved on the blockchain: an immutable register on a network of computers and also the digital ledger underpinning cryptocurrencies. When artists sell an NFT, they do not sell the underlying

artwork and they retain intellectual property rights to their work. NFTs are similar to certificates of ownership but, importantly, are not actually attached to an underlying physical asset, or legally binding.

Still, the scope for digital tokenisation, more generally, is wide. Thiel – who studied law and computer science at the University of Melbourne and has spent most of his career as a technology lawyer – says it is also possible to issue a token that is backed by a physical asset, such as a painting, property or wine collection. This conveys ownership of the asset and turns that asset into something that can be digitised, traded and put on the blockchain.

DLA Piper and its Aldersgate subsidiary, which sets up and runs new businesses outside traditional legal services, has built a blockchain-based tokenisation engine. Called Toko, it allows companies to create fractions of any asset and issue security tokens that can be traded.

This type of token could help asset owners tap into new sources of funding and reach a wider group of potential investors, argues Thiel. It

‘There was a bit of a market [for the tokens], with some partners wanting the sky and others wanting the flowers’

could also improve the liquidity of certain assets – such as a wine collection – that cannot easily be traded on an electronic exchange.

Last November, Toko’s first project was tokenising a piece of fine art commissioned and purchased by a group of Thiel’s Hong Kong partners at DLA Piper, as an unregulated security offering.

The painting by Chinese artist Wang Xiaobo, depicts a white horse grazing in a meadow with vivid orange flowers. The painting was divided into 16 squares, with one digital token created for each square. Each tokenholder has a one-sixteenth image of the painting on the token and also has paid for and owns the same fraction of the painting.

“There was a bit of a market, with some partners wanting the sky and others wanting the flowers,” Thiel says.

Toko can handle NFTs (backed by virtual assets such as a video clip) as well as digital tokens that represent fractions of a physical asset, such as a building or painting or intellectual property rights. “This is where it becomes exciting – we say to clients, what do you want to do?” Thiel says.

In theory, investors will gain access to assets previously unavailable to them, and asset owners will be able to create unique product structures. A real estate owner, for example, could fractionalise an iconic building – usually an illiquid asset – into 100,000 digital tokens

Continued on page 14

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FT Innovative Lawyers Asia-Pacific

Developing the market

The chase for a piece of the crypto action



Continued from page 12
representing parts of the building, and the tokens could be sold and traded by investors. However, potential users, including clients, have to be aware of the many compliance risks around digital token issuance. Anyone dealing with digital tokens must understand their status under US securities law, for instance. The crypto world is so new that it is unclear whether an individual token or NFT would have the characteristics of an investment contract, meaning it would be regulated under US law. With so much hype surrounding NFTs and digital tokenisation, investors may be wary of a bubble and a clampdown by global regulators. Allen Huang, associate professor of accounting at Hong Kong University of Science and Technology, warns that NFTs and digital tokens give rise to legal ambiguities. One question is which country taxes are payable in when an asset is held virtually on the internet. "There are also regulatory issues about how to stop people using NFTs for money laundering," Huang says. "And there are issues around blockchain, especially some of the newer ones: what happens if you have an NFT held on one particular blockchain and that blockchain becomes defunct after a few years?"

Burn after viewing: Banksy's 'Morons' is destroyed
BurntBanksy/Twitter

This is where law firms could have an advantage over tech company rivals, because they can ensure the tokens are legally compliant and give investors confidence. Indeed, Thiel says clients are reassured that a law firm is involved. "It's a complex legal environment, but tech companies want to build something as quickly as they can," he says. "It was easier for us to build a tokenisation engine than it is for technology firms to build a law firm," he notes. "Technology firms don't understand the complexities of securities law in 50-plus markets around the world." Huang agrees that it gives investors a degree of reassurance when professional advisers

'It was easier for us to build a tokenisation engine than it is for technology firms to build a law firm'

move into this market: "Investors are definitely more comfortable with traditional players stepping in and with law firms or big accountants playing a clarifying role." He notes that law firms have become more innovative in recent years in areas such as smart contracts and are hiring people with legal and programming knowledge. "[Law firms] also realise that these companies are now becoming big businesses — as well as potential clients — and they cannot simply ignore them and stay stuck in the 20th century." That "trusted adviser" role may come under increasing scrutiny, as the rush for NFTs and digital tokens shows little sign of slowing. High valuations of tokens lead some to believe the market has become a bubble. In March, a work by UK street artist Banksy was burnt and destroyed in a video streamed on social media. An NFT representing the video was then sold for \$380,000. The original work — titled, ironically, "Morons" — depicted an auction at Christie's. "Does it mean NFTs are a bubble? I think it does, but it does not mean NFTs have no value," Huang says. "In the future, I see artists or musicians using NFTs to . . . allow people who buy NFTs to attend special talks or get exclusive access to a music gig or videos. "Before this type of technology, it was difficult [for artists] to know who held their artwork or who were their biggest supporters."



Moving the market forward

Lawyers are trialling new approaches and technology to make business faster and more transparent.

WINNER DLA Piper

Working with blockchain company Hedera Hashgraph, the firm's lawyers designed the first asset-backed security token on a blockchain platform. Blockchain increases efficiency by automating processes so they can run outside trading hours and also require lower transaction fees. The automated nature of the platform limits ways in which the tokens can be misused. The firm has demonstrated proof of concept by tokenising a piece of fine art. *Commended: Scott Thiel.*



company — to centralise its whistleblowing procedures after the Japanese stalwart mis-sold insurance, causing a scandal in the country. Complaints, which used to be handled by 49 departments, can now be logged through a single platform. The firm's approach is notable in Japan for prioritising the whistleblower.

Hogan Lovells

Partner Mark Parsons worked with the Hong Kong Association of Banks to create a new regulatory framework for the use of application programming interfaces (APIs) in the financial services sector in Hong Kong. The framework is designed to create a collaborative and flexible contract-based open banking regulatory system, allowing banks and API users to compete to introduce more services and products. *Commended: Mark Parsons.*

Atsumi & Sakai
The firm worked with Japan Post — the logistics, insurance and banking

King & Wood Mallesons

The firm advised a consortium of three leading Australian banks alongside IBM, the US tech group, and Scentre Group, a Sydney-based shopping centre company, on the launch of Lygon, a platform that enables banks to issue guarantees digitally using blockchain technology. The law firm designed the legal framework, which allows for the guarantees to be issued digitally, and convinced the banks — Westpac, Commonwealth Bank of Australia and ANZ Bank — to agree to a standardised working for the document. This is the first project globally to use live financial instruments on a blockchain, cutting the time taken to issue a guarantee from one month to one day.

Kirkland & Ellis
The firm has built a special purpose acquisition company (Spac) team



for Asia-Pacific, drawing on its private equity, mergers and acquisitions and capital markets practices, which have experience in Wall Street's fast-growing Spac market. The firm concluded seven deals in the first quarter of 2021.

Nishimura & Asahi

Using legal expertise, communications, diplomacy and corporate strategy, the firm successfully defended Japanese manufacturing company Toshiba Machine and amusement park operator Tokyo Dome from hostile takeovers in 2020.

The rarity of corporate raiders and activist investors in Japan meant that the law firm had to call on suitably adapted defence strategies from other

jurisdictions. *Commended: Yo Ota.*

Singularity Legal

The firm has helped expand India's nascent litigation finance market over the past year. It has assisted businesses in funding cases that are collectively worth more than \$1.4bn, and is advising funders and financial institutions on structuring transactions in India. Singularity Legal is a founder member of the Indian Association for Litigation Finance, launched in 2017, which brings together funders, lawyers, service providers and arbitral institutions to develop self-regulation for litigation finance.



