



2008/2009

Communication on Progress

Redefining "Business as Usual"

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When business and stakeholders unite to do the right thing—

“business as usual” takes on a whole new meaning.



From the President's Desk

Dear Fellow Stakeholders,

Since the start of the economic downturn in 2008, participants in the global marketplace have been challenged to reflect, learn and recover. In effect, the financial hardships of today are driving the creativity and deliberate actions society needs to drive change tomorrow. As corporations, we have a responsibility to do the right thing—not only for the traditional bottom-line—but for the well-being of our stakeholders, the environment and greater society. If we set our eyes on the right point of the horizon, we will find unique opportunities to learn from the past, and make “business as usual” better than ever before.

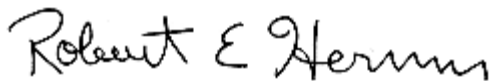
To take advantage of the opportunities before us, NAC chose to kick-start 2008 by signing the UN Global Compact. As a signatory to the Compact, we stand behind a commitment to promote corporate sustainability and socially-responsible practices in our business. This means promoting human rights, labor rights, the environment and anti-corruption as we meet our customers' needs and grow our company.

In 2008/2009, we began to look critically at our corporate practices, identify areas for improvement, and set targets for the future. This *2008/2009 NAC Communication on Progress* provides a snapshot overview of the path we are on to improve corporate operations for the benefit of our stakeholders.

In the pages that follow, we describe our commitment to provide a safe, nurturing environment for our employees. As a contributor to the global marketplace, we underscore our efforts to merge quality products and services with value by cutting costs, waste and our carbon footprint. We discuss the implications of our system-wide recycling program for water stewardship, paper savings, and climate protection. Finally, we demonstrate how our company, suppliers and customers are converging in a Global Community to eradicate poverty and to celebrate all that is beautiful in life.

As we move forward into 2010, we will continue to support the UN Global Compact, and use its ideals to guide our action. We will ask our stakeholders to engage with us, and to help us evolve our business to ever-higher standards of excellence.

Sincerely,



Rob Herman
President & COO



Report Overview

Scope

The *2008/2009 Communication on Progress* encompasses company performance, initiatives and statements for North American Communications (NAC), and its partner company, North American Mailing Services (NAMS).

The boundary of the report is limited to January 2008 through December 2009.

Company statistics are calculated per calendar year, and represent all U.S. and Mexico locations.

Unless otherwise noted, statistics referenced in this report represent combined averages of data sets from all NAC and NAMS facilities.

Company References & Statements

References to “NAC” within the scope of this report shall mean “NAC and its partner company, NAMS”. Unless otherwise stated, references to “NAC facilities, operations, systems and locations” shall mean “NAC and NAMS facilities, operations, systems and locations”. Use of the words “we” and “our” within the scope of this report shall mean of, belonging to, or on behalf of “NAC and its partner company, NAMS”.

Metrics

NAC is currently in the process of improving its systems for data collection and metrics analyses. Indicators describing corporate performance can be found on pp. viii-ix. To maximize the quality of company data in the future, NAC is exploring options for obtaining third-party assurance for upcoming reports.



NAC Company Snapshot

Since its founding in 1934, North American Communications, Inc. (NAC) has become the largest, bi-national direct mail manufacturer in the United States. With regionalized production locations in the U.S. and Mexico, NAC markets a diverse portfolio of direct mail products and services for customers across North America. From imaging and design to postal optimization and shipping, NAC direct mail packages have enabled companies to reach their clients and prospects—1.4 billion times.¹

