



COMMUNICATION ON PROGRESS 2012

NOVEMBER 23, 2012

Salih Omurtak Cad. No: 5 Kosuyolu Kadikoy Istanbul-TURKEY

TABLE OF CONTENTS

<i>Message of Managing Director</i>	<i>2</i>
<i>About NMT</i>	<i>3</i>
<i>NMT's Commitments</i>	<i>4</i>
<i>NMT's Vision and Mission</i>	<i>4</i>
<i>NMT's Values and Principles</i>	<i>5</i>
<i>Corporate Memberships</i>	<i>6</i>
<i>Corporate Social Responsibility Projects</i>	<i>7</i>
<i>NMT'S Actions for Global Compact Principles in 2012</i>	<i>9</i>
<i>1-Human Rights</i>	<i>10</i>
<i>2-Labor</i>	<i>12</i>
<i>3-Environment</i>	<i>15</i>
<i>4-Anti Corruption</i>	<i>17</i>
 <i>NMT's Plans for 2013</i>	 <i>19</i>

LIST OF TABLES

<i>Table 1.0.....</i>	<i>11</i>
<i>Table1.1.....</i>	<i>14</i>
<i>Table 1.2.....</i>	<i>16</i>
<i>Table 1.3.....</i>	<i>18</i>

MESSAGE OF MANAGING DIRECTOR

NMT celebrates its third year of participation to Global Compact initiative. Throughout the last two years we have made great effort to develop a culture of corporate responsibility among our stakeholders.

2012 had been a very tough year both for the businesses and for people all around the world. Political instability in the Middle East, natural disasters and global economic recession made the lives of people very difficult than previous decades. Against all these challenges, it has become very difficult to maintain business in traditional terms. We are now aware that the return of business practices on environment is becoming more dramatic than ever.

In 2012, despite we did not manage to complete all the projects we have started in 2011; we had achieved a considerable degree of progress. We are optimistic to fulfill our goals in 2013. Especially for ensuring NMT's compliance to international environmental and occupational safety norms are very important for us.

On behalf of NMT team I wish 2013 will be a more rewarding and peaceful year for the world and I proudly declare NMT's support and commitment to global compact principles will continuously increase in the upcoming year.

Didem Esen

*Managing Director-CMC
NMT Consultancy and Training Center*

ABOUT NMT

NMT Consultancy and Training Center had been founded in 1996 in order to maintain direct and tangible management solutions for small and medium sized enterprises in manufacturing industry. During this initial period, NMT's consultants have serviced over 100 companies and directly supported their clients' in developing their industrial capabilities.

In 1998, NMT Consultancy becomes the member of association of management consultants (YDD).

In 1998, on demand of its clients NMT Human Resources group had been established to support clients in their search and selection processes.

In 1999, NMT Training Center had been established so as to provide professional training programs on quality management.

In 2000, NMT had been added into the UNIDO database.

In 2001, NMT started its institutionalization projects for family owned businesses.

In 2002, NMT undertook the consultancy project of EU Business Centers in Turkey.

In 2004, NMT Training Group developed various new programs in strategic management, business continuity management and personal development.

In 2005, NMT divided its activities into two corporate bodies as NMT Consultancy and Training Center and NMT Human Resources.

In 2007, NMT adopted the vision of internationalization and thus NMT Human Resources signed the partnership contract with Feige Business Advisors GmbH.

In 2011, NMT celebrates its 15th anniversary.

NMT’S COMMITMENTS

- ⊕ Provide High Quality Services
- ⊕ Respect Confidentiality of Clients’ Information
- ⊕ Impartiality and Independence
- ⊕ Promote the Ultimate Interest of the Clients
- ⊕ Maintain Sustainability and Good Governance Practices
- ⊕ Maintain Measures Against Anti-Discrimination and Respect To Human Rights
- ⊕ Protect and Promote Environmental Friendly Solutions In All Operational Processes

NMT’S VISION

Become an internationally recognized institution that transforms the concept of “quality” into a way of life.

