

2016 Communication on Progress

Statement of Continued Support by the Chief Executive Officer

January 28th of 2016

To our stakeholders,

AM Law Firm, decided in 2016 to support the ten principles of the Global Compact with respect to the human rights, labor standards, preservation of the environment, and anti-corruption, and to advance those principles within our company and our sister companies; such as Towers for Financial Consultations and Brilliance for Translation and Consultancies Services.

It is a pleasure to confirm our continued support for the Global Compact and renew our ongoing commitment to the initiative and its principles.

In our first annual Communication in Progress, we describe the taken actions to continually improve the integration of the Global Compact and its principles to our business strategy, culture, and daily operations. We are also committed to share this information with our stakeholders, using our primary channels of communication.

Yours Sincerely,

Ayman Abdullah

Managing Partner

Human Rights

- **Assessment, Policy, and Goals**

AM Law Firm is committed to ensuring that all our employees are treated fairly and with respect.

In the past year, we worked on explaining the ten principles for our partners of success and encouraged them to behave the same track for the publication and dissemination of these principles.

- **Implementation**

The Human Resources Department developed the firm's policy to conform to the Global Compact initiative. We also encourage UNGC members to send their enquiries regarding their issues for that subject through the email address that we established specially for these types of inquiries.

- **Measurement of Outcomes**

No claim regarding Human Rights was reported in the period covered by the COP.

Labor

- **Assessment, Policy, and Goals**

Protection of internationally recognized principles, including labor standards, forms an integral part of AM Law Firm code of ethics, which is distributed to all employees in the firm.

We respect differences, care about others, and do not discriminate against others on the basis of nationality, ethnic origin, age, gender, or even religious or political belief.

- **Implementation**

Women's Rights

Women's Added Value within AM Law Firm

1- For the first time in the Arab Republic of Egypt, and out of AM Law Firm's faith and eagerness to fight discrimination of any kind, especially against women's right of labor, AM Law Firm issued an administrative resolution in May 2015 of preventing

inquiries about female applicants about their private life conditions, including marriage or maternity. AM Law Firm officially registered this resolution in its internal regulations. It was put into force upon its issuance.

2- AM Law Firm issued an administrative resolution of granting its employees a paid vacation, only in the case of study's completion, especially for women. That is to encourage its employees to be keen on further education, support women's labor, and empowering them scientifically and professionally.

3- AM Law Firm applies all laws and regulations related to women and officially authorized in the Labor Code by the state itself.

Children's Labor

All employees affiliated to AM Law Firm are over 21 years old. Thereon, AM Law Firm rejects employing children and those who are below the legal age.

Career Stimulus

In June 2015, AM Law Firm launched a monthly creativity and innovation award, by which it aimed at encouraging its employees to be more effectively participating in reforming and developing their performance in general. It also targeted innovative and creational spirits within all of them. The award is 25,000 L.E granted annually to winning AM Law Firm creative and innovative employees.

Training, Career Qualification, and Further Education

1- AM Law Firm is keen on providing development and learning opportunities, as it considers them means of motivating and awarding its employees. Therefore, AM Law Firm dedicates 4% of its annual allocations to enjoy its employees to training courses, upon which their need have been set out, in accordance with the results of periodical performance assessments, opinion surveys, and finally nature and size of tasks allocated to them. An annual training plan is usually set up, in which employees joined more than 10 training courses in 2015, whether internal or external. AM Law Firm targeted, in this regard, sustaining their readiness and accentuating their skills and awareness.

2- AM Law Firm added a clause in its internal regulations of granting a paid vacation during the period of study examinations of the Firm employees who seek to presume their higher studies.

3- AM Law Firm encourages its employees and gives them an opportunity to review the successful external practices, that is in order to benefit from and work upon, with a goal to set out excellent new practices, with which the Firm can support its employees to participate in conferences and workshops, alongside with doing researches and different studies, including those

done by Mr. Omar Mahmoud, an accountant in the Firm, e.g. studies of bank checks, accounting system, and business companies.