¹ NAC produced more than 1.4 billion units of mail from 2008-2009

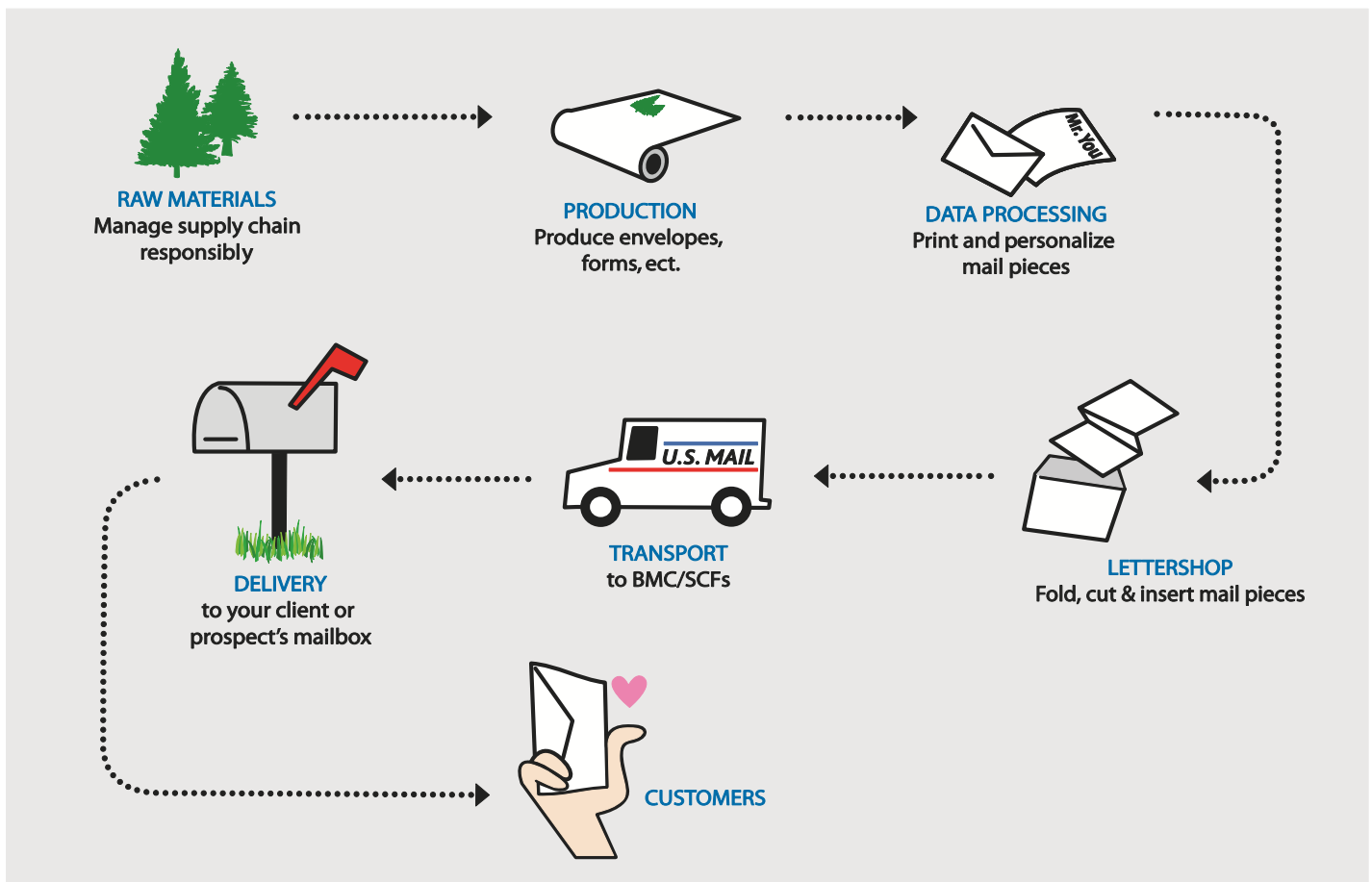


The Direct Mail Vision. Delivered.

1.4 billion pieces of mail
99.7% accuracy

Here's How it Happens...

NAC is committed to a direct mail vision that best serves its stakeholders and society. This means integrating key values into our direct mail production and distribution model: responsible supply-chain management, efficient and cost-effective mail production, and taking steps to protect the environment from start to finish.



2008/2009 Performance Highlights

PERFORMANCE	2008	2009
Total NAC and NAMS locations and facilities ¹	4	3
Average total workforce (non-hourly employees)	1,033	1,147

WORKPLACE

Human Rights & Well-being

Percentage of employees receiving training on human rights & Open-door Policy ²	93%	100%
Percentage of security personnel receiving training on upholding human rights while providing security ³	100%	100%
Percentage of senior management positions occupied by women	15%	26%
Percentage of senior management positions occupied by minorities	38%	50%
Percentage of total workforce comprised of women	38%	34%
Percentage of total workforce comprised of minorities	56%	55%

Safety & Health

Total number of formal health and safety training programs provided to employees ⁴	14	13
Percentage of employees receiving general health and safety training ³	100%	100%
Number of patient visits at on-site NAC health clinic	12,740	12,689

Professional Growth

Percentage of corporate locations employing KSA tool sets for career development in production departments ⁵	50%	100%
Percentage of employees receiving regular performance and development reviews	82%	67%

MARKETPLACE VALUE

Product & Service Quality

Total number of mail units produced	908,192,049	532,153,731
Percentage of mail units produced with no errors	99.8%	99.6%
Number of customer complaints warranting actions	64	70
Number of customer complaints due to loss of data or breach in privacy ⁶	0	0
Percentage of customer complaints warranting action that received action ⁶	100%	100%

Value Creation

Number of value-added services offering carbon reduction benefits	5	5
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PERFORMANCE	2008	2009
Sustainable Mail Products		
Percentage of corporate production facilities with FSC Chain-of-Custody Certification	100%	100%
Percentage of corporate production facilities with SFI Chain-of-Custody Certification	0%	100%
ENVIRONMENT		
Water Stewardship		
Reductions in water consumption due to company-wide efficiency initiatives (gallons)	22,925,347	28,225,212
Paper Savings		
Pounds of paper recycled	6,550,099	8,090,122
Number of trees saved due to company-wide efficiency initiatives	55,676	68,766
Climate Protection		
Reductions in landfill space use due to company-wide efficiency initiatives (cubic yards)	9,825	12,282
Reductions in air pollutant emissions due to company-wide efficiency initiatives (pounds)	1,992,454	2,374,452
Reductions in energy consumption due to company-wide efficiency initiatives (KWH)	13,643,211	176,968,725
SUPPLY CHAIN ENGAGEMENT		
Number of supplier-practice assessment surveys conducted	1	0
Percentage of suppliers engaged through supplier-practice assessment surveys	100%	N/A
GLOBAL COMMUNITY		
Total value of salaries distributed	\$18.2 MM	\$12.2 MM
Total charitable contributions for social development	\$200,000	\$77,000
Percentage of charitable contributions by category		
Economic Development	54%	79%
Health & Social Services	26%	12%
Education	12%	7%
Culture & the Arts	8%	2%

¹ Inclusive of all NAC and NAMS locations in the U.S. and Mexico.

