



ESER TAAHHÜT VE SANAYİ A.Ş.
ESER Contracting & Industry Co. Inc.

COMMUNICATION ON PROGRESS

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2011

Dear Mr. Secretary-General,

Eser has been a signatory of the UNGC for four years. This is our third COP letter. In that time, my personnel and I have been privileged to be part of the global compact principles which are now fully embedded within the culture of the organization.

We remain committed to the UNGC and plan to increase the momentum and take particular steps in this respect. This, for example, involves formalizing our “green building” program, documenting policies on ethical and compliance guide. We improve the awareness of our responsibility towards society and towards the environment. These aspects could not be separated from the integrated management of the company. Eser Contracting and Industry Co. Inc. improves its management systems and has become a company which is becoming increasingly efficient while improving its environmental and social behavior.

We have been working for constant improvement of working conditions environmental protection and in that direction we introduced such systems as ISO 9001-2000, ISO 14001-2004, and OHSAS 18001:2007 for health protection and operation safety.

I am pleased to confirm that Eser Contracting and Industry Co. Inc. continues to support the ten principles of the Global Compact in respect to human rights, labor rights, the protection of the environment and anti-corruption.

We are now at the stage of developing a new Sustainability Policy. By this way, we will be able to use this policy as an umbrella over company policy, reinforcing Eser to promote sustainability in its work with client and also recognizing its support of the global compact declaration on Human Rights and listing ten principles.

Over the past years, Eser Contracting and Industry Co. Inc. have grown rapidly and worked hard to embed the UN Global Compact principles in all our business activities and scope of influence. I am delighted that Eser Contracting and Industry Co. Inc. has been recognized as a leading company of a socially and environmentally responsible business in the area we have worked.

We started to operate into new markets such as Nigeria, Cameroon and Turkmenistan. We will bring these core principles with us into these markets, to our clients, partners and suppliers, as well as continuing to reinforce them within our way of business.

By this way I would like to thank to United Nations for this effort in making this world a better place for us and for the future generations.

Sincerely yours,

Can Adiloğlu
Vice Chairman

Company Details

Company name: Eser Contracting and Industry Co. Inc.

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Contact position: Vice Chairman

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Date: 20/10/2010

Membership date: 03/10/2007

No. of employees: 170

Sector: Construction & Property

Brief description of the company

Eser Contracting and Industry Co. Inc. is a leading multi-disciplinary construction company in Turkey. We provide quality solutions from our head quarters in Ankara. Our International Group incorporates strategic Partnerships in over 10 cities worldwide.

Our vision is to harmonize buildings with their surroundings, maximizing the natural resources available and to deliver a sustainable future for future generations.

Statement of support

Eser Contracting and Industry Co. Inc. is committed to ensuring that our business is conducted in accordance with rigorous ethical, professional and legal standards. We adhere to all applicable local laws and international regulations while working with our clients/partners. This report describes our continuing strong commitment to the UN Global Compact Principles.

Operational structure

Eser Contracting and Industry Co. Inc. have a clear organizational structure, a strict hierarchical line, a precise definition of individual objectives and a strict definition of individual responsibilities. The operational organizational line is that of a decentralized model, both geographically and functionally, through three areas of activity:

LINES OF ACTIVITY		
HYDRAULIC WORKS	URBAN SUBSTRUCTURE	BUILDING
Dams and Hydroelectric Power Plants	Water Supply and Drinking Water	Houses
Irrigation and Drainage Systems	Sewage System	Commercial Complexes
Derivation and Energy Tunnels	Refinement / Treatment Plants	Military, Medical and Education Facilities
Regulators	Natural Gas Systems	Tourism, Social and Cultural Facilities
Pump Stations	Solid Waste Depots	
TRANSPORTATION	Decontamination and Removal of the Dangerous Wastes	
Highways and Roads	INDUSTRY	
Railway and Subway Systems	Industrial Factories	
Bridge, Viaduct and Tunnels	Energy and Power Plants	
Marine Ports	Depots and Hangars	
Airports	Telecommunication Plants	
Pipe lines	Energy Lines	

Principle 1 and 2: Human rights

Business should support and respect the protection of international human rights within their sphere of influence

Business should make sure they are not complicit in human rights abuse

As mentioned in the Health and Safety Policy, Environmental Policy, Sustainability Policy, Quality Policy, we respect the Universal Declaration of Human Rights and seek to be guided by its provisions in the conduct of our business.

We are committed to meeting all of our staff's needs and helping them develop as well-rounded individuals. We do this by supporting training and skill enhancement, and actively building recognition, pride, a sense of achievement and fulfillment into our working practices.

Our systems

Most of the human rights issues are fully considered and respected at Eser. All the employees of the group are well treated, fairly apprised on an annual basis, and compensated financially and morally based on their achievements and work. Therefore they are motivated and more productive.

