

2016- Communication on Progress Report

Implementation of the Global Compact Principles

HUMAN RIGHTS

Principles 1 and 2:

- **Businesses should support and respect the protection of internationally proclaimed human rights**
- **Make sure that they are not complicit in human rights abuses**

Throughout the year 2015, we continued our efforts to integrate and disseminate the global compact principles in all areas of our operations. It is our firm belief that the respect for these core principles correlates with the quality of legal services we offer to our clients. Our main focus during this fiscal year has been enhancement of our best practices in respect of our contribution to the development of the best human rights standards in Iceland. We executed this mainly through encouragement and support of the active participation of our employees in all initiatives aimed at maintaining and enhancing knowledge in the field.

As with the previous year, our employees have undertaken active roles as adjunct professors, delivered guest lectures, at law schools and universities, namely Bifröst University, University of Iceland, Reykjavik University and the University of Akureyri. Our employees have also organized and participated in various seminars, both in Iceland and in international forums, where they discuss legislative developments in Iceland as well as human rights issues. Our employees delivered lectures at symposiums held in Catalonia Spain, Germany and New York on Constitutional and human rights developments in Iceland. Locally, members of our team have taken part in various symposiums, which includes delivering lectures on corporate social responsibility, multiculturalism and the church, the right of states to confiscate the property of undocumented immigrants, processing of asylum cases, held by the University of Iceland, the City of Hafnarfjörður, Orator- the Law Student's Association with the University of Iceland and the 2016 National Law Convention, respectively. Furthermore, our employees have authored various articles on human rights and have influenced the legislative process for legislation affecting human rights, by way of consultation with parliamentary representatives, submissions of observations to parliament on legislative bills, including, the new Act on Foreigners, which enters into force in January 2017.

During the year 2015, we observed an increase in the rejection of applications for legal aid from asylum seekers by the Legal Aid Committee. This made access to court practically impossible for those asylum seekers who sought to challenge a negative final decision at the judicial level. In spite of these challenges, Réttur - Aðalsteinsson

& Partners continued our work in defending the human rights of minorities and have carried out a number of litigations *pro bono* for immigrants and asylum seekers throughout the year.

Réttur - Aðalsteinsson & Partners remains committed to fully supporting our employees' voluntary contributions to the human rights initiatives of both governmental and non-governmental entities, such as the Red Cross's refugees and asylum seekers program, taking seat on the boards of UN Women in Iceland, the Women of Multicultural Ethnicity Network in Iceland, child's rights association and have a member of staff appointed to the Ministry of Welfare's, Welfare Watch.

Our employees continue to garner recognition for their valuable contributions to the development of human rights in Iceland and have been invited on various occasions by local medias to give their views from a legal standpoint where public discussions concern potential human rights violations.

Concerning our internal policies, we continue to offer all our employees an equitable and respectful working environment. We promote teamwork, health and wellness, welcome diversity among our employees and hold equality as well as the respect for family life at a high standard.

Réttur - Aðalsteinsson & Partners value our employees and ensure that their right to compulsory and non-compulsory benefits are respected, which includes, paid parental leave, paid leisure, paid scheduled family oriented leisure activities, year-end bonuses as well as annual appreciation items.

LABOUR STANDARDS

Principle 3	Businesses should uphold freedom of association & 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

Réttur - Aðalsteinsson & Partners fully respect and recognize the importance of freedom of association and are fully committed to continued compliance with all applicable laws and regulations in the field of labour.

It is our firm belief that our continued success and growth is attributed to our corporate culture, where emphasis is placed on the well-being and the development of our employees in all areas. Accordingly, we remain committed to ensuring a well-rounded and comfortable work environment for our team. Although employees are hired on an individual contractual basis, we nonetheless strive to ensure that wages and benefits meet or exceed legal requirements and or applicable collective agreements. Réttur - Aðalsteinsson & Partners furthermore endeavour to provide financial support to employees, to the extent possible, for participation in continued education programs and research initiatives.

Our team remains small but diverse and we ensure that equality is guaranteed with respect to recruitment, promotion and work conditions. At Réttur - Aðalsteinsson & Partners we foster inclusion and employees are guaranteed a work environment free of any form of discrimination on the basis of gender, race, gender identity, origin, background, religion, marital status, sexual orientation, disability or age. Our small workforce continues to create a unique opportunity for employees, who each has an opportunity to influence and structure the company's policy in terms of its sustainability efforts. Réttur - Aðalsteinsson & Partners permits flexible working hours as well as flex-work from home whenever feasible.

Réttur - Aðalsteinsson & Partners we continue to recognize that we cannot achieve our ambitions to create the best labour standards alone, and thus continue to encourage active communication with employees in respect of work conditions and or any other work related concerns. At Réttur - Aðalsteinsson & Partners, we regularly consult with employees on operational changes and or any internal decisions. We therefore welcome suggestions from our employees aimed at achieving this objective.

Réttur-Aðalsteinsson & Partners have a long-standing relationship with the law departments of Reykjavik University and University of Iceland, and have through agreements invited law students to work at our firm as paralegals. During the year 2015-2016, we invited a number of qualified law students to work at our firm, with the aim of providing them with valuable legal training and experience in our main practice areas.

Our aim for 2016-2017 is to continue to improve our corporate culture. We believe that, improving on our firm's best practices is vital for our firm's outstanding reputation and in turn our longevity.

ENVIRONMENT

Principle 7

Businesses should support a precautionary approach to environmental challenges

Recognizing that our outstanding reputation as respected officers of the court is conducive to our business practices, Réttur - Aðalsteinsson & Partners require strict compliance from employees, clients and potential clients.

In the event of a violation, Réttur - Aðalsteinsson & Partners is committed to taking all necessary and appropriate actions.