² Human rights initiatives are company-wide, but quantitative information represents U.S. facilities only.

³ Statistics are available for U.S. facilities only.

⁴ Health and safety initiatives are company-wide, but quantitative information represents U.S. facilities only.

⁵ Refers to the adaptation of the NAC KSA model for company locations in Mexico.

⁶ "Complaints" are defined as subjective complaints pertaining to issues such as color match.

Future Goals



Workplace

- Re-release the NAC *Statement on Human Rights* and improve human rights training protocols for security personnel
- Improve and expand corporate employee assessment, development and evaluation programs
- Identify and implement location-appropriate employee incentive strategies

Marketplace

- Integrate customer satisfaction survey and client-job performance evaluations into the NAC QMS –CS
- Identify and implement methods to calculate environmental and financial benefits of value-added services

Environment

- Revise the NAC *Environmental Policy* to incorporate internationally-supported environmental initiatives.

Supply-Chain Engagement

- Publish corporate *Supplier Guiding Principles*, and disseminate to stakeholders along the supply chain for voluntary endorsement.

Global Community

- Designate a formal budget for investment in Global Community projects.



Report Breakdown

Workplace

Marketplace

Environment

Supply Chain

Global Community

Human Rights



NAC endorses the *Universal Declaration of Human Rights* and its principals of fair treatment, equality and well-being for all.

As signatories to the *Universal Declaration of Human Rights*, we are committed to promoting human rights at work through our policies and every-day practices.

The *NAC Associate Handbook* reflects our commitment to equal employment opportunity, fair benefits and salaries, the elimination of forced and child labor, and freedom from all forms of harassment, discrimination and violence in the workplace.

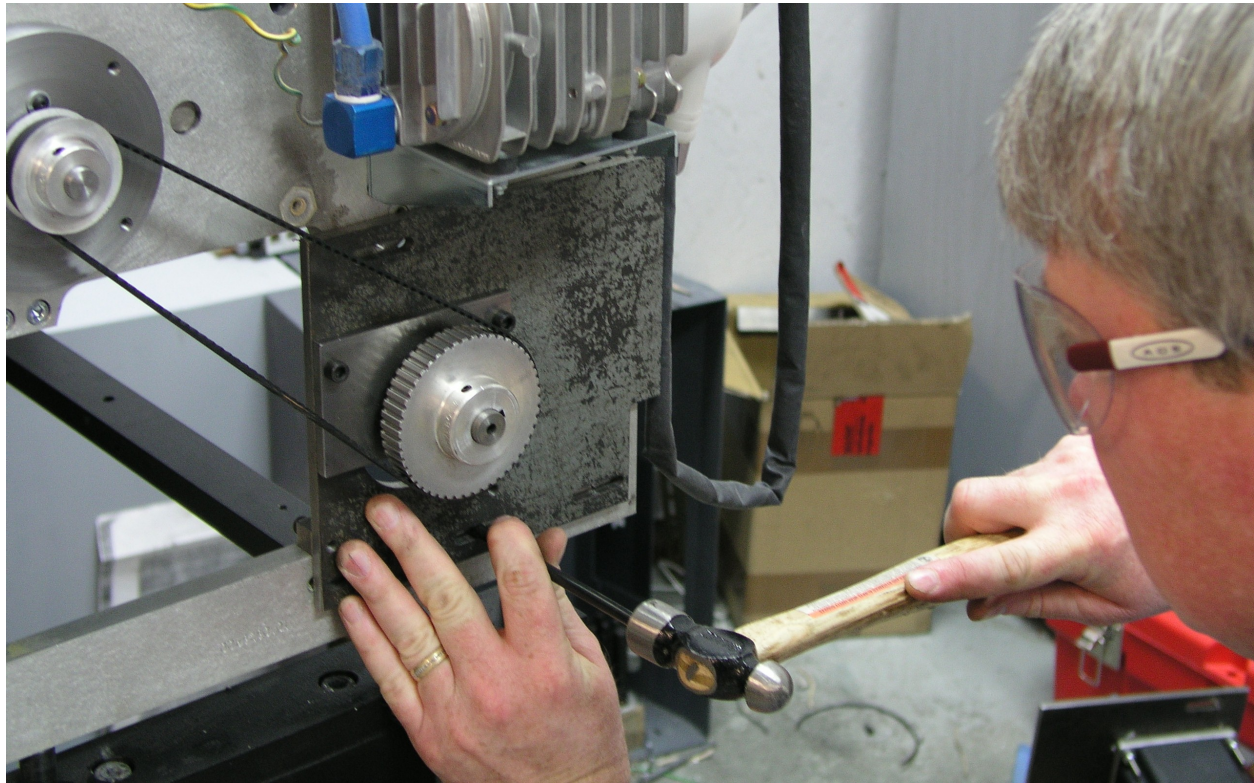
Upon hire, NAC employees complete the New Hire Orientation Program to learn about human rights at work, and to understand their obligation to uphold and promote these rights through their actions.