NMT’S MISSION

Continuously and apparently improve the value that we add to our clients’ organizations, to our employees, to the society and environment by means of our efficiency, honesty and dynamism.

NMT’S VALUES AND PRINCIPLES

Honesty

NMT embraces the principle of honesty and mutual trust in all dimensions of its operations. NMT believes that developing realistic and sincere solutions that would best fit to its clients’ corporate culture and industrial position is the utmost way of value creation.

Innovation

NMT Team is dedicated to develop original solutions instead of duplication. By developing tailor-made solutions we are trying to frame up the future.

The Value of “One”

NMT Team is aware of the fact that unless we hear the voice of an individual, we will not be able to hear the voice of the group.

Continuous Development

NMT Team’s major concentration is to keep on developing services and do our job better than yesterday. By promoting a culture of continuous development among the agents and organizations in our sphere of influence we believe to develop a culture of continuous quality.

CORPORATE MEMBERSHIPS

KALDER- Turkish Quality Association

NMT, as a company which contains the idea of quality in its founding principle, is the member of Kalder and joined various occasions concerning process and quality management



PERYON- Turkey Personnel Management Association

NMT becomes the member in 2010 and NMT Consultants participated to the national occupational standards project team for recruitment job group



YDD- Turkish Association of Management Consultants

NMT is the member of this organization since 1998 and Mrs. Didem Esen became Certified Management Consultant in 2009



CORPORATE SOCIAL RESPONSIBILITY PROJECTS IN 2012

In 2011, to celebrate its 15th anniversary, NMT sponsored Children's theatrical performance named "Çocuk İşte". Whole profit of this performance had been donated to Leukemic Children's Foundation (LÖSEV).



In 2012, NMT continued to provide support to LÖSEV on a different platform. On March 2012, NMT Management Consultant, Mrs. Angela Teresi gave a seminar on improving management skills to LÖSEV employees.



According to our vision of supporting SME's for business continuity issues, NMT' Managing Partner Mrs. Didem Esen will realize a general training and seminar on corporate risk management to the members of DOSABSiAD (Association of Demirtaş Organized Industrial Zone Industrialists and Businessmen) in Bursa



NMT’S ACTIONS FOR GLOBAL COMPACT PRINCIPLES IN 2012

In the first two years of our membership, we tried to improve NMT teams’ general level of awareness on global compact principles. Simultaneously we aim to internalize and adopt common values in our daily business operations and corporate principles.

Within NMT we have established issue-oriented work groups among the employees. These employees are acting as informative agents for their colleagues on the issues of environment and human rights. Throughout 2012 these groups kept on realizing regular meetings and this year we have observed a considerable increase in employees contributions to these meetings. By this way, a culture of democracy is also developing as well as mutual understanding of differences between people is also flourishing.

1-HUMAN RIGHTS

NMT supports and protects internationally proclaimed principles of human rights and works to eliminate actions or practices that might give way to human rights abuses from its business practices.

In the previous two years NMT focused on eliminating practices which might give way to human right abuses. For this, NMT Human Rights Awareness Group had been established with the participation of 3 consultants. This group has two roles. Firstly, they are responsible for raising employees' general level of awareness on human rights issues. Secondly, they would review all internal business processes of NMT.

As a result of their activities recruitment process had been reviewed and format of vacancy advertisements and application forms had been revised. Recruiters also trained about human rights issues. Human rights principles had been incorporated into human resources hand book of NMT. A brief presentation on "Human Rights and Business" had been added into the corporate orientation program.

At the beginning employees were quite reluctant about contributing to the meetings. However, we have observed that every year their contributions to these meetings are increasing slowly. Last year on the basis of our employees' demands we have celebrated human rights day. Against all global human rights abuses, we decided to celebrate it every year. By placing posters in our office places and on our website we manage to develop a considerable degree of awareness among our stakeholders.