4- AM Law Firm plays an outstanding role in the effective communication with its employees through the proper empowerment and authorization of powers, side by side with appreciating and awarding qualified and excellent employees. The Firm is also eager to transfer, manage, and share knowledge among employees through holding periodical meetings, which minutes are recorded to benefit from.

AM Law Firm Respects Cultural and Ethnic Differences

The non-Egyptian (Foreign) employees in AM Law Firm represent 15% of the total number of employees. They share the same and all merits the Egyptian employees have. Based on being a legal entity, the Firm settles any legal issues they may face within Egypt; e.g. residence issues, etc.

AM Law Firm Respects Religious Differences

There are employees of different religions working at AM Law Firm, hence there is no discrimination against religious or faith-based differences. Therefore, AM Law Firm issued an administrative resolution of banning political or religion-based speak. The Firm also adopts the laws and regulations that ensure freedom of faith and creed for all. No single violation of regulation or faith-based hatespeak has been recorded till now.

- **Measurement of Outcomes**

First: Concerning Women's Labor

1- The Firm's demographics are a good example of the implementation of labor principles:

Men (51%) Vs. Women (49%)

Management Team:

Men (60%) Vs. Women (40%)

2- In 2015, 4 women (2 of which are marries and with children) were employed, from a total of 6 women applied to work at the Firm, in front of 5 men.

3- All women working at the Firm obtained their full rights stipulated in the Egyptian Labor Code, the matter which led to:

4- One of the lawyers was granted a paid vacation during her Master examinations.

5- One of the employees working in the administrative section was granted a paid-birth leave for 4 months.

6- New mothers leave the Firm an hour earlier before the official hours.

Second: Concerning Training and Career Stimulus

1- Human Resources Department in the Firm set out a training course in cooperation with the Organizational Excellence Department in 2015. The Firm dedicated 4% of its annual budget to training, with which 10 training courses (4 internal and 6 external training courses) and effective communication training courses were given to the employees.

2- After training, the trainees were examined, and it is stated that 100% of the trainees got more than 85% of the examinations score total, the matter which refers to the raised knowledge and scientific level. Opinion surveys also showed that the percentage of the general satisfaction with the trainings and scientific content is more than 90%.

3- The Firm received 15 developmental suggestions during the year of 2015, from which 90% have been implemented with a 30% percentage of implementation errors. They included a suggestion of forming AM Football Team, which included 20 players from the employees of different departments and sections in the company. Innovative and creative employees were honored and granted financial awards with amount more than 25, 000 L.E during the year, alongside with certificates of appreciation.

Third: Concerning Children's Labor

1- No single occasion of children's labor nor even those who are below the legal age was recorded since the Firm has been established 7 years ago.

Fourth: Concerning Religious and Cultural Differences

1- 35% of the employees of the Firm are of different religions.

2- No single occasion of faith-based hatespeak or violation was recorded since the Firm has been established 7 years ago.

3- All employees have the same rights, notwithstanding their beliefs or cultures. Foreigners have all free legal care forms, including residence permits and travels permissions, etc.

Environment

- **Assessment, Policy, and Goals**

AME Law Firm is committed to maintaining the highest environmental, health and safety and security standards in all its activities and in all its facilities. This includes all entities affiliated to it. It also aspires to the application of the best standards in the conduct of all operations in a way that is beyond expectations and beyond the limits of compliance. In line with this ambition, the Firm believes in the necessity of immediate, transparent and full reporting about any cases of non-compliance with the requirements of the Firm or its obligations in the relevant field. Our policy on the environment and health and safety and security provides a general orientation of the Firm's different sectors, and forms the basis which drives our efforts and leads our march towards improving the environment, health and safety and security level.