Our Human Resources Department oversees annual human rights training for all Senior Management and associates. In 2008/2009, employee training programs encompassed: unlawful harassment, zero-tolerance for violence, and government wage regulations.

NAC maintains an Open-Door Policy to encourage employees to report human rights concerns without fear of reprisal or retaliatory action. Reports can be filed with our administrative offices in Mexico and the U.S., and are duly investigated and addressed in accordance with *NAC Complaint Management Procedures*.

Our human rights efforts to date have been greatly inspired by our participation in the UN Global Compact event “*Human Rights and Business*”, hosted by Harvard University in 2008. As we move into 2010, we will continue to draw upon this inspiration to create the best work environment possible for our employees.

Safety & Health



We are committed to providing a workplace environment that makes our employees feel safe and secure, and which promotes the health of the family unit.

Safety At Work

NAC adheres to OSHA Safety Guidelines and all international government regulations for providing a safe work environment. Our Safety and Security Departments work with employee Safety Committees to monitor and enhance facility-wide safety and security measures. Workplace safety is reinforced through regular inspections, general safety trainings, and the implementation of physical security strategies.

Throughout 2008/2009, our safety training programs included Safety Committee Leadership, General Health & Safety, Forklift Certification for forklift operators, and General Security.

Family Health

NAC offers comprehensive family medical benefits to hourly and full-time U.S. employees, and staffs an on-site health clinic for employees working in Mexico.

Our health clinic in Mexico provides primary healthcare, maternal and child health services, and a variety of health education programs for employees and their families. Many of the services we offer are available at no cost to employees and family members.

In 2008/2009, our health clinic in Mexico serviced more than 25,000 patients, participated in a mobile clinic to promote maternal health check-ups, and launched the *Cribs for Kids* program in an effort to prevent Sudden Infant Death Syndrome (SIDS). Through *Cribs for Kids*, we have provided safe-sleep education for more than 2,500 employees, and distributed more than 70 cribs to parents in need.

Professional Growth



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"We want our employees to feel valued, excel professionally, and effect positive change throughout our company." —Tera Herman, VP

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At NAC, we endeavor to provide our employees with the skills, feedback and opportunities they need to achieve their professional goals.

We employ a *Knowledge Skills & Abilities (KSA)* training and evaluation program to promote skill mastery, a clear path for job promotion and increased salary opportunities for skilled production positions. The NAC KSA model is used throughout our U.S. locations, and was adapted in 2009 for implementation in our facilities in Mexico.

Each of our employees is entitled to an annual review. Through annual reviews, department managers meet with employees to review job performance, set professional goals, and map a

plan of action to help individuals realize their fullest potential.

To stimulate dialogue between employees and NAC President, Rob Herman, we launched *R.Bucks*, a company breakfast program. *R.Bucks* breakfasts are held weekly at our U.S. production facility, and give employees an opportunity to express their thoughts, concerns and innovations directly with our company leadership.

In 2010, we plan to improve and expand the professional growth initiatives we offer to our employees. Our plans include a Management Training Program to create a gateway from production positions into mid-level management departments, strengthening our professional development and review procedures, and offering a variety of professional and personal development training programs.

Product & Service Quality



It is our goal and responsibility to provide our customers with exceptional-quality products and services.

We employ a proprietary *Quality Management System (QMS)* to assure quality at each level of mail production, distribution and customer service. Our *QMS* is streamlined throughout our processes and technology, and guides our daily actions.

The NAC *QMS for Production & Distribution (QMS-PD)* embodies stringent quality standards and ISO guidelines to ensure the direct mail we produce is accurate, and distributed on-time. *QMS-PD* entails rigorous inspection points throughout mail production and postal optimization, metrics-based evaluations for product quality and accuracy, and full integration with NAC *Information Security Policy* to protect client data.

Throughout 2008/2009, NAC mail-accuracy rates exceeded 99%. In 2009, we invested in new technology and processes to enhance our quality ratings further.

To ensure we respond to client needs with accuracy, efficiency and consistency, NAC uses its *QMS for Customer Service (QMS-CS)* to coordinate customer service protocols. Through *QMS-CS*, we address customer concerns within a closed-loop process of issue identification, investigation, resolution implementation, reporting and results validation.

NAC consistently receives awards from clients for outstanding performance in Lettershop, Bindery and Customer Service.

In 2010, we plan to integrate a new series of client satisfaction surveys into our *QMS-CS* model, and drive improvement across our operations.

Green Value



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We add “green value” to products and services by merging efficiency and cost-savings with environmental benefits.

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In 2009, NAC launched a consumer-education campaign to encourage the use of our value-added services—and simultaneously decrease our carbon footprint.

Just-in-Time Manufacturing (JITM)

Our Just-in-Time Manufacturing (JITM) cuts waste, cost and time in our mail production processes. Through JITM, client orders can be produced 100% in-house, production processes for individual orders can be initiated simultaneously, and our 30% reserve of open production capacity provides maximum flexibility as client needs change. With JITM, we can postpone production to the last minute, tailor mail production to the precise count required, and achieve zero inventory. Zero inventory eliminates storage costs for mail produced in advance, minimizes waste-scraping costs, and reduces overall paper consumption.