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Practice of law

Cultural sensitivity proves crucial quality for advisers in challenging times

Cross-border deals The US-China trade war and the pandemic made negotiations delicate, writes *Bruce Love*

For global commercial lawyers, advising on cross-border deals between local investors and foreign capital raisers is difficult at the best of times. But when the deal involves US and Chinese interests in the middle of a trade war, risk rises to a new level of complexity.

So, Ting Wang, of counsel at law firm Paul Hastings in Shanghai, had a challenge on his hands when his team tried to broker a strategic alliance between Chinese health group Fosun Pharma and Nasdaq-listed BioNTech to help develop and commercialise a Covid-19 vaccine.

At the time of the negotiations, Germany-based BioNTech's designs for the vaccine were unproven and a deal with US pharmaceuticals group Pfizer had yet to be signed. Fosun offered co-development resources and clinical trials in China in exchange for distribution in the region. BioNTech wanted a sizeable equity investment and access to patients, who initially were found predominantly in China. To reach a deal as the virus spread required "significant" cultural and legal differences to be bridged, recalls Wang.

"Both parties had to step outside their comfort zones to reach compromises," he says. "It required exceptional cultural sensitivity and an understanding of three very different legal systems." Under the agreement, Fosun paid \$85m in licensing fees and made a \$50m equity investment in BioNTech.

Communicating with parties across China, Germany, the UK and the US before the widespread use of Zoom video calls was a challenge for negotiators used to face-to-face interaction. Yet the deal was made within three weeks, over the phone from home and under lockdown.

Yong Kai Wong, now a co-general counsel at Citic Capital, has also played a leading role in cross-border transactions during his career — both for Citic, where he heads special projects, and previously for Dutch pension company APG Asset Management Asia.

He says general counsel who are effective in cross-border deals are "aware and sensitive" to different cultures, beliefs and the societal implications for stakeholders. "Lawyers need to be creative, adaptable and conscious [of] the needs of both sides of the deal — not just focused on the legal and compliance issues," Wong argues. "Often, decisions at the transaction level may have a large impact on stakeholders and the constituents around them. It is important to try to keep an open line of communication with all relevant parties to proactively address issues that inevitably arise."

Parallel to the US-China trade war, Europe was also making moves to protect itself from economic threats from abroad. By the time the pandemic took hold, the European Commission was calling for tougher measures against foreign takeovers, fearing that raiders might take



advantage of wild market fluctuations wreaked by the pandemic. Caught in this net were two deals that law firm Freshfields Bruckhaus Deringer had initiated in 2019. China Railway's CRCC International Investment Group was trying to acquire a 75 per cent controlling stake in Spanish construction company Aldesa. At the same time, Guangdong Wencan Die Casting was proposing a €251.3m public tender offer for French global foundry group Le Bélier, which had dealings with France's defence ministry.

Freshfields partner Yuxin Shen says the firm sets out to advise clients on the operational and

cultural commitments they should make to assuage European concerns. Even so, the new restrictions posed problems. Although the CRCC-Aldesa deal had been signed before the EU policies had taken effect, the Spanish government chose to review it anyway. Meanwhile, in France, the new policies added to uncertainty over its foreign investment review regime and for the Wencan-Le Bélier deal.

Freshfields engaged with the Spanish and French authorities to find a mutually acceptable position for each deal. "These were new restrictions that even the various ministries

were trying to come to grips with," says Hazel Yin, the Freshfields partner who advised on the Spanish deal. "Our role was to help them understand why these deals were outside the parameters of the restrictions and did not constitute any threat to national sovereignty, economies or citizens."

Having multi-practice teams in China and Europe that not only understood the transaction but could also work with European governments helped greatly, says Freshfields partner Ninette Dodo, who was involved in the French deal. "You need to be able to see through the

Patient patients: people line up in Hong Kong for BioNTech's Covid-19 vaccine — Bloomberg

government's strategic lens," she says.

Charles Ruck, global chair of Latham & Watkins' corporate department, believes Covid-19 has greatly changed dealmaking. "Companies have responded to the pandemic conditions by rethinking their geographies, core businesses and supply chains," he says. "With the growing complexity of high-profile cross-border deals . . . the commonality behind all successful mega transactions is a top-notch team of experts from around the world who can work together."

How will cross-border deals with China

Continued on page 18

Healthcare

Lawyers have been helping pharmaceutical companies to overcome operational, regulatory and risk challenges as Covid-19 vaccine programmes get under way.

WINNER Latham & Watkins

The law firm devised a financing structure to attract early-stage investment for CoronVac, the Covid-19 vaccine being developed by Chinese pharmaceuticals company Sinovac. This approach resulted in a substantial return to investors. The financing structure involved loans converted into equity interest in

Sinovac Life Sciences, a research and development subsidiary. Latham & Watkins' work resulted in a total of \$515m being raised.

Anand and Anand

The firm succeeded in opposing 'pre-grant opposition' to a patent sought by its client, Pfizer, in India. Opposition is a legal process that allows third parties to halt the award of a patent after an application is published. The ruling means a party bringing pre-grant opposition in India must now establish its identity and show it has relevant domain knowledge, which will help prevent opportunistic parties challenging patents in future.



Baker McKenzie

The healthcare and life sciences team advised AstraZeneca on its Covid-19 vaccine rollout in Thailand, helping the Anglo-Swedish pharmaceuticals company to navigate legal restrictions and draft contracts to protect its interests. Baker McKenzie also advised US immunotherapy company CytoSorbents on agreements that enable the use of its medical device to treat critically ill Covid-19 patients in China.

Paul Hastings

The law firm advised Chinese pharmaceuticals group Fosun Pharma on a strategic

partnership with Germany's BioNTech to develop a Covid-19 vaccine, which involved licensing BioNTech's mRNA vaccine technology. The lawyers negotiated the arrangement in just three weeks, despite differing jurisdictional requirements and having to negotiate a combined equity investment and cash payment in order to get BioNTech on board.

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Digital advisers

Lawyers are using their expertise in blockchain, artificial intelligence and data to help clients with digital transformation and to accelerate their businesses.

WINNER King & Wood Mallesons

The firm launched its digital economy legal service centre in November. This was set up to provide multidisciplinary, cross-practice area advice to clients on data use and compliance. The centre has already helped one leading Chinese bank to design and implement its compliance programme for the European

General Data Protection Regulation — enabling it to share data between China and the rest of the world.

Anand and Anand

Acting on behalf of mobile technology company InterDigital, the firm filed the first anti-anti-suit injunction order in India. This is a court ruling to prevent a party pursuing an application for an anti-suit injunction. Unlike in other anti-anti-suit injunction cases, the anti-suit injunction had already been granted by the court to Chinese electronics company Xiaomi. The ruling allows InterDigital to continue to pursue an infringement case against Xiaomi.



Nishimura & Asahi

Last year, the firm set up a dedicated group that works across practice areas and industry sectors to help clients undertaking digital transformation.

The group advises companies on data, artificial intelligence, digital healthcare services and

blockchain, as well as corporate governance and cyber security for public companies. *Commended:* Kazuhiro Takei.

Rajah & Tann

The Singapore-based law firm launched a subsidiary, RTCyber, which provides a full suite of technical services to prevent or respond to cyber attacks. This allows the firm to provide technical and legal advice seamlessly to clients with concerns about cyber security.

Ropes & Gray

The firm advised Alibaba, the Chinese ecommerce company, on a

strategic partnership with Richemont, the Switzerland-based luxury goods group, to establish Farfetch China as an upmarket online fashion retailer.

The \$1.1bn investment in Farfetch allows Alibaba to provide virtual shopping experiences for customers and is helping to accelerate the digitisation of the global luxury retail industry.