- **Environment**

First: The Firm's Responsibility towards the Internal Environment

1- AM Law Firm was keen on providing a healthy work environment that is conducive to all employees and its first steps to achieve this was to choose a suitable premises of the Firm. Three places were selected, in condition that they are characterized by outstanding location, huge glass surfaces that allow pure and fresh air in, and the sunshine. A questionnaire for the opinion of all the Firm's employees was made, by which results the current headquarters of the Firm was chosen, which is located in one of the most important and largest commercial towers in Nasr City, that is easily accessed by sunshine and fresh air from all sides and the total area of the headquarters is 400 meters and employees capacity of 32 persons only. The Firm divided that space fairly, so that all resources are with equal benefit.

2- A safe working environment includes providing 5 fire extinguishers in different places in the Firm, the matter to which all the Firm's employees were subjected in a training program for practical training in their use to protect all employees. An indicative list is placed above each extinguisher to explain how to use.

3- All employees were enjoined in a training to evacuate the premises, in the case of any natural or human disasters; such as earthquakes and others.

4- A precautionary-evacuation training was provided too.

Second: The Firm's Responsibility towards the External Environment

1- The Firm respects the external environment and supports and backs community regarding the preservation of the environment. The Firm provides what serves the environment and improve environmental conditions in the community and addresses various environmental problems, and for that, the Foundation launched an initiative "Together for a clean and healthy environment", in which many small and medium-sized companies took part in this important the event.

2- Regarding the disposal of the daily waste of the Firm, it was keen to use plastic garbage bags that are biodegradable, through a contract with a company operating in this area, despite the extra cost incurred by the Firm.

3- The Firm also adopts a paperless-environment process policy in all its transactions. It adopted an electronic archiving system that took the place of the paper system by using electronic means, and in the case of the use of paper, the specialists within the Firm are keen they will be separated in a special plastic containers in order to be recycled again.

4- Smoking is banned in all the Firm's offices.

5- The Firm's cars which transport the employees only work on a specific program to reduce the consumption of gas and emissions.

- **Measurement of Outcomes**

First: The Results of the Firm's Responsibility towards the Internal Environment

1- All the Firm's employees have a good health due to the healthy and compliant work environment. No single contagious or epidemic injury or disease was recorded.

2- No fires broke out, neither documents/machineries broke down due to the safe work environment.

3- Two precautions trainings were performed to train the employees to evacuate the Firm in June and December of the same year. The training achieved its targeted goals, and the evacuation was completed in 15 minutes.

Second: The Results of the Firm's Responsibility towards the External Environment

1- 52 large, small and medium-sized enterprises participated in the Firm's initiative under the theme "Together for a clean and healthy environment", it has resulted in a signed document to preserve the environment, and it also increased awareness among the participating companies of the importance of preserving the environment.

2- The Firm's consumption of papers reduced by 90%, and was finally replaced with electronic means.

3- The Firm's cars consumption of gas reduced by 30% in comparison to the year of 2016, that is due to the drivers' compliance to the specific program.

4- Due to the Firm's policy of banning smoking inside the premises, 2 of the Firm's employees finally quit smoking. The Firm was eager to honor and make them a model.

Anti-Corruption

- **Assessment, Policy, and Goals**

From day one of our business, we highlighted many principles which we believe that these to reflect our image and reputation, one of these principles is the anti-corruption as we struggle against corruption.

- **Implementation**

AM Launches "The Egyptian Association for Anti-Corruption and Businessmen Integrity" Initiative

In April 2015, the Firm launched "The Egyptian Association for Anti-Corruption and Businessmen Integrity " initiative in the light of the historical landmark stage in the country, which requires the unification of the efforts of firms to actively participate in the formulation of the country's social and economic future map in order to achieve new horizons of freedom, justice, integrity and transparency , and to make our initiative one of the main pillars of the efforts and trends of the state in the fight against corruption in all its forms and manifestations, and a strategic partner in the new road map of our homeland economy, and the nucleus of a new vision based on the establishment of the highest integrity and international standards of transparency, and to ensure sustainability in the Egyptian business environment, particularly in the work of the SME environment and to ensure that they also have legal protection from the business practices in their emerging markets, in the condition that each individual in the community shall bear his own responsibility in achieving that vision, so as to ensure the achievement of sustainable economic, social, human, and the overall desired the country's development, so as to enhance the openness of the Egyptian business community to new international heights.