InConcert

In 2008, NAC released *InConcert*, a web-based application that enables our customers to manage their direct mail campaigns quickly and efficiently. With *InConcert*, NAC customers can proof mail projects on-line rather than via next-day shipping, reduce proof times by as much as 3 days, and eliminate related shipping costs and fuel emissions.

Additional *InConcert* functionality allows clients to upload files for mail projects to a central repository, track project milestones, and generate project status reports and metrics analyses.

Regionalization & Faster In-Home Delivery

In 2009, *InConcert* was enhanced with the In-Bound/ Out-Bound mileage tracking feature to promote our regionalized mail production model. In-Bound/ Out-Bound tracking allows customers to change the production location of their mail project to the NAC plant closest to the ultimate mailing destination. Regionalized mail production reduces freight costs, shipping time and the carbon footprint of each mail project.

Sustainable Mail Products



Responsible forest stewardship is essential to the sustainability of the environment and our business.

The world's forests are precious, and are essential to the health of our environment. Unchecked, deforestation can cause habitat destruction, loss of biodiversity, water pollution, the displacement of indigenous people and violence against indigenous people occupying land with logging value.

Trees are the primary element of each paper mail product we manufacture. It is our duty to practice responsible forest stewardship in order to sustain our business, protect the environment and promote the healthy development of society.

NAC promotes responsible forest stewardship through Chain-of-Custody (CoC) certification and system-integrated paper recycling programs.

In 2008, NAC attained CoC certification from the Forest Stewardship Council (FSC), and secured further certification from the Sustainable Forestry Initiative (SFI) in 2009. Through FSC and SFI certification, we can offer our customers paper mail products derived from trees that have been harvested and sourced responsibly.

Our system-integrated recycling programs play a critical role in our forest stewardship efforts. In 2009, we expanded our recycling programs to encompass all production facilities in the US and Mexico. From January to December, we recycled more than 8 million pounds of paper—or the equivalent of more than 68,000 trees.

Water Stewardship



Water is precious and scarce. In response, we are taking action to promote the sustainability of critical water supplies.

As an international company, we are acutely aware of the scarcity of clean water supplies in many regions of the world.

Without fresh, clean water, the environment deteriorates, communities suffer and business cannot thrive. Simply put, it is essential to the well-being of our society to make good water stewardship a priority.

NAC is taking action to improve water management practices, and promote the sustainability of critical water supplies. As a manufacturer of paper-based direct mail products, we yield the greatest water

savings through our system-integrated recycling programs. In 2008, paper recycling programs at our U.S. facilities yielded more than 22.9 million gallons in water savings. In 2009, we expanded these programs to our facilities in Mexico, yielding a total savings of more than 28 million gallons of water—or a savings increase of 23%.

As part of our Water-Reuse Program in Mexico, we installed water condensation collection systems in our package units. In 2009, these systems collected more than 25,000 gallons of water during the hottest season of the year, when water is most scarce. This water was then recycled and reused to water the vegetation surrounding our 230,000 sq. ft. production facility.

Climate Protection



Climate protection is a critical element of NAC's *Environmental Policy*, and remains steadfast at the forefront of our social consciousness.

Under the guidance of our *Environmental Policy*, we committed to reducing energy use, air pollutant emissions and solid waste outputs throughout our operations.