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FT Innovative Lawyers Asia-Pacific

Practice of law

Cultural sensitivity proves key

Continued from page 17

evolve? Kathleen Claussen — who is a professor of law at the University of Miami and an expert on international trade, having worked on policy during the Obama and Trump administrations — says the risk for US businesses accepting Chinese investment has evolved.

“The present White House shares at least one view with the previous administration: it has said a lot more should be done to protect the supply chain, US businesses and American consumers,” Claussen points out.

“In the Obama years, a central policy tool to deal with China was the World Trade Organization’s enforcement mechanism. Under Trump, it was tariffs and sanctions. It’s not entirely clear yet what the Biden administration will do.”



In such a fast-moving policy environment, Claussen says, firms working on cross-border deals need expertise in public law as well as commercial transaction prowess.

She categorises the past six years of US policy as a series of “trade tool experiments” and counsels lawyers conducting cross-border transactions to be keenly aware of changes coming out of Washington.

“Think about the risk implications of regulatory or policy shifts,” Claussen advises. “Pay attention to the relevant federal bodies and what they are doing.”

Liquidity and finance

Lawyers sought creative solutions — often employing technology — to help clients unlock capital and close deals amid geopolitical tensions and the economic impact of the pandemic.

WINNER
Cyril Amarchand Mangaldas

When Infrastructure Leasing & Financial Services, a large issuer in India’s corporate bond market, defaulted on its debt repayments, the Indian government stepped in to replace its board. And it was lawyers from Cyril Amarchand Mangaldas who helped the new board create a resolution framework to manage the insolvency of IL&FS, which included nearly 350 separate entities that collectively held more than \$12.6bn in debt. Their framework provides a model for other group insolvencies in India.



Investment Group acquire a controlling stake in Spanish construction company Aldesa in January 2020. They also enabled Guangdong Wencan Die Casting to acquire French aluminium components company Le Bélier in December.

Ginting & Reksodiputro (with Allen & Overy)

The Indonesian firm, which is integrated with Allen & Overy’s offices and platforms, was involved in several initiatives to support the Indonesian economy during the coronavirus pandemic. It advised Indonesia’s government on its first sovereign wealth fund, to help attract foreign investment. The law firm also advised on the restructuring of state-owned enterprises and a contingency plan for the Indonesia Deposit Insurance Corporation.

Mayer Brown

To help Mongolia deal with the impact of Covid-19, including huge debt repayments, the firm advised the government on its bond issuance and tender offer to free up millions of dollars to spend on new sustainability initiatives. These included projects to improve housing security, air pollution and sanitation. Mayer Brown also added collective action clauses to its contracts, enabling the government to restructure debt in future by giving it the right to impose a restructuring over an objecting minority. *Commended: Jason Elder.*

Pinsent Masons

The firm advised a syndicate of 11 Chinese and international banks on a financing for an Indonesian stainless steel plant, under the Belt and Road Initiative. It incorporates both US and Chinese currencies and, by using renminbi as the base currency, the structure helps Chinese lenders reduce dependency on dollars while enabling offshore businesses to hedge against currency fluctuations.

WongPartnership

The firm negotiated a restructuring process for Singaporean shipping company Pacific International Lines with its owners in China, Japan, Singapore, Thailand and Taiwan, before starting a court process — which is unusual in Singapore. This cut court proceedings to four months and minimised publicity, which helped avoid the company’s customers and partners abandoning the process. It also helped secure investment from Heliconia Capital.

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Allen & Overy

The firm developed a bridge-to-bond financing structure for Standard Chartered bank, to help enable the merger of insurers Aviva Singapore and Singlife. It was the first such structure to be undertaken in Singapore dollars. The financing facility had to meet Basel III capital requirements and has created a new model to finance mergers and acquisitions.

Corrs Chambers Westgarth

Following the bankruptcy of Australian company Altura Mining, the law firm represented investor Resource Capital Funds in the creation of a transaction structure that would allow Pilbara Minerals (represented by law firm Allen & Overy) to acquire Altura’s lithium-mining assets. The structure ensured a minimum price for the assets and meant Pilbara did not have to raise capital unless it won the bid.

Dechert

The law firm advised property business Ayala Land on establishing the first real estate investment trust (REIT) in the Philippines and listing it on the Philippine Stock Exchange. Dechert worked with the bourse to introduce new laws to enable the trust — setting a precedent for the REIT market in the country. *Commended: Maria Pedersen.*



Freshfields Bruckhaus Deringer

Following calls from the European Commission in 2019 for tighter restrictions on foreign investment from China, Freshfields lawyers negotiated with national regulators and government institutions to secure deals for two Chinese clients. Working in China and Europe, they helped CRCC International

FT Innovative Lawyers Asia-Pacific

Frictionless law

Law firms are using technology and data to enhance legal advice. By putting the user experience first, they have been able to solve problems and streamline processes.

WINNER
Yulchon

Corporate lawyers and legal operations executives used design thinking — in which they start with end users in mind — to collaborate on creating new tools. Their ‘Incorporation Genie’ shortens protracted email exchanges with clients looking to set up new entities in South Korea. Clients can now access an online platform where they review and accept documents, and changes are automated, reducing the cost of legal advice by up to 50 per cent. Yulchon has also created a dashboard for clients to navigate company maintenance requirements in South Korea.



to complete due diligence three times faster than its previous process, which relied on lawyers going through paper files.

Allen & Overy

The law firm designed a free online portal to help individuals and companies that have been subject to a cyber attack retrieve their stolen funds. The tool enables users to freeze their bank accounts automatically and also automates the process of notifying authorities in Hong Kong of any attack. The portal has had more than 56 registered users from 19 jurisdictions.

Corrs Chambers Westgarth

On August 5 2020, all Melbourne residents learnt they would need a permit to leave home for work or childcare purposes. So the law firm helped National Australia Bank to secure 3,000 permits, automating their creation and secure filing, and setting up digital sign-off using the DocuSign signature system. The process was up and running within eight hours.

Algo Legal

The firm developed VC Works, a technology platform to manage legal due diligence in venture capital transactions more efficiently and effectively. The tool enables the firm

Gilbert + Tobin

Earlier this year, the law firm sold its Verification<i>-</i> product, developed in 2016, to legal tech

company Litera Microsystems.

The product is used to verify documents in big corporate transactions. The deal marks one of the first times a law firm has developed and sold a piece of technology to a leading legal tech provider. Gilbert + Tobin had used the product extensively in-house but lacked the capability and resources to scale it to market in the way it wanted to. The project has increased the firm’s appetite for further tech development, with four other projects under way.

Konexo

Konexo, the alternative legal services arm of law firm Eversheds Sutherland, took over the management of HSBC’s in-house loans negotiations teams in Hong Kong and Singapore last year. The law firm developed playbooks and standard processes to increase the efficiency of the banks’ teams, enabling staff who previously worked on in-house loans negotiations to focus on higher-value strategic matters.

MinterEllison
Facilitating Australian financial group Magellan’s launch of four new funds simultaneously



required the verification of four separate product disclosure statements, which would not have been possible in the required two-week timeframe, even with the help of automation. The legal team worked with technology vendor Atticus to review the four documents in one process, which cut the workload by 70 per cent. The firm calculates time savings of 50 per cent.



inquiry was held on behalf of the Australian state’s Independent Liquor & Gaming Authority. The law firm built a website to host the hearings and organised document management, a digital submissions process, and remote hearings.

Tiang & Partners

The law firm collaborated with professional services firm PwC to create a platform for smaller businesses in Hong Kong to address their legal, tax and corporate compliance matters in a one-stop shop. The service offers more than 100 document templates and elearning modules, and allows clients to create and manage contracts digitally. The platform is built using PwC’s IT expertise, while Tiang & Partners contributed to the legal content and design. The service, offered on subscription, has had 16,200 registrations so far.