All safety measures are applied at the work places –offices and site areas- and health issues are also taken into consideration. All of the personnel has been trained about first aid issues.

And 3 personnel have comprehensive training about first aid. We have an appointed eye examination scheduled yearly.

Internally at Eser, abuses in human rights are not conducted, and no form of any complicity is done. No form of force is conducted with employees at all.

Relocations of employees between the different site offices of the group geographically are sometimes done whenever the employees are needed there due to their experience. In those cases, the employees are fairly rewarded by having a convenient place to live in and also financially rewarded.

Moreover the company does not undertake any employment discrimination when it comes to hiring employees and only employs the ones who are most qualified for the job. An internal process is taken first before looking outside the company when there is a job opening that always keeps the employees motivated.

Eser works with several elementary schools and even universities in the field of environmental awareness programs to energy efficiency educations.



Principle 3, 4, 5 and 6:

Business should uphold Freedom of association and the effective recognition of the right to collective bargaining

Business should eliminate all forms of forced and compulsory labor

Business should uphold the effective abolition of child labour

Business should eliminate discrimination in respect of employment and occupation

Our commitment

We enable those, who wish to participate in trade union activity, the freedom to join any trade union they wish.

We are an equal opportunities employer and embrace a diverse and multi-cultural workforce. Our aim is to ensure that no employee receives less favorable treatment on the grounds of sex, race, color, nationality, ethnic or national origins, marital status, having dependents, sexual orientation, age, disability, and trade union activity, political or religious belief.



Our systems

There is no formal association of employees in the group but all the employees are free to join any association, fund the works for the benefit of the employees and provide services and financial help to them when needed.

We have a direct communication line between Senior Management and employees through a quarterly news magazine which includes a section that receives employee's suggestions and complaints and directs them to the senior management to take necessary actions. All complaints and suggestions are not printed on the news magazine.

Eser does not hire anyone by force or keep any employee by force. Child labour is not used at all. The minimum age of young employees who are used on part time basis is 18 years, and those are usually trainees still at university who can perform small jobs to learn and earn some money.

All employees, even part-timers, have contracts and are insured - medically and socially. The hiring and firing policies of the group are based on the Turkish labour laws. Even when hiring employees for certain reasons, they are well compensated as per the law has indicated.

Child labour is not utilized at all within the Eser Group. As mentioned earlier, the minimum age is 18 years old. Also to avoid child labour, good compensation packages are offered to

employees that do not force their children to work. Equal opportunities are given to everyone when hiring for a new position or a vacant one. The only thing that counts is the qualifications and the competencies that are required by and for the job itself.

In Eser, there is a tendency to hire more males than females just because of the nature of the job as the group's main focus is on the construction. When it comes to the point of construction site, the job is more suitable for males as everywhere in the world. Even internally when a job becomes vacant, an internal announcement is made first trying to recruit from within, which motivates people. Equal opportunities are also given for training.

There is a system for hiring people, evaluating them, training them, and rewarding them on their achievements. The system applies to everyone ensuring that there are no discriminations at all. Promotions and good work are announced to show the employees how others advance and also to motivate them.

Principle 7, 8 and 9:

Business should support a precautionary approach to environmental challenges

Businesses should undertake initiatives to promote greater environmental responsibility.

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

Our commitment

In our commitment to a high level of social responsibility and in spite of the high costs of waste storage and disposal both in financial as well as in environmental and social terms, Eser nevertheless has taken some precautionary approaches we deem as necessary to protect the environment..

Eser Contracting and Industry Co. Inc. sustainability strategy employs the use of best practice environmental principles and confirms the company's intentions to go further than current mandatory requirements on environmental matters in design, product selection and procurement.

Building for the future means us making the most effective use of natural resources by designing low energy, low carbon and preferring sustainable materials. Our approach recognizes natural limits and seeks to add economic value at every stage.

In all aspects of design and delivery we aim for continuous improvement in resource efficiency and higher functional suitability (e.g. longer life, more flexibility). This results in higher operational efficiencies with lower environmental impact and low waste.

We are committed to playing our part in society by openly communicating what we do to share our knowledge and experience through professional bodies and with clients, end-users and other stakeholders. We pride ourselves on our ability to build effective partnerships. We have an open approach to communication where all parties can engage, listen, learn and contribute to constructive dialogues.

Our System

We strive to implement environmental friendly policies. In concordance with the necessity and importance of such policies, Eser works to adhere to international environmental standards. Our production policies preserve the environment and at the same time present the best possible quality to the market.

Eser has been granted several international quality awards such as the Platinum award from LEED(Leadership in Environmental and energy in Design). This is a unique award for the renowned international best practice for the green building sector. Also Eser Green Building has been rewarded by Turkish Clean Energy Association. In addition to all these, the company has been accredited with the ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

Eser has signed a contract with various waste collection and waste treatment services.