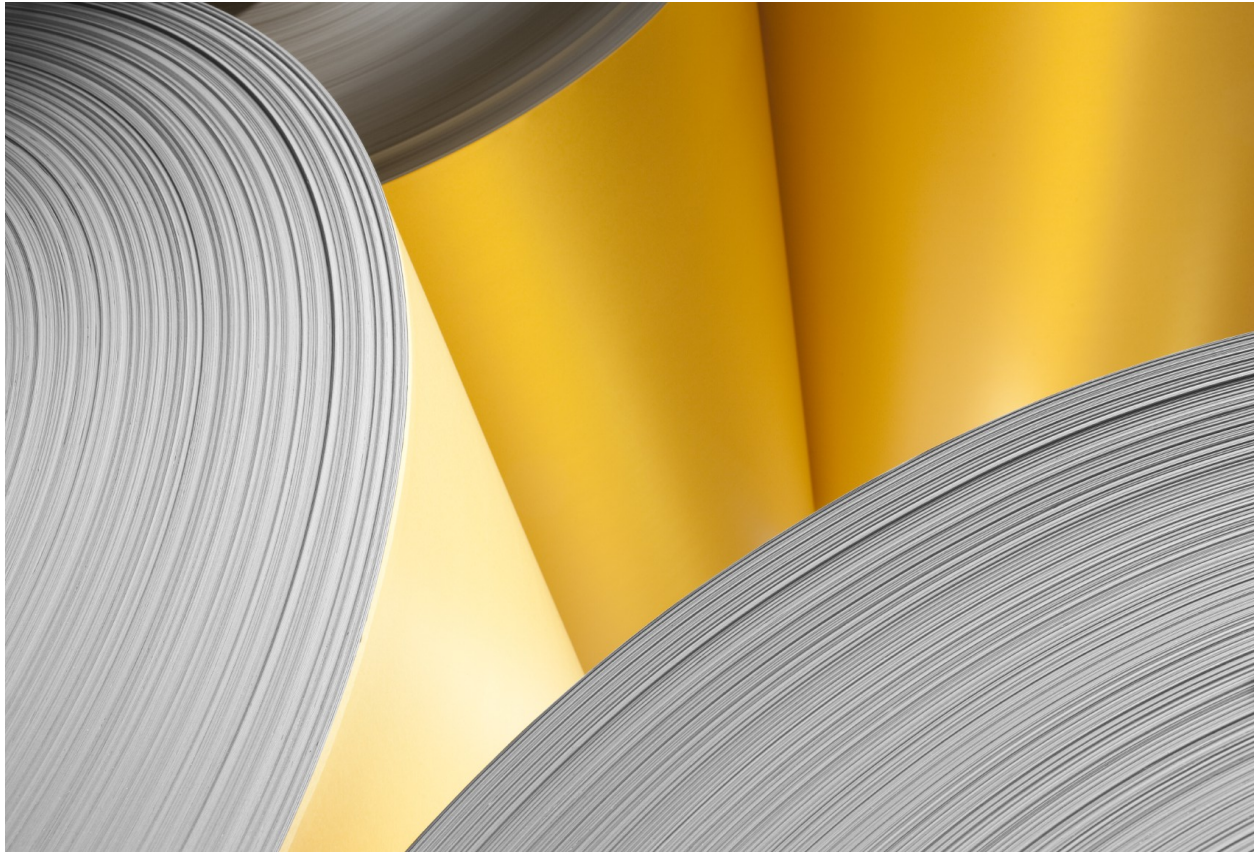
To reduce our direct energy use, we installed 155 skylights throughout the Printing and Converting Departments of our facilities in Mexico, reducing energy consumption by more than 360,000 KWH per year. Lighting in plant production areas has been replaced with fluorescent lighting, resulting in electricity savings of 45% for all lighting in targeted areas.

In 2008 and 2009, we invested in thin-client technology to reduce energy consumption in our U.S. production facilities. With this technology, we can realize 177,00 KWH in electrical energy savings each year.

We have achieved significant indirect savings in energy, air pollutant and solid waste outputs through our system-integrated paper recycling program. In 2009, NAC expanded this program from our U.S. facilities to all Mexico facilities. Indirect savings achieved in 2009 include:

- 176 million KWH of electricity
- 19.43 gallons of oil
- 2.3 million lbs. of air pollutants
- 12,282 cubic yards of landfill space

Supply Chain Engagement



We see a unique opportunity to engage vendors along our supply chain, and create a better world.

To engender positive social change through our business, we must work with our stakeholders from start to finish.

In 2008, we asked our suppliers to share their Corporate Social Responsibility (CSR) policies, practices and values, and take a first step toward creating a greater society. Of respondents to our *2008 Supplier CSR Survey*, none reported having formal CSR policies and practices—although all expressed interest to develop them.

In response to our suppliers' desire to pursue a higher-level of social responsibility, we are mapping out a plan to engage our vendors, and

manage our supply chain more responsibly.

In 2008 and 2009, we attained Chain-of-Custody (CoC) certification from the FSC and SFI, respectively. Through CoC programs, NAC can source and create paper products derived from trees that have been managed and harvested in a responsible manner.

In 2010, we plan to release our *Supplier Guiding Principles* (SGP). Through our SGP, we will ask our vendors to sign a voluntary commitment to uphold the core principles of our *Statement on Human Rights* and *Environmental Policy*.

In the future, we hope to expand our SGP to include opportunities for auditing vendor practices and helping them evolve toward their social goals.

Global Community



Partners for Change

Through the collective power of our corporation, suppliers and customers, NAC has created a Global Community to effect positive social change.

Working in partnership with charitable and non-profit organizations, we invest our time, energy and resources in efforts aligned with the UN Millennium Development Goals to eradicate poverty—and in celebration of our global heritage:

The presence of our Global Community can be felt in the communities in which we work—and in countries around the world...



UNITED STATES

El Paso Museum of Art/Museum de Arte Ciudad Juarez

The El Paso Museum of Art and Museum de Arte Ciudad Juarez are the joint-hosts of the Bi-National Art Exhibition, a special event to showcase the work of regional artists along the border communities of Arizona, New Mexico and Chihuahua. The exhibition uses the power of art to unite communities, transcend politics and history, and celebrate diverse cultural heritages.

NAC was a co-sponsor of the exhibition catalogue, and hosted its annual sales meeting at the El Paso Museum of Art in an effort to support the museum and its noble efforts.



Cribs for Kids

Cribs for Kids helps new parents prevent Sudden Infant Death Syndrome (SIDS) through safe-sleep education and by providing safe-sleep environments. Through a partnership with Blair Respiratory Disease Society, NAC launched the first *Cribs for Kids* program in Juarez, Mexico.

To date, *Cribs for Kids Juarez* has educated more than 2,500 parents about SIDS prevention, and has provided more than 70 cribs to families in need.