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Norton Rose Fulbright

The firm devised and organised a digital hearings process to make a high-profile inquiry into casino company Crown Resorts accessible to the public. The

Legal design

Legal design is the term given to making the law more accessible and easy to understand. It ideally involves collaboration between law firms and in-house teams. These joint initiatives have pioneered the redesign of legal processes.

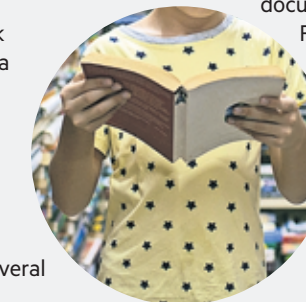
legal design consultancies to rework some of the most complex documents to render them as easy to read as a children’s book. Inklings stood out for its sophisticated approach to design thinking, including use of behavioural science to make documents more accessible. For example, it used language that had been tested for its effect on people suffering from anxiety or ADHD (attention deficit hyperactivity disorder). The team adopted agile



working to test and adapt regularly, and collaborate with other teams at the bank — including digital, branding and product experts. The new terms not only cut the number of queries but also helped customers engage more actively with the meaning.

WINNER
HSBC and Inklings Legal Design

Lawyers at the bank launched SimpliTC, a programme to redesign its customers’ terms and conditions to make them more user-friendly. The lawyers engaged several



Bis Industries and Lander & Rogers
Law firm Lander & Rogers’ innovation team, iHub, worked with Bis Industries, the Australian mining services and logistics company, to redesign contract negotiation guidelines for its legal team. The lawyers explored various technical solutions to make the

negotiation process faster and smoother, before rejecting an automated option and settling on a PDF document that uses plain language and structured information to guide the negotiation process, with hyperlinks to facilitate access to relevant information.

National Australia Bank and Herbert Smith Freehills

The bank’s legal team led a human-centred design process to revise its credit card terms and conditions. Internal and external experts in design, language and brand joined with lawyers at the law firm in a multidisciplinary team.



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Sustainability

Lawyers help Tesla unlock rooftop solar power potential

Renewable energy The carmaker's battery tech will help stabilise the electricity grid in South Australia, says *Henry Sanderson*

Batteries based on Tesla's expertise in electric cars are now helping to optimise the growing number of rooftop solar installations in South Australia. But it is a project that has required as much legal, as technological, expertise.

By linking up thousands of solar powered homes and new batteries, the initiative will ease the stress on the electricity grid caused by peaks and dips in solar power. In effect, the electric car maker is creating a 'virtual power plant' in a community of 3,000 social housing units in Adelaide, which will aggregate energy from their individual solar panels and its batteries. It is part of Tesla chief executive Elon Musk's mission to translate the technology it has developed for cars into storage for renewable energy.

For residents, the A\$61m (\$47m) project will provide more affordable clean electricity at no upfront cost. It is being financed by the Australian government-owned Clean Energy Finance Corporation, the South Australian government, and Tesla itself. However, the plan has required a new legal structure to ensure that residents are protected.

"The magic is in how it's aggregated," says Jeremy King, a partner at law firm Pinsent Masons, of the solar-plus-battery approach. "On an individual basis, economically it doesn't stack up, but once you aggregate it and have centralised control over thousands of systems, economically it starts to make sense," explains King, who arranged the legal work for the project.

One of the challenges to emerge from the rise

in the number of rooftop solar installations in South Australia has been volatility in local power prices — because energy from solar panels surges when the sun is at its strongest. Average daytime power prices in South Australia fell below zero for the first time in the first quarter of this year, according to the Australian Energy Market Operator, the regulator. They hit minus A\$12/MWh in the first three months, it says.

But, by aggregating solar energy in multiple Tesla Powerwall batteries — rechargeable units designed for use in homes — enough energy can be provided to the grid when it needs it. Energy generated in the day can be available in peak periods of demand during the early evening.

Lithium-ion batteries enable sudden bursts of power to be switched on as needed. This virtual power plant system uses Tesla's cloud-based software to charge or discharge energy from batteries, trading it on Australia's National Electricity Market. The capacity of a virtual power plant "can sometimes match or even exceed a traditional power station", says the Australian Renewable Energy Agency.

In 2017, Tesla built a giant lithium-ion battery at the Hornsdale Power Reserve, with an energy storage capacity of 129 MWh, which is helping to integrate solar and wind energy into Australia's electricity grid.

Tesla will now install a 5 kW rooftop solar system and a 13.5 kWh Powerwall battery at premises owned by Housing SA, the owner of the social housing. Along with previously installed systems this will deliver 20 MW of gen-

eration capacity and 54 MWh of energy storage.

King notes that the virtual power plant will generate revenues to pay back the money from Clean Energy Financing Corporation for installing and building the project, by selling energy to the National Electricity Market. It will also gain revenue by providing a back-up source of generation for the grid operator to call on.

Lawyers were needed, though, to create legal agreements that protected the housing authority's sometimes vulnerable and disadvantaged tenants while also giving the lenders security over the assets, in cases of non-payment.

Unlike a typical project finance arrangement, the loan had to be structured so the lenders would have no capability to enforce the debt by selling assets in the case of any default, King explains. That was to avoid any chance — however remote — of the main lender going to the tenants' homes and ripping out solar panels to resell them, he says. "You can't, politically, enter into council housing and rip panels off the roof. That would fail the 'pub test' — if you speak to the average person on the street, that would look terrible."

Residents in the housing units were also offered electricity at the same price whether they consumed energy from the grid or the new system. Participation was voluntary, King says.

The project is a test case for Tesla's ability to bundle its solar panels and batteries. In April, the US group said it would only sell its solar panels along with Powerwall battery units, so as to better integrate the two devices. Musk said the



Recharge: the virtual plant will aggregate energy from 3,000 homes in Adelaide — Alamy

Sustainability

From pro bono projects to new financing models for renewable energy projects, these lawyers are facilitating sustainability.

WINNER Pinsent Masons

The law firm advised Tesla, the US electric vehicle and battery company, on the financing structure, contracting and regulatory issues surrounding Australia's largest virtual power plant. It is the first in the country to be centrally owned and operated by a company. The plant in South Australia comprises solar panels distributed across 3,000 social housing units. The lawyers designed agreements that protect the needs of tenants while giving financial backers security over the assets. The documentation provides a model for similar future projects.



Herbert Smith Freehills

The firm developed a due diligence service that focuses on environmental, social and governance (ESG) challenges for client investments or acquisitions. A cross-practice, multidisciplinary team developed a triaging tool and processes for specific risk areas, including anti-bribery, human rights and climate change. The process involves reviewing businesses for their compliance to current regulations, plus internal risk assessments and scenario planning.

Hogan Lovells

The law firm devised flexible contracts for Netherlands-based environmental non-profit organisation The Ocean Cleanup. The new contracts enable the NGO to create distribution and operation partnerships with countries in Asia to build its river-cleaning machines — the group intercepts plastic pollution in rivers to prevent it reaching the sea. The Ocean Cleanup has since signed a deal with Malaysian manufacturer Konecranes, helping it to achieve its aim of cleaning 1,000 rivers worldwide over the next five years.



Ashurst
The law firm launched a new practice group in Australia to advise clients on board-level governance, green finance, renewables and carbon capture. The firm also represented digital finance provider Brighte on a 100 per cent green asset-backed term securitisation, enabling the business to provide energy, batteries and home improvements to Australian households. Ashurst also launched a digital product, ESG Ready, to help clients comply with new regulation.