Table 1.0

GLOBAL COMPACT PRINCIPLES	NMT'S COMMITMENT AND ACTIONS TAKEN	RESULTS
Businesses should support and respect the protection of internationally proclaimed human rights	*NMT Human Rights Awareness Group organized quarterly meetings *Continuous feedbacks on best practices are given in regular meetings	*Total degree of awareness on human rights issues developed among the NMT Team. *General level of awareness about the relationship between human rights and business life started to increase among our clients and suppliers.
Businesses make sure that they are not complicit in human rights abuses	* NMT will celebrate Human Rights Day on 10 December 2012 second time.	

2- LABOR

NMT declares its adherence to the principles of freedom of association and the effective recognition of the right to collective bargaining.

NMT is against all forms of compulsory labor and supports all civil initiatives for abolition of child labor.

We are eager to put forward all the necessary measures that would foster the application of ILO Declaration on Fundamental Principles and Rights at Work.

NMT is fully aware of its obligation in developing the standards of working life within its sphere of influence. Vast majority of NMT's employees are women. We believe that supporting women in business life is very crucial for developing countries. By encouraging women engagement into workforce, initial problems of welfare and social development would be resolved. That's why we are presenting our full support for this issue and we are trying to establish an employee friendly working place.

For this we are trying to maintain a working culture based on democracy and inclusion. As part of our efforts to maintain compliance to human rights framework of global compact, we are avoiding to create discriminative climate during the recruitment process. In order to preserve these principles, during the interviews questions about candidates' race, religion or socio-political views are not allowed to be asked. In addition to these, in vacancy advertisements only necessary competencies are being listed. Discriminative clauses referring to gender, age or physical condition of the candidates are not permitted.

In NMT, all activities are being carried out according to Turkish labor Law and NMT management fulfills all obligations arising from law. NMT is applying equal pay for equal job principle to all of its employees and providing maternity protection for the personnel who have children.

NMT is encouraging its personnel to stand against maltreatment and/or mobbing. Managers are obliged to take necessary actions within 2 days after they have received written or oral complaint of an employee. Of course we are aware of the fact that there are further measures to minimize these instances. We are devoting our sincere efforts to adopt these contemporary measures into our business practices to overcome this problem.

In terms of occupational health and safety applications; NMT guarantees to provide right tools and working conditions to all of its employees. In 2012 in order to certify our full commitment on occupational health and safety, we have started necessary preparations to get OHSAS18001 certification. We established our rules and procedures according to the international occupational health and safety standards. However we still need to work on legal requirements. We are expecting to complete these efforts in 2013.

Table 1.1

GLOBAL COMPACT PRINCIPLES	NMT'S COMMITMENT AND ACTIONS TAKEN	RESULTS
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<p>*NMT adhere to principle of association and right of collective bargaining</p> <p>*NMT is against all forms of compulsory labor</p> <p>*NMT is against child labor</p>	<p>*Employees enjoyed working within a safe and democratic environment that respect and promotes human dignity and individuality</p> <p>* NMT, established corporate rules and procedures according to the international health and safety standards</p> <p>*NMT will get OHSAS18001 certification in 2013.</p>
Elimination of all forms of forced and compulsory labor	<p>*Anti discriminatory clauses are being detached from vacancy ads and recruitment processes</p>	
Effective abolition of child labor	<p>*Encouraging women engagement to economic life</p>	
Eliminate discrimination in respect of employment and occupation	<p>*Promote Equal Pay For Equal Job</p> <p>*Corporate policy against mobbing is applied</p>	

3-ENVIRONMENT

NMT declares its adherence to the principles set on Agenda 21. We believe and support the idea that; policies and operations of business and industry can play a major role in reducing the impacts on the use of resources and the environment.