MEXICO



AFRICA

BeadforLife

Bead For Life (BFL) empowers women in Uganda to lift themselves out of poverty. Through BFL, women learn to create beautiful, beaded jewelry out of recycled paper, sell their beads through the BFL network, and transform profits into food, healthcare, a home of their own, and education for their children. As women move through the BFL program, they receive entrepreneurial training, small business loans, and market linkages to diversify and sell their products independently. To date, BLF has impacted more than 4,000 people in Ugandan communities.

NAC supports BFL through fundraising, business mentorship and by donating printing services for BFL brochures and other marketing materials.

Not on Our Watch, ENOUGH Project

Genocide in Darfur has taken the lives of more than 450,000 people, and left another 2.5 million displaced. Award-winning actor, Don Cheadle, and human rights activist, John Prendergast, published the book *"Not on Our Watch"* to bring attention to these atrocities and stimulate an international response.

To help them achieve their goal, NAC warehoused and distributed more than 8,000 copies of *Not on Our Watch* to schools and events throughout the United Kingdom.





MAHENDI

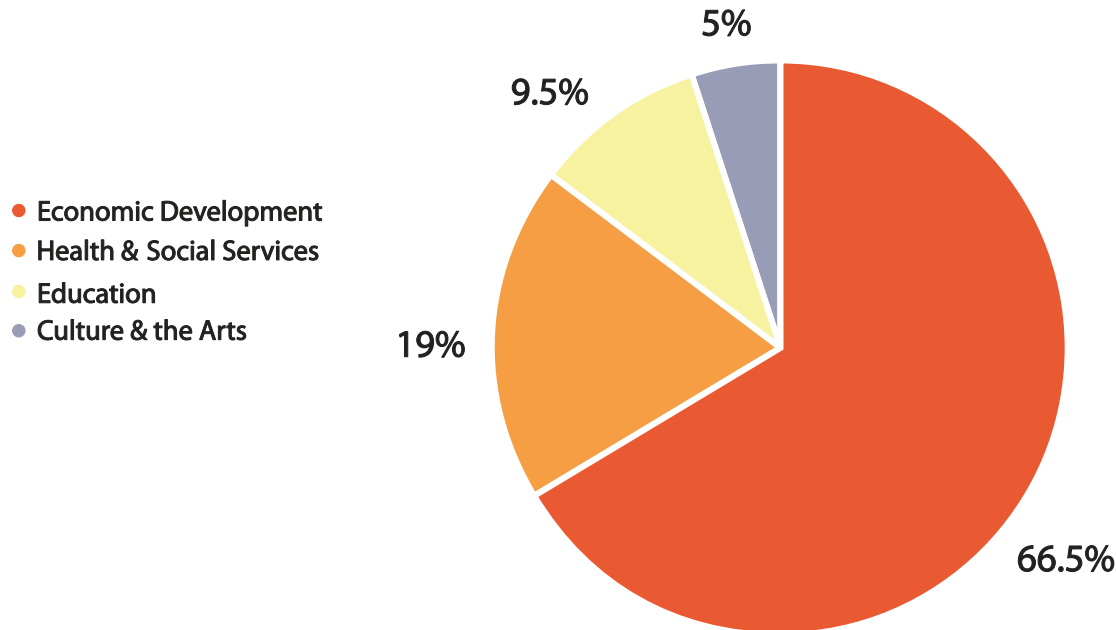
MAHENDI is a non-profit organization dedicated to improving maternal health in Nepal. Working in partnership with Nepali health offices, MAHENDI helps local health workers and community leaders to make life-saving maternal health services accessible, safe and financially-sustainable. Key programs include: training in healthcare administration, clinical skills development for nurses and midwives, safe motherhood education, and corrective surgeries for women with reproductive disabilities.

NAC supports MAHENDI through financial contributions, printing services and marketing support.

SOUTHEAST ASIA

Global Community Impact

2008/2009 Giving



Partners For Change

The NAC Global Community includes many partners for change—partners we are proud to support in their efforts to create a better world:

2009 AIDS Walk Delaware
 ABCD Corp
 Agudath Achim Synagogue
 American Cancer Society
 American Heart Association
 Armed Forces Activities
 Arthritis Foundation Central
 ASPCA
 Ballet Florida
 BeadForLife
 Bedford Fire Department
 Bedford Free Library
 Bedford Historical Society
 Best 50 Women In Business
 Scholarship Fund
 Big Brothers Big Sisters
 Bike & Build
 Bishop Guilfoyle Athletes
 Blair Concert Chorale
 Blair County Chamber of
 Commerce
 Blair County Crimesolvers
 Blair County Respiratory Disease

Celebrate Diversity!
 Duncansville Volunteer Fire Dept
 Easter Seals
 Equine Advocates
 Family Resources – One Kind
 Word
 Food For Families Soup Kitchen
 Food For the Needy
 Frances Parker School
 Fraternal Order of Police
 Geeseytown Volunteer Fire Dept.
 Gloria Gates Foundation
 Greater Altoona Career &
 Development Center Scholarship
 Holiday Splendor – Altoona
 Hospital Foundation
 Jewish Memorial Center
 Johnstown Symphony Orchestra
 Juarez Soccer Teams
 Life Project for Africa
 Mahendi
 Makua – Voices for Children
 March of Dimes