Freshfields Bruckhaus Deringer and Norton Rose Fulbright

Acting for a group of port operators in Hong Kong, the two law firms achieved antitrust clearance for a collaboration

Researched and compiled by RSG Consulting. "Winner" indicates the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

Powerwalls could operate as a "giant distributed utility," to help power grids that may struggle to meet growing demand for electricity due to the proliferation of electric cars. Without batteries there would be blackouts and power cuts.

"[The utilities] won't be able to react fast enough," Musk warned in Tesla's first-quarter earnings call recently. "We're seeing more extreme weather events . . . so it is very important to have solar and batteries at the local level, at the house [level]."

King says the model created in Adelaide could be scaled up with the addition of more houses nearby, or undertaken elsewhere in Australia. All that is required is for the houses to have smart meters installed, he says.

The Australian government says there could be a network of 50,000 solar and Tesla Powerwall home battery systems across South Australia.

"It's something that is better on a macro basis: the bigger it is, the more punch," says King.

Research methodology Asia Pacific 2021

FT Innovative Lawyers Asia-Pacific 2021 is a ranking, report and awards scheme for lawyers based in the region. The Financial Times and its research partner, RSG Consulting, have devised a unique methodology to rank lawyers on innovation. Law firms and in-house legal teams were invited to make submissions.

The categories focus on different areas of legal practice, business and operational management, and social justice and inclusion. The categories and examples featured in the report are drawn from submissions and nominations from law firms and in-

house legal teams. Each submission is researched and scored out of 10 for originality, leadership and impact for a maximum score of 30 (scores for each individual entry are not shown in the report).

In addition, law firms were asked to complete a questionnaire on use of data and technology. Each of the 10 questions was scored out of five and benchmarked against peers in that region.

Top-ranked submissions in each category are featured as mini case studies and shortlisted for the FT Innovative Lawyers Asia-Pacific 2021 awards.

Some 250 submissions and nominations were received from 65 different law firms and 30 in-house legal teams.

RSG researchers assessed the submissions and interviewed the firms' clients, senior lawyers, executives, and experts between February and April 2021.

Most innovative law firms in Asia Pacific 2021

The ranking showing the "most innovative law firm in Asia Pacific" and "most innovative law firm in Asia Pacific (International)" is based on each firm's aggregated scores for

its top three submissions plus the score for the firm's use of data and technology. Firms could make up to five submissions. Awards were given for the top-ranked firm headquartered in Asia Pacific and the top-ranked international firm headquartered or with significant operations outside the region.

Most innovative in-house legal teams in Asia Pacific 2021

Research focused on six areas of a corporate legal department: inclusion and social justice; strategic and risk advice; operational management; people and skills; legal

design; and digital solutions. The list of 10 outstanding in-house legal teams is a selection based on each team's performance in the report and is based on the sum of scores for all submissions ranked in the report.

RSG Consulting

RSG Consulting has a record of devising ranking methodologies for professional services firms.

The RSG researchers on this report were: Reena SenGupta, Yasmin Lambert, Kate Barlow, Mary Ormerod and Tom Saunders.

Individual practitioners

Breaking with convention to stand out from the pack

These lawyers are following unconventional career trajectories and legal practice models: by jumping back into innovation after a career break, like Natasha Blycha; diversifying recruitment, as Hikaru Oguchi is now doing; working outside the partnership model, in the case of Grace Chong; or helping clients to reimagine their industry, like Yaeko Hodaka.

Others have championed unconventional approaches to legal practice. Sara Rayment has shown that legal design helps clients to understand their business and customers' experience better. Scott Thiel has pushed his firm to experiment with blockchain. And Kunal Gupta has built a multidisciplinary practice that keeps pace with the latest in technology. By *Mary Ormerod*



WINNER
Natasha Blycha

Global head of digital law, Herbert Smith Freehills

Natasha Blycha joined Herbert Smith Freehills in 2015 after a 10-year career break to bring up her children. She has won a reputation for accelerating the development of smart contracts and digital documents.

Blycha leads the firm's digital law group, which has 50 lawyers in nine countries. Its members have expertise in emerging technologies and programming as well as law.

In 2018, Blycha promoted the development of a platform for enforceable smart contracts, working with Data61 (part of Australia's national science agency), IBM and law firm King & Wood Mallesons.

In 2020, she founded the Digital Law Association, an international organisation that promotes inclusivity and democracy where law and tech overlap. The network has 1,000 members in private practice, government and academia.

Grace Chong

Of counsel, Simmons & Simmons

Grace Chong joined Simmons & Simmons in 2019 to lead the firm's regulatory and fintech practice in Singapore. Within a year, she had increased fintech revenues by 23 times.

She uses her experience at the Monetary Authority of Singapore, where she worked for five years, to lead discussions with regulators on behalf of the digital payments industry.

This includes advising payments companies Coinbase, Wirex and Crypto.com on licensing and expansion projects in Asia.

Chong also sits on the board of Access (the Association of Crypto Currency Enterprises and Start-ups Singapore). During the Covid-19 pandemic, she led an appeal to seek the deferment or relaxation of licensing and compliance requirements for digital payment token providers.

As of counsel, she is neither an associate nor a partner.



Kunal Gupta

Partner, Trilegal

Since joining Indian law firm Trilegal in 2019, Kunal Gupta has expanded the investigations practice to give clients a one-stop shop for advice on in-house accounting, data forensics and corporate communications. He has done so by building a team that includes lawyers, forensic accountants, fraud examiners and forensic technology experts.

In the past year, Gupta has developed new methods of investigation to keep pace with changes in technology. While advising clients on online investigations, he developed a process that allows his practice to extract and review data internally.

Yaeko Hodaka

Partner, Baker McKenzie

Yaeko Hodaka is a corporate partner in the Tokyo office of the global law firm. She helps clients to use and monetise data, with a focus on industrials, manufacturing and transportation. She has also set up webinars and roadshows to keep Japanese clients up to date on laws and regulations that affect those sectors.

Hodaka is a fellow of the smart city initiative run by the World Economic Forum's Centre for the Fourth Industrial Revolution. She advises on privacy, security and sustainability. The smart city project aims to address the operational, social and economic challenges of urban living by deploying the internet of things.

Hodaka is also helping to develop policy frameworks for smart cities across the world on behalf of the G20 Global Smart Cities Alliance.



Hikaru Oguchi

Partner, Nishimura & Asahi

In her 22 years at the Japanese law firm, Hikaru Oguchi has advised on topics spanning mergers and acquisitions, greenfield investment, and helping foreign investors with crisis management and disputes.

In 2010, Oguchi set up the firm's first overseas office, in Ho Chi Minh City, Vietnam.

She leads the Vietnam practice, advising businesses on international regulation, expansion and balancing local, regional and global politics.

In 2019, she advised Japanese fashion retailer Uniqlo on opening its first stores in Vietnam.

As a member of the Nishimura & Asahi's foreign lawyers committee, Oguchi oversees the hiring of lawyers across south-east Asia and training for overseas lawyers at the firm's Tokyo head office.

She is also a member of the firm's diversity and inclusion group.

Sara Rayment

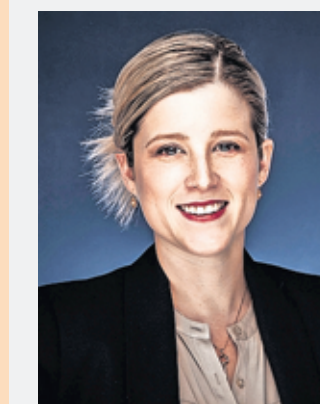
Founder and principal, Inkling Legal Design

In 2018, Sara Rayment founded Inkling, a law firm that uses the principles of design to improve legal services, including building legal products that are friendly to a cognitively diverse group of users. Legal advice that is more inclusive and easier to use is more commercially valuable, she says.