NMT, NMT supports all the corporate social responsibility activities which endorse fighting against soil erosion and promotes animals' rights initiatives. We work to promote greater environmental responsibility in our business practices and promoting green office applications internally. NMT is supporting projects that would maintain the use of environment friendly technologies.

During the last two years we have realized efficient projects to maintain our adherence to above mentioned principles. In 2010 NMT established a green office project team and managed to decrease %2 of electricity consumption and reduced our office wastes by 10%. In 2011, implementation of enterprise resource planning (ERP) program had been completed. We managed to transfer all documentation into electronic database and use of paper in our daily operations had been diminished by %76.

In 2012 we revised our procedures according to ISO14001:2004 Environmental Management System requirements. We are expecting to complete the certification in 2013.

Table 1.2

GLOBAL COMPACT PRINCIPLES	NMT'S COMMITMENT AND ACTIONS TAKEN	RESULTS
Business should support a precautionary approach to environmental challenges	*NMT staff had been trained on transformation to green office applications	*Use of paper in the daily operations had been diminished by %76.
Undertake initiatives to promote greater environmental responsibility	*Enterprise Resource Planning program had been implemented.	*NMT will get ISO14001:2004 Environmental Management System certification in 2013.
Encourage the development and diffusion of environmentally friendly technologies	*Whole corporate documentation had been transferred into electronic platform	*External stakeholders of NMT adopted a wider vision on environmental social responsibility

4- ANTI CORRUPTION

NMT is aware of the fact that corruption has played a major part in undermining the world's social, economic and environmental development which leads ultimately to the improper and unfair allocation of resources and prevents development of societies. NMT supports all the national and international efforts to fight against corruption and declares its full commitment to the anti-corruption principle of Global Compact.

NMT reaffirms that; fighting against corruption in our business operations is a prerequisite for good governance. By supporting development of good governance practices within our sphere of influence, we believe that fair business practices among our external and internal stakeholders would flourish.

NMT promotes the idea of transparency and tries to develop a democracy culture among its staff and within the organizations of its clients. Consultants who are working for the institutionalization of family businesses projects are obliged to inform their clients on the necessity of adopting anti-corruption principles into their corporate practices.

In addition to these, in 2012 new clauses against bribery had been added into the NMT's code of conduct. The rules and policies of gifts, celebrations and donations are being described strictly and shared with all employees.

Table 1.3

GLOBAL COMPACT PRINCIPLES	NMT'S COMMITMENT AND ACTIONS TAKEN	RESULTS
Business should work against corruption in all its forms including extortion and bribery	<p>*NMT supports all the national and international efforts to fight against corruption and declares its full commitment to the anti-corruption principle of Global Compact.</p> <p>*Consultants who are working for the institutionalization of family businesses projects are informing the clients on necessity of adopting anti-corruption principles into their corporate practices.</p> <p>*Corporate code of conduct revised to include clauses against bribery</p>	<p>*Corporate culture against anti-corruption had been developed</p>

NMT'S PLANS FOR 2013

In 2013, NMT will continue its support for the global compact principles and we are planning to develop our corporate policies and practices in compliance with these principles. Through applying the standards of ISO 14001:2004 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System we are expecting to achieve an advanced level of commitment to environmental protection and good working conditions.

2012 had been a year of severe natural disasters both globally and locally. Floods in Turkey damaged majority of cultivated areas and led to the death of many people. With sandy hurricane experience, we have witnessed how natural disasters could affect global business. These facts made us all think about sustainability and business continuity in the framework of environmental corporate responsibility.

Business continuity management became a key issue for all companies. Big companies have enough resources to establish efficient programs for managing business continuity. However SME's are lacking critical financial and technological resources; maintaining business continuity in these hard times is a very difficult task for them.

In Turkey SME's comprised a very important part of the economic life. We are considering them as a key for sustainable social and economic welfare in our country. For this reason, we have concentrated our efforts to support SME's in developing suitable business continuity models in 2013.