The Initiative has its own decisive targets, including:

1- Help organizations to integrate integrity and transparency standards in long-term strategies.

2- Preparation and submission of scientific theses to the definition of integrity and transparency standards, and how to apply and review them.

- 3- Help institutions to formulate policies and procedures of integrity and transparency in its business environment.
- 4- Attracting a larger number of institutions to sign a "National Pact of Anti-Corruption in the Business Environment" which requires its members to adopt and apply the standards of transparency and integrity in their business environment.
- 5- Following the development of the implementation of the strategies and policies of integrity and transparency in the business environment through relevant benchmarking
- 6- Supporting the expansion of the scope of work for small and medium-sized enterprises.
- 7- Helping to increase the state's focus on small and medium-sized enterprises.
- 8- Providing legal support to ensure the continuity of small and medium-sized enterprises, which are having problems or difficulties in their work environment as a result of the presence of corrupt practices inside or outside their environment, the matter which could threaten the presence and continuity in business society.
- 9- Stimulus to enact, revise and update the laws and regulations concerned with the fight against corruption so as to be reformulated in accordance with the status quo.
- 10- Carrying out awareness-raising activities such as awareness campaigns and training sessions to sensitize the citizens to forms of corruption, their turn in combating corruption, and its returns
- 11- Strengthening the role of women in community outreach and familiarize them with their positive role in instilling integrity and transparency standards in the community.
- 12- Strengthening the social aspect of economic entrance for the prevention of engaging in shady practices.
- 13- Promoting activities related to the publication and dissemination of the behavior of integrity and transparency.
- 14- Providing the necessary training for employees.

AM Launches "National Pact of Anti-Corruption in the Business Environment" Initiative

AM Law Firm launches "National Pact of Anti-Corruption in the Business Environment" Initiative, by which signing all members of the association shall become compliant to the responsibilities they vowed to, including:

- 1- Respect for the rule of law and the Constitution.
- 2- Fighting against corruption in all its forms and manifestations in our environment.

- 3- Commitment to apply the highest transparency, integrity and ethics standards.
- 4- Drafting the long-term integrity and transparency strategies for our business.
- 5- Practicing their social responsibility in the fight against corruption by raising awareness within the community of the importance of the fight against corruption, and the importance of applying integrity and transparency standards.
- 6- Supporting legal and social confrontation to corrupt business practices in the business environment.

AM Launches "The Sustainability of the Integrity of the Business Environment Index"

AM Law Firm has also launched "The Sustainability of the Integrity of the Business Environment Index", which is a non-mandatory established to serve as a scientific and practical reference for organizations that want to establish a culture of integrity and transparency in its business environment, and it also provides sustainability tools.

It aims at:

- 1- Achieving the vision and the will of the state in the fight against corruption.
- 2- Strengthening the rule of the Constitution and the law of the state and institutions.
- 3- Promoting the Egyptian process of development and economy.
- 4- Supporting the efforts of all those involved in fighting corruption.
- 5- Supporting the state and civil society's efforts to achieve social justice and improve the standard of living of the citizens.
- 6- Creating a distinct level of community participation in anti-corruption efforts.
- 7- Raising community awareness of corruption and its gravity and the importance of fighting against it.
- 8- Creating of new generations of business environments that are committed to applying the highest integrity, transparency and accountability standards, in accordance with best international practices.

- **Measurement of Outcomes**

Concerning "The Egyptian Association for Anti-Corruption and Businessmen Integrity" Initiative

The Association is still under construction, followed by the results of its establishment and operations.