



PROGRESS REPORT

Vilnius, 2007

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1. STATEMENT BY THE MANAGING PARTNER

As a proof of its commitment to the UN Global Compact, the law firm Lideika, Petrauskas, Valiūnas ir partneriai LAWIN contributes to human rights implementation policy, improvement of working conditions as well as development of environmental and anticorruption initiatives.

Rolandas Valiūnas Managing Partner

2. IMPLEMENTATION OF TEN PRINCIPLES OF THE GLOBAL COMPACT

2.1 HUMAN RIGHTS

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Businesses should make sure they are not complicit in human rights abuses.

The law firm Lideika, Petrauskas, Valiūnas ir partneriai LAWIN, in pursuit of its policies, supports and respects the protection of internationally proclaimed human rights and is not complicit in human rights abuses.

The law firm upholds human rights and, in its relations with the community and business environment, supports education, economy, culture and national heritage as well as contributes to advancement of philanthropic ideas in the country.

To secure good relations with business environment and clients, the law firm has elaborated the service management system aimed at meeting the client needs. The law firm has gained confidence of its clients and has proved being able to keep them loyal. Regularly conducted surveys of satisfaction of client needs manifest the law firm's responsibility and expertise in provision of high-quality services and the ability to meet client expectations. The law firm also contributes to the development of business sector and growth of economy in the country. The quality management system elaborated in the law firm makes it possible to ensure a due level of quality of the services and permanent improvement of professional skills.

As a vigorous, socially responsive and responsible organisation, the law firm strives to contribute to the development of projects in the spheres of Lithuanian law and economy, also supports organisations and institutions of law, economy and higher education, which include:

- Law Faculty of Vilnius University;
- Law Clinics of Vilnius University;
- Law Faculty of Mykolas Romeris University;
- Baltic Management Institute (BMI);
- National Group of the European Law Students' Association (ELSA Lithuania);
- International Law Students' Association in Lithuania (ILSA Lithuania).

Understanding the significance of culture and national heritage for the fostering of civil society, the law firm supports organisations cherishing the fundamental culture and national heritage sources, namely:

- Lithuanian State Symphony Orchestra;
- Lithuanian National Opera and Ballet Theatre;
- Lithuanian Institute;
- Grand Duke Palace Support Fund;
- Jonas Mekas' Visual Art Centre.

The law firm perceives the power of a good example, sociality and philanthropy and, therefore, for the purposes of nurturing a socially acceptable personality supports:

- Alma Adamkienė's Charity and Support Fund whose main goal is to support rural schools of Lithuania and children from child care homes;
- Association Mentor Lithuania an international non-government not for profit organisation with a focus on the promotion of health and well-being of children and young people and the prevention of drug misuse. Our staff members contribute personally to the nurturing of healthy habits in young generation.

2.2 EMPLOYEE RIGHTS

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

The elimination of all forms of forced and compulsory labour.

Principle 5

The effective abolition of child labour.

Principle 6

Eliminate discrimination in respect of employment and occupation.

The law firm Lideika, Petrauskas, Valiūnas ir partneriai LAWIN supports the freedom of association and acknowledges the right to effective collective bargaining; upholds the striving to abolish any forced or compulsory labour and the objective to eliminate discrimination in respect of employment and occupation.

One of the key long-lasting objectives of the law firm is to strive to be an attractive employer for current and future employees. This objective is embedded in the law firm's strategy.

Among the core five values of the law firm – satisfaction of employees. This value is understood as follows: We respect each other and strive to ensure good psychological and material working conditions to everybody.

Fostering its values and in pursuit of the main goals and objectives, the law firm continues evolving and improving its strategic initiatives, which include:

- Elaboration of carrier management system;
- Creation and fostering of team-building traditions;
- Ensuring an attractive remuneration and incentive system for employees;
- Ensuring conditions for professional and business self-realisation;
- Promotion of teamwork;
- Building an achievement culture;
- Ensuring good working conditions and facilities;
- Care for individual needs of employees;
- Enhancement of frank and cooperative relations.

The assessment of efficiency of these initiatives is based on the following two criteria: personnel change index (in percent) and organisation climate analysis results.

The personnel selection policy in the law firm is conducted in line with labour laws of Lithuania. There is no gender discrimination in hiring new employees. Currently, there are 33 percent male employees and 67 percent female employees working in the law firm. An average age of employees currently is 31 years (the youngest employee is 21 and the oldest 69 years old). Employees of different nationalities, religion and views are equally respected in the law firm.

The organisational climate survey is performed in the law firm every two years with the view of establishing the employees' attitude to various operational aspects of the law firm. The results of the survey conducted in 2006 have proved that a vast majority of our employees know the goals, objectives and priorities of their firm and approve them; are committed to and proud of their organisation and make efforts to perform their tasks as best as practicable. The most positive rating is the employees' attitude to work and a high level of their loyalty. It is therefore concluded that the goal to achieve satisfaction of employees at work is being pursued properly and it will be continued.

While the law firm conceives and cares about personal needs of its employees, the latter are given additional free days in the event of their illness or accidents and are awarded good opportunities to receive medical services and travel insurance at very favourable conditions, to go sporting, have an amusing leisure time and participate in cultural events.

It is habitual for law firm to admit law students to undergo practice, granting an opportunity to learn from proficient colleagues, gain experience and even to be employed after termination of practice. Currently, there are 16 students working in the law firm under employment contracts; they are provided benevolent conditions to combine work and studies and can enjoy benefits and social guarantees secured for all employees in the law firm.

2.3 ENVIRONMENTAL PROTECTION

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

The law firm supports a precautionary approach to environmental challenges and undertakes initiatives to promote greater environmental responsibility, also encourages the development and diffusion of environmentally friendly technologies abiding by and contributing to implementation of environmental protection principles.

The law firm supports Public Institution *Žaliasis taškas* (eng. *Green Dot*), which is the first and the only licensed non-profit company in Lithuania founded by manufacturers and importers to organise used packaging management, and, upholding the operational principles of this organisation, collects paper scrap, glass packing and other waste and delivers them for recycling.

The law firm takes regard of its employees' satisfaction factor paying due attention to their comfort, health, social and ecological context, as well as creating ergonomic microclimate. All employees are ensured comfortable working conditions which comply with the requirements of employee safety and health at work.

Modern technologies are introduced in the law firm only after assessment of their likely effect on the environment. Preference is given to most innovative technologies that enable substituting traditional services with electronic ones, which results in cutting paper expenditure.

Out-of-date and no-longer-used mechanisms are delivered by the law firm to respective organisations recycling electronic devices which, by virtue of advanced and environment-friendly waste recycling technologies, contribute to mitigation of environmental effects.

2.4 ANTI-CORRUPTION

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

The law firm Lideika, Petrauskas, Valiūnas ir partneriai LAWIN is against corruption in all its forms, including extortion and bribery, and acts strictly in conformity with Lithuanian laws, internal rules and code of ethics.

In proof of deep respect for human and employee rights, the law firm pursues a fair remuneration policy.

All attorneys in the law firm abide by the code of lawyers' professional ethics which requires compliance with legal and moral obligations in respect of:

- Clients,
- Courts and other institutions,
- · Attorney's profession, and
- Community.

To ensure a maximum quality of services in the law firm, a new system of registration of client complaints has been introduced which has enabled prompt and unbiased response to the complaints of all clients seeking for the most effective way of addressing client concerns.

The law firm participates in announced public tenders in full conformity with all applicable requirements and rules.

The choice of suppliers for cooperation is based on the key criteria, such as good reputation, professional level and quality.