Miami rescue Mission
 Millbrook School
 Nason Hospital
 National Multiple Sclerosis
 Northern Westchester Hospital
 Operation Our Town
 Penn State Scholarship
 Presbyterian Home Foundation
 San Diego Armed Services YMCA
 Save Darfur Central PA
 Shared Interest
 Simon Wiesenthal Center
 Southern Alleghenies Museum of
 Art
 The El Paso Museum of Art
 The Manny Drago Cancer Fund
 The Oral Cancer Foundation
 Toys for Tots
 Westchester Land Trust
 Westmoreland Sanctuary
 World Wildlife Fund
 United Way

NAC Commitments

UN Global Compact

As a signatory to the UN Global Compact since April 2008, NAC has made a voluntary commitment to align its corporate practices with values of sustainability and social responsibility. To uphold our commitment to the UN Global Compact, we strive to promote human rights, labor rights, environmental stewardship and anti-corruption through our actions and strategic planning.

Universal Declaration of Human Rights

NAC supports the UN General Assembly *Universal Declaration of Human Rights*. We believe in the inalienable rights of all people to enjoy freedom, dignity, equality, justice and peace, and are committed to upholding these rights through our corporate operations and practices.

Equal Opportunity

NAC endorses equal opportunity for employment and promotion in the workplace, without distinction of race, religion, sex, or disability status. Our commitment as Equal Opportunity Employers is documented in the *NAC Associate Handbook*.

Business Memberships & Associations



Direct Marketing Association of Washington



Corporate Overview

Corporate Structure & Governance

NAC is a privately-owned U.S. company operating in North America. The NAC Board of Directors is comprised of current and former senior-level executives. The Board of Directors provides the overall vision and guidance of the company, and promote its strategic growth.

Code of Ethics & Anti-Corruption

NAC operates under a Code of Ethics which promotes honesty, integrity and ethical practices throughout every level of corporate operations, and through all interactions with stakeholders. In 2006, NAC became certified by the Customs—Trade Partnership Against Terrorism (C-TPAT) to promote anti-corruption and transparency in all cross-border operations in the U.S. and Mexico.

Compliance

NAC and NAMS are committed to upholding compliance with all government-mandated regulations, and adhere to many voluntary codes promoting ethical business practices. In 2008 and 2009, NAC and NAMS had zero (0) instances of sanctions, fines and legal actions for non-compliance with environment regulations, product-use regulations, product health and safety codes or anti-competitive behavior.

Political Contributions & Government Assistance

NAC made no political contributions in 2008 or 2009. NAC received 2.5 million USD in PEDFA funds in 2008 from the Pennsylvania Department of Community and Economic Development. PEDFA is an economic development bond pool which functions to provide low-interest loans to manufacturing businesses in the state of Pennsylvania.

Company Headquarters

North American Communications
Corporate Headquarters
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Armonk, NY 10504

Other Corporate Locations

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(814) 696-3553

North American Communications—Texas
9660 Joe Rodriguez Drive, Suite 1-2
El Paso, TX 79927

Contact

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Disclaimer

"This report is correct to the best of our knowledge, information and belief. The data contained herein is for informational purposes only, not represented to be error-free, and subject to change."

GRI Reporting Index

Global Reporting Initiative (GRI)

The index below outlines NAC reporting against the GRI G3 Guidelines, and indicates where GRI information can be found within the content of this *2008/2009 Communication on Progress*.

Sector/Indicator	page #	Sector/Indicator	page #	Sector/Indicator	page #
Strategy & Analysis		Governance, Commitment & Engagement		EN28	17
1.1	vi	4.1	17	Labor Practices	
Organizational Profile		4.12	16	LA3	2
2.1	v	4.13	16	LA11	viii,3
2.2	vi	Economic Management		LA12	viii,3
2.3	17	EC2	6	Human Rights	
2.4	17	EC3	3	HR8	viii
2.5	v,17	EC4	17	Social Disclosure	
2.6	17	EC8	2	SO6	17
2.7	vi	Environmental Management		SO7	17
2.8	viii	EN5	ix,8	Public Relations	
Reporting Parameters		EN6	5,ix	PR2	17
3.1	v	EN7	ix,8	PR5	4
3.6	v	EN18	ix,8	PR8	viii,4
3.12	18	EN26	ix,5-7	PR9	17
3.13	v				

UN Global Compact Principles

This *2008/2009 Communications on Progress* reports on the 10 universally-accepted Principles embodied by the UN Global Compact in the areas of human rights, labor rights, the environment and anti-corruption. Below is an index indicating our reporting against the 10 Principles, and their location within this report.

Principle	page
Principle 1—Protection of Human Rights	viii,ix,4,8,17
Principle 2—Complicity in Human Rights Abuses	viii,1-2
Principle 3—Freedom of Association and Collective Bargaining	1
Principle 4—Forced and Compulsory Labor	1
Principle 5—Child Labor	1
Principle 6—Discrimination	1
Principle 7—Precautionary Approach	ix,5-8
Principle 8—Environmental Responsibility	ix,5-8,17
Principle 9—Environmentally Friendly Technologies	ix,5-8,17
Principle 10—Anti-Corruption	17



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