As well as lawyers and designers, the firm employs a range of professionals, from psychologists to pharmacists.

Rayment spent a decade in practice before joining the University of Newcastle, Australia, as an associate professor in 2016.

At Inkling, she has helped international bank HSBC to draft user-friendly terms for global contracts. She has also worked on social justice projects, including a handbook to support families who are detained after arriving in the US as undocumented migrants.



Scott Thiel

Partner, DLA Piper

As a member of DLA Piper's "change council", which was set up by the firm's global co-chief executive Simon Levine in 2019, Scott Thiel is leading the development of technology-based non-legal services.

Based in Hong Kong, he has championed the development of a digital asset ecosystem and has helped to set up the firm's global blockchain and digital assets practice.

Last year, Thiel worked with blockchain company Hedera Hashgraph to design the first asset-backed security token on a blockchain platform.

Thiel has spent more than two years studying the legal challenges around the creation of asset security tokens and has worked with regulators from different jurisdictions to ascertain industry standards.

Moral Money

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FT Innovative Lawyers Asia-Pacific

Leadership

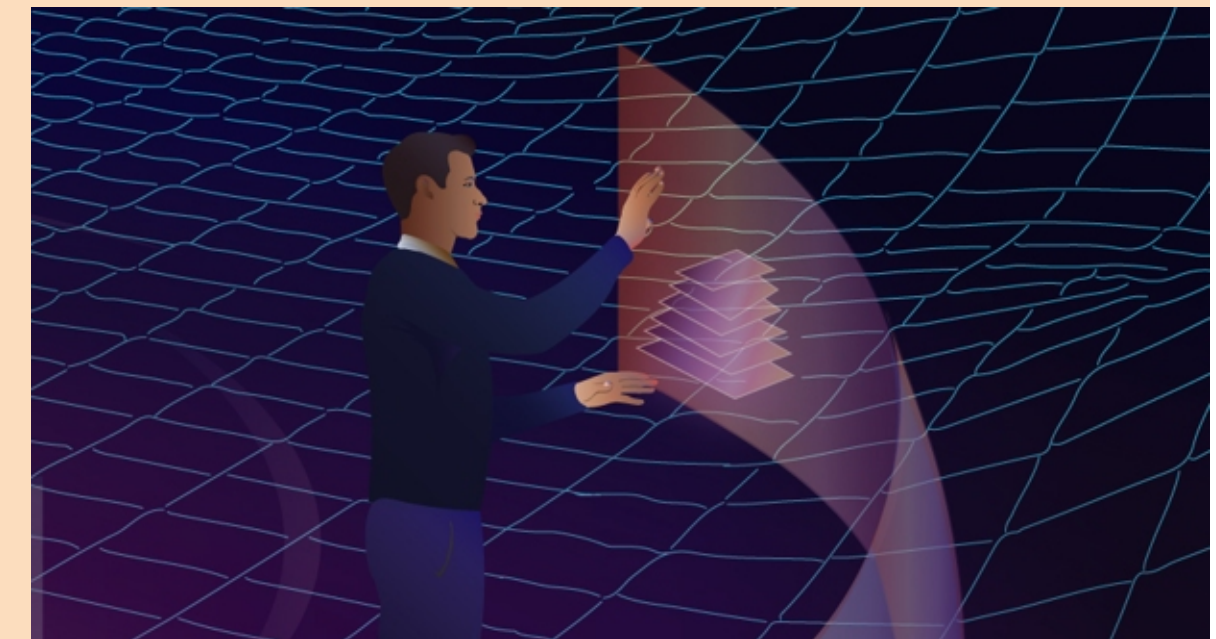
Inspiration in the face of radical change

Ideas such as adopting digital tools or flexible working, which might have seemed radical barely a year ago, are now commonplace. Lawyers' working lives have been transformed.

The law firm leaders featured here are guiding their organisations in the face of profound transformation in business. That means pressing colleagues to get more out of technology.

But it also involves reimagining what it means to practise law, with more emphasis on new areas such as consulting, digital services and working with policymakers.

Because such change requires resilience, these leaders have also focused on building diverse, agile teams and on employees' development and wellbeing. *By Mary Ormerod*



WINNER
Masaki Hosaka

Chair, management board, Nishimura & Asahi

After 10 years as managing partner of Tokyo-based Nishimura & Asahi, Masaki Hosaka stepped down in April but continues as chair of the management board. As managing partner, Hosaka led the firm's global expansion. Since 2018, it has opened offices in New York, Frankfurt and Düsseldorf. More than one in six of the firm's lawyers are now non-Japanese, compared with fewer than one in 14 in 2014.

Hosaka has focused on employee development, overhauling the partnership appraisal process and establishing an office to help staff build their career plans.

He brought in both a chief operations officer and a chief technology officer to drive change.



Milton Cheng

Global chair, Baker McKenzie

Elected as global chair in 2019, Milton Cheng is the first to take on the role while based in the Asia-Pacific region. He took on a leadership role in 2014 when he was appointed managing partner of the Hong Kong office. He oversaw the creation of a financial services regulatory practice and a real estate investment trusts practice.

Cheng has set out to redefine what it means to be a global law firm. That includes focusing on highly regulated industries and working with policymakers and regulators to keep pace with fast-changing business needs.

The firm announced a "resilience, recovery and renewal" framework for refining how it works with clients. Cheng also led the launch of Reinvent, an initiative to drive digital transformation at the firm.



Nick Humphrey

Managing partner, Hamilton Locke

After almost 25 years in the legal sector, Nick Humphrey set up Australian firm Hamilton Locke in 2018 with the aim of creating an agile, collaborative and less bureaucratic business.

Instead of practice groups, Humphrey put employees into teams centred on markets and clients. Equity is shared by employees and decisions are made by the chief executive and the board. The firm keeps the structure lean by outsourcing back office and IT support.

Humphrey is also the chair of Halo Group, Hamilton Locke's owner, which offers corporate services across legal, governance, risk and compliance. Last year, he led Halo's acquisition of two businesses, specialising in outsourcing and trademark registration, respectively.



Teresa Ko

China chair, Freshfields Bruckhaus Deringer

Teresa Ko has advised on nine of the 10 largest initial public offerings in Hong Kong. In 2019, she advised ecommerce business Alibaba on Hong Kong's first paperless listing, against a background of deepening unrest and pro-democracy protests in the territory.

Ko uses her high profile to lobby for greater gender diversity on Hong-Kong listed company boards. Currently, women hold 13.6 per cent of board positions in the top 50 Hang Seng companies. She also mentors Freshfields' junior female lawyers.

As a trustee of the International Financial Reporting Standards Foundation, Ko contributed to the publication of its consultation paper last year on sustainability reporting.



Jamie Ng

Global head, Ashurst Consulting, Ashurst

Jamie Ng has designed and led new business lines that have expanded the services offered by global law firm Ashurst.

Based in Sydney, Ng spearheaded last year's launch of Ashurst Consulting. The law firm's consulting arm advises clients on risk problems such as energy and climate change, the digital economy and infrastructure.

The new business line is on track to contribute 10 per cent of the firm's global revenue by 2023.

Ng also helped set up an accelerator programme that provides fintech businesses with legal support and introduces them to investors.

FT Innovative Lawyers Asia-Pacific

People and skills

Why digital demands deep thinkers

Digitisation Young lawyers who are tech literate and business savvy are in high demand. By Sarah Murray

From climate change and labour rights to cross-border deals amid geopolitical tensions, lawyers face increasingly complex challenges.

And, as digitisation transforms every sphere of practice, firms want their lawyers to become far more collaborative and multidisciplinary.