The contract defines modes and conditions by which collector company implements a system to collect, transport, and eliminate the waste produced by Eser. Steps by which the system is operated:

- A. Bin Replacement: on every floor we have placed 2 recyclable Waste bins
- B. Waste Removal: Collection company is responsible for the removal of waste using a specific truck.
- C. Waste Transport: After removal, waste is transported to a treatment location using transportation means that are adapted to the waste conditions.
- D. Waste Treatment: Dividing waste into recyclable and non-recyclable, this treatment and operation are started immediately on what is recyclable.

I. Waste treatment

Our waste treatment system consist of three 1000 lt recyclable containers, one 500 lt toners and printer cartridges container, one 500 lt electronic waste container, one 500 lt fluorescent tube container and one 100 lt waste battery container.

In our site activities we have separately collect some other dangerous substances and discharge as per requirements like:

Waste Oil
Waste Grease filters, truck replacement parts
Construction wastes
Waste of paints etc.



II. Preserving Sound and illumination Levels:

Another achievement of Eser in applying environmental friendly policies is our Sound levels that were measured as per the Governmental standards. Also every working place illumination level has been measured and records kept for the future reference.

III. Energy Saving Techniques:

Also Eser applies Energy saving Techniques such as:

- **Water Consumption Saving**
 1. Installing low consuming fixture
 2. Controlling the water consumption by installing flow meters.
 3. Preventive maintenance program to prevent water leakage
 4. Using waterless urinals
 5. Using Grey water re-cycling system
 6. Rain water collection system
- **Power Consumption Saving**
 1. Installing Ground source heat pump
 2. Using Tri generation system
 3. High degree isolation
 4. Triple glass windows

In recent years, it has become increasingly imperative for businesses to conduct their activities and operations in an environmentally responsible manner. Regulations and charters have been drawn to that end and international human and environmental organizations have been established to presume a role of supervision.

The company provides an excellent working environment for their workers with an onsite medical clinic, detailed health and safety procedures, cafeteria, and extensive training programs geared to maintaining the workers' focus on quality.

Due to the nature of our business and our strategy, all the construction vehicles normally transmit materials that could pollute the environment. Therefore, we have undertaken the initiative of collecting all nature polluted materials caused by the vehicles.

Principle 10: Anti-corruption

Business should work against corruption in all its forms including extortion and bribery

Our commitment

We at Eser Contracting and Industry Co. Inc. are committed to ensuring our business is conducted in accordance with rigorous ethical, professional and legal standards.

Our systems

Eser will maintain the highest standards of ethics and integrity in all our dealings. We will work hard to maintain honest and open relationships based on mutual trust. We will honor all our commitments internally and externally be they verbal or written.

Internally, Eser has set up an auditing system where all departments and expenditures are audited on an ad-hoc basis to ensure that all the budgets are spent properly according to company's policies.

Externally, Eser does not allow any sort of briberies and believe that transparency is the only way forward for a better economy.

Eser believes that the only way for the society to move forward, to empower people and to eradicate poverty over the long run is to completely eradicate illiteracy.

Educated people will have better jobs, will earn more money, and hence the whole economy will improve.

Eser also believes that the private sector and the civil society have to cooperate with the government in order to solve all the country's social issues and hence solve the economical problems. It is not only the government's responsibility to do that, rather it is a shared responsibility.

As we are members of the United Nations Global Compact initiative, which invites private businesses to adhere to four main principles related to: human rights, labor rights, environment standards and anti corruption, internally and externally. Some of those which we are working on are the elimination of illiteracy and eradicating poverty. We believe that we can do that by working on the education and helping to improve the quality of the lives of the less fortunate.

Some projects which we implemented and are still implementing in that sense are:

Awareness Campaign 2009- 2010

Eser has printed out a coloring book for the elementary school age students. We distribute those books with coloring pencils to the children ages between 6-10 in the suburban areas where we have site construction camps. Also we have given some training aids like projectors and notebook PC. By this way we would like to improve the awareness about environmental issues among young people, who will be the future of the country.



Environment Campaign

Eser's aim is to increase awareness of all citizens of the serious threat of pollution and how it affects our environment, health and society, and also to encourage the Turkish population to stand together and contribute in helping our country be better and cleaner for us and for our future generations to enjoy.

For that purpose we establish a "Green Park" Project. In this Project our main objective is to show sustainable energy production and environmental friendly energy systems. We place working samples of wind tribune, solar tree, hydropower plant and a Ground source heat pump. With the help of these systems we produce electricity and use for the lightening of the park. We heat an open air theater by using the heat obtained from the ground.



International and national symposium and conferences about green building

Eser has hosted one national and one international conference about green buildings. All concerned and related persons attended to these meetings. The main objectives for those meetings are to improve awareness of energy efficiency and consumption. Sustainability is the key word at the meetings.