Changing client demands are partly behind this, including the pressure from in-house lawyers to cut costs that is prompting a shift from billable hours. This, along with the digitisation of many mundane legal tasks, calls for lawyers to be more strategic in their advice. “For a results-driven client, you have to think like the client and understand enough about their business sector to scope out what you need to do for them,” says Philip Anderson, professor of entrepreneurship at French business school Insead’s Singapore campus and programme director of the SAL-Insead Law Firm Leadership Programme. “That, more than anything else, is driving the need for new expertise.”

Meanwhile, as technology transforms the way lawyers do their jobs — particularly when working from spare rooms and kitchen tables — law firms and in-house lawyers have recognised the need to make digitisation available to all.

At Chevron Australia, for example, Schellie-Jayne Price — the energy group’s senior legal counsel, negotiations and legal — worked with the IT director to create a “tech café” modelled on Apple’s Genius Bar. During the pandemic, the café went virtual, to keep experts available to employees. “They were able to provide real-time remote assistance,” says Price.

While digital literacy is essential, Berkeley Cox, chief executive partner, Australia, at King & Wood Mallesons, cites another type of literacy that his firm looks for when building legal teams: “Asian literacy”. By this, he means an understanding of the challenges specific to the Asia-Pacific region.

Among these are the need to tackle emerging priorities — such as environmental, social and governance (ESG) approaches to business and the law, which require “a broader understanding of what’s at play in the world”.

As ESG is a factor in practice areas from procurement to energy and labour rights, it also demands organisational changes. Where once law firm leaders might have simply created a new, separate practice, says Anderson, “that won’t work because ESG cuts across all your engagements”.

Nor, he says, does building ESG capabilities mean hiring environmental law experts. “What’s wanted for a young lawyer is the ability to connect the dots, putting legal advice



in the broader framework of what the client is trying to accomplish,” he says. “One does not learn how to do that in law school.”

There is also a need for other skills that have not traditionally been part of legal job descriptions, says Price. “Empathy, curiosity and an entrepreneurial spirit are pretty key,” she says. “You need someone with a growth mindset who is open to new ideas.”

Encouraging this openness was among the reasons why, in May 2020 as the pandemic took hold, KWM went ahead with its “transformation programme”. Its purpose was to prepare staff for everything from the digitisation of legal processes and changing client demands to competition from new market entrants. In addition to putting young

lawyers through digital boot camps, the firm created incentives to encourage KWM lawyers to work in different ways. For example, “the multiplier” allows them to record internally 1.5 hours for every hour spent using digital techniques on a client matter. While the client is billed for one hour, the multiplier encourages the lawyers to try out new tech.

Promoting the use of technology was why Indian law firm Anand and Anand chose Zoho Creator as a development platform. It requires only limited coding knowledge, enabling non-IT experts to become “citizen developers”. Among the resulting innovations was a virtual version of the firm’s annual carnival, hosted on Zoho Creator. Run during Diwali, the festival of lights, the virtual event let family members to

‘You have to think like the client and understand enough about their business sector to scope out what to do for them’

FT Innovative Lawyers Asia-Pacific

People and skills

‘Empathy, curiosity and an entrepreneurial spirit are pretty key [skills for young lawyers]’

participate for the first time, “engaging people during these tough times”, says Rajiv Maheshwari, Anand and Anand chief executive.

The platform also facilitates design thinking, an approach that focuses on the user experience and relies on prototyping and testing to develop solutions to problems. “This is a sea change, as the user is also a process designer who can also implement the system on their own,” says Maheshwari.

As technology turns lawyers into anything from design thinkers to app developers, the pressure is on to attract, retain and develop lawyers with more rounded skills, says Price.

However, firms and in-house teams may benefit from the idea that the new ways of working appeal to ambitious young lawyers. “If I was a young lawyer graduating, I would be very excited,” she says. “Because I’ll get to do more of what I want to do as a lawyer.”

Firms are using inventive ways to train their lawyers and other staff to use tech, data, and a creative approach to problem-solving.

WINNER King & Wood Mallesons

Lawyers at the firm are encouraged to dedicate 30 billable hours a year to improving their digital literacy as part of a programme of digital transformation; engagement is tracked using dashboards. The firm has created incentives for lawyers to make better use of technology, with a multiplier applied to their billable time. For every four billable hours, the lawyer can record six hours for internal purposes if they use tech as part of their job. The scheme has led to a very substantial increase in the adoption of technology.



Lander & Rogers

The firm designed a programme to

Allens

The firm created “innovation squads” in each of its practice groups to encourage employees to engage with innovation. Made up of lawyers and business professionals in the firm, these squads identify problem areas and develop solutions to help clients.

Anand and Anand

Business staff at the law firm have been trained to be “citizen developers”. The firm has created incentives for lawyers to make better use of technology, with a multiplier applied to their billable time. For every four billable hours, the lawyer can record six hours for internal purposes if they use tech as part of their job. The scheme has led to a very substantial increase in the adoption of technology.

initiative used design thinking — based on user experience, and testing via quick prototypes — and agile working principles along with the low-code suite of software developed by Zoho, an Indian company, to create new apps.

train undergraduate law students at Monash University in Melbourne. Participants learnt about design-thinking processes and agile methodologies. They worked on clients’ real-life challenges and used legal technology to devise solutions.

Shardul Amarchand Mangaldas & Co

The firm has implemented a continuous-learning programme to train lawyers in emotional intelligence, managerial skills and how to manage client relationships. Employees use an online platform to view training videos, which are recommended for them by a system that uses artificial intelligence.

Researched and compiled by RSG Consulting. “Winner” indicates that the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

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In-house

Covid response fosters creativity

Top legal teams work closely with other parts of the business and outside organisations, says *Yasmin Lambert*

One year on from the onset of the coronavirus pandemic, in-house legal teams in the FT Innovative Lawyers rankings are responding creatively. After managing crises and recoveries, they are now applying their efforts to redesigning legal documents, processes and the make-up of their teams.

At DBS Bank, the in-house legal team won this year's award for its work at the intersection of law, technology and data. Lawyers helped launch a cryptocurrency exchange at the bank and developed a model which uses data analytics to assess and predict risk when dealing with corporate banking customers.

In fact, many of the innovations featured are the result of legal teams working closely with other parts of their businesses. Some are also

working with other organisations on industry-wide initiatives, such as the resources companies that formed the Western Australian modern slavery collaborative.

In-house legal teams have been taking on new responsibilities, too — such as the environmental, social and governance agenda or, in the case of the Australian telecoms group Telstra, restructuring. Others, such as National Australia Bank's team, have shown themselves well equipped to take the lead on business strategies.

RESEARCH AND AWARD SUPPORTED BY



Most innovative in-house legal teams in Asia-Pacific 2021

Rank	Company	Total for ranked submissions
1	Winner: DBS Bank*	48
2	HSBC	47
3	National Australia Bank	45
3	Rio Tinto	45
5	Lazada	44
6	Chevron Australia	43
7	Citic Capital	26
8	ICICI Bank	25
9	Tesla	24
9	Wesfarmers	24

*Winner of the FT Innovative Lawyers 2021 award for 'Most innovative in-house legal team in Asia-Pacific'; award based on total scores for submissions

Social justice

WINNER
Western Australian modern slavery collaborative

In 2019, energy and resources companies in Western Australia entered an informal collaboration to help end modern slavery and

advance the UN's sustainable development goals. Together, in-house lawyers from 20 companies devised new ways to detect modern slavery in supply chains.

Their toolkit includes a questionnaire to guide suppliers on identifying risks, improve transparency, and recognise areas where more checks should be made.

Aquila Capital

The Asia-Pacific general counsel for the German sustainable investment management company is leading pro bono initiatives in the region.

These include a collaboration with United Women Singapore, a charity, to produce a handbook to educate companies about domestic violence, and helping Yong-en, a Singapore

care centre, to feed disadvantaged families in the city state's Chinatown. *Commended: Maree Myerscough.*

Lazada

The legal team at the Singaporean ecommerce company supported businesses affected by Covid-19 lockdowns. Lobbying by Lazada smoothed the way to a partnership

with ComfortDelGro, a transport company, allowing its taxi drivers to make deliveries for Lazada.

Researched and compiled by RSG Consulting. "Winner" indicates that the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

Digital solutions

WINNER
ICICI Bank

The bank's legal team worked with technology providers to design the processes and workflows for a contract management platform. This end-to-end system — which handles property rentals, escrow agreements and alliance agreements for credit card benefits — will be rolled out to other business units. It has been used to produce more than 300 contracts since December 2020.

Allegis Group

Lawyers at the talent management business implemented an artificial intelligence tool to review incoming contracts, working with the vendor to adapt it to their needs. The product has led to time savings of 70 per cent on contract review.

Chevron Australia

Data scientists and the energy company's in-house legal team worked together to develop a machine-learning tool to streamline the process of reviewing 15,000 files of unstructured data and sending them to the relevant expert for review.

The lawyers have also produced contract automation tools using SharePoint and are experimenting with icons to make documents easier to navigate.



China International Capital Corporation
A digital transformation project was led by the in-house legal team at the Hong Kong-based international arm of the Chinese investment bank. The lawyers implemented iManage, a document and email management system, to deal with communications data. They are working with professional services firm PwC to introduce technologies to manage risk.

National Australia Bank

The in-house legal team worked on a project called LG Crowd to test various technology and process tools. This showed how legal operations can benefit from enterprise technologies, and the results have helped shape the department's strategy for the bank. Key outcomes of the project include engaging senior leaders in the work of the legal services

team and showing lawyers how to explore the use of tech by experimenting and failing.

Ping An Insurance

Since 2019, in-house lawyers have designed, developed and deployed technological solutions with the help of the company's 9,000 computer scientists. One particular success has been a contract review tool that can read both English and Chinese. The legal team trained the tool by using high-risk clauses specific to Ping An's business. They also advised computer scientists on data protection and confidentiality. All contracts are in the review system, giving Ping An more control over its legal risks.

Wesfarmers

The Australian conglomerate's in-house legal team has built self-service technology to enable staff to solve everyday problems independently, which frees time for lawyers to do more strategic and complex work. The developments include a self-service tool for confidentiality agreements, automated contract review and a platform to ensure that marketing campaigns are legally compliant.

Researched and compiled by RSG Consulting. "Winner" indicates that the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

Strategic and risk advisers

WINNER
Citic Capital

In 2020, China's Harbin Pharmaceutical, owned by Citic Capital — part of the Chinese state-backed financial services group Citic — acquired US health and wellness retailer GNC out of Chapter 11 bankruptcy. Yong Kai Wong, Citic Capital general counsel, played a leading part, negotiating terms and talking to employees about what it would mean for GNC to be owned by a Chinese company. *Commended: Yong Kai Wong.*

Affirma Capital

The legal and compliance team at the private equity fund, which until 2019 was owned by Standard Chartered Bank, has redesigned the fund's risk guides. The lawyers have shortened the documents — which outline rules in broad terms, enabling everyone in the business to manage their own risk — to no more than five pages each.

Airbnb

Yu Watanabe, lead counsel for the Japanese division of the accommodation rental website, persuaded the government to

reform its esignature regulations to allow lawyers to sign documents virtually during the pandemic. Previously, the execution of some legal documents required a traditional seal.

DBS Bank

The bank's in-house team assisted on the launch of DBS Digital Exchange, a cryptocurrency exchange for institutional and accredited investors. The lawyers designed policies, processes and controls, including an anti-money-laundering framework and conflict management controls. DBS Digital Exchange is recognised by the Monetary Authority of Singapore, the central bank.



Rio Tinto

Lawyers at miner Rio Tinto advised on the development of a blockchain platform for the sale of iron ore. The legal team persuaded banks and ore purchasers, which include steel producer China Baowu, to accept the terms of the new model. Transactions can be completed faster — opening a letter of credit is down from 48 hours to a few minutes, for example — and with greater transparency.

Tesla

Lawyers at the electric car and battery energy storage company supported its push into Australia's renewable and alternative energy market. Tesla is leading the creation of a virtual power plant involving social housing properties in South Australia. The in-house team worked with the law firm Pinsent Masons to advise on the financing, regulatory and insurance structure for the distributed network, the first of its kind in Australia.

Researched and compiled by RSG Consulting. "Winner" indicates that the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

FT Innovative Lawyers Asia-Pacific

In-house



Operational management

WINNER
DBS Bank

Customer risk is now tracked using real-time information, including the tracking of customer activity, after the bank changed its due diligence process from one based on static data. The legal team at the Singaporean multinational worked with its corporate banking unit to test the approach, advise on regulations and drive adoption. The new system is better at identifying customer risk and the change has cut the volume of due diligence reviews by a fifth.

Chevron Australia

A lack of knowledge about technology was preventing employees making best use of the digital tools that were becoming available to them. So Schellie-Jayne Price, senior legal counsel at Chevron Australia, set up a "tech café" with the help of the IT department. Staff at the energy company can have their queries answered by specialists — the service was used more than 2,000 times last year. *Commended: Schellie-Jayne Price.*

HSBC

A link on intranet pages and next to email signatures will soon direct staff to an easy-to-read digital manual on internal compliance. The legal team made use of new techniques to redesign the compliance processes at the multinational bank, and the user-friendly interface will tell staff how and when to involve their legal colleagues. The system will be launched in Hong Kong before it is implemented across the company.

Lazada

The legal team at the Singaporean ecommerce company helped to introduce an automated regulatory platform to improve efficiency. This system puts emails

from regulators and enforcement agencies into a standard format and creates a ticket that is then assigned to the relevant legal team and other units in the business. The system allows the legal team to identify emerging trends.

Rio Tinto

The mining multinational now uses ebilling and has standardised how it reviews invoices from law firms. It has streamlined the process of issuing requests for proposals — a move that has encouraged competition among incumbent law firms. These initiatives, led by the in-house legal team, saved \$10m in 2020.

Telstra

Lawyers have a leading role in the radical restructuring under way at the Australian telecommunications provider and have also reorganised their team into 10 connected functions. Their roles have broadened to focus on the turnaround of the company, as well as innovation, sustainability and external affairs. The latter includes managing relationships with regional and indigenous customers in Australia.

Woolworths

At the Australian supermarket chain, Legal X — a new division of the in-house legal team that was set up in 2019 to help with data privacy, risk and digital matters — created a series of tools to enable more colleagues to "self-serve".

For instance, customer care teams can now handle data incidents, unless they involve a potential data breach, without the legal team.

Researched and compiled by RSG Consulting. "Winner" indicates the organisation won an FT Innovative Lawyers 2021 award; other organisations are listed alphabetically.

More on ft.com
How lawyers speeded up digitisation

The Covid-19 pandemic has accelerated the legal sector's engagement with digital transformation — from the simple tools making virtual working and global collaboration possible, to the rise of "design thinking". The FT's Digital Lawyers series explores how tech-savvy lawyers across the world are responding to these opportunities and solving client problems in innovative ways.

Among the professionals featured is Natasha Blycha, who leads law

firm Herbert Smith Freehills' global digital law group from Perth, Australia (see page 22).

In an interview for Digital Lawyers, she says the pandemic exposed the risk that lawyers face if they are not versed in tech. They should be using new technologies daily, she argues. And lawyers with digital expertise must be fully integrated into the business, says Blycha, "in every practice area".

Read more at: ft.com/reports/digital-lawyers

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