

Bersay Communications Group UN Global

Compact Communication on Progress (COP)

Report

03 March 2015

Chairwomanøs Remarks

As one of the leading players of the public relations industry in Turkey, Bersay has been among the pioneers in adopting the international professional standards and has continuously taken steps towards bringing the industry to higher levels.

Bersay opted for a new organizational structure which would ensure further and deeper specialization by training the employees based on industries and functions. Each individual is offered a career plan tailormade in line with his/her traits, specialization programs and mentorship support is provided. In office specialization programs are reinforced with seminars, conferences and workshops whereby individuals gain practice.

This really is a hard mission when the business world gets more and more communication-educated and new tools like social networks are constantly changing the game. Primary component of our service is our workforce, which we at Bersay call as Human Assets as a substitute for Human Resources. In an effort to help them broaden their horizons, we focused on providing our employees with a wide range of training programs.



Since signing the UN Global Compact protocol in 2007, we are proud to be recording a continuous progress towards the principles and we are well aware that this is a never- ending journey. It is our pleasure to present the sixth Communication on Progress Report that represents our commitment to the Global Compact principles on behalf of all Bersay Communications Group employees.

Ar,n Saydam President

About Bersay Communications Group

Having its roots from <u>Bersay Communications Consultancy</u> established in 1990, <u>Bersay Communications Group</u> offers basic (i.e. public relations services) communication consultancy as well as other forms of communications services to the clients like digital, social media, marketing and leadership communication consultancy, event management, publishing & design, corporate social responsibility project development, marketing and social research design and implementation. These services are provided either by Bersay or through a network of best-inclass strategic partners supervised by Bersay based on integrated solutions approach; in line with the practices of similar network agencies around the globe.

Bersay Communications Group is an exclusive affiliate of <u>Ketchum</u>, one of the leading global communications consultancy networks.

Progress in 2014

A. Core Business

Like many other countries, communications environment in Turkey is room to a range of agencies from big scale institutionalized corporations to freelancers with media background. As the industry standards cannot be settled within this range, the establishment of a regulated public relations industry gets more and more complicated every year.

The agencies are struggling to keep the talented workforce, which is the primary element for value-added consultancy services. Agency teams are facing the challenge of getting behind the knowledge level of the client teams, especially in terms of sector expertise, where client teams enjoy the luxury of focusing only on limited areas and feeding on better information sources. On the other hand, agency teams continue living the same dilemma: Media coverage is never enough to achieve the communication goals but it still is the sine qua non of public relations.

The era of agency professionals trained as generalists having average knowledge and expertise on every communications discipline and sector is now over. With this understanding, we started building our new organisation model on creating specialists in priority disciplines and industries that offer the highest potentials in the upcoming years for getting consultancy services. To ensure sustainable service quality, to foster customer satisfaction and to monitor customer feedback, scorecard system, inclusive of the key performance indicators was put in commission. The change management program was scrutinized in department specific pieces. The stakeholders and human assets were informed thoroughly before commissioning. Operational procedures were redefined. Reporting schemes and customer satisfaction surveys were renewed. Reassessed service evaluations criteria were utilized in the formation of a new customer service systematic.



Another contribution by Bersay to the industry of public relations is the recently developed 5+1 Model. Under 5+1 Model, communications strategy and actions are built upon Corporate Performance, Products/Services Performance, Issue Management, Agenda Setting and Leadership Communications; then the Corporate Brand Promise is framed in line with a 11 these 5 elements. The 5+1 Model enables the management of all communications processes under a main strategy as well as in full integration and harmony.

As Bersay, we adopt a consultancy manner that takes into consideration the engineering side of the communications beside its practical side. With this approach, we are aiming to maximize the contribution of communications activities to the business results. This can be done by measuring communications efforts in every phase and analyzing the results in accordance with business objectives.

To manage business processes better and to ensure the client safety in operational level, Bersay contemplates crisis plans on a regular basis. Annually, a risk management committee gathers during the budgeting periods to foresee, analyze, evaluate and decode potential risk related issues. The committee scores the issues in the framework of risk scoring. This framework consists of 7 evaluation parameters: business risks, financial risks, operational risks, process related risks, strategic risks, legal risks and environmental risks. Committee analyzes the data coming from the working group. Working group includes: CEO, Head of IT department, Head of Financial Department, Head of Administrative Affairs and Human Assets Director. A proposal is drafted by the committee which is later offered to the board of directors. Once the proposal is approved, the action plan is put into execution.

Bersay, continues to invest to increase the service quality and client & employee satisfaction, the company planned to renew the office equipments such as computers. Keeping in mind the leader role it pursues in the sector, Bersay experts frequently visit universities to convey good communication management messages and to share Bersay practices.

Education & Awareness Raising

With the understanding that our employees are in the heart of our core business, we transformed our human resources organisation to Human Assets Department in 2010, and since then, we have been spreading this approach also to our clients, business and solution partners. Human Assets is not a support unit for Bersay and with the vision that our most important assets are our employees; we are continuously taking steps in terms of keeping the best talents at Bersay.

Bersay Human Assets Policy lies on a framework where establishing a healthy work environment, cultivating team collaboration, enabling the employees to improve themselves on a continuous basis with the help of training programs and employing qualified and efficient personnel at all positions is aimed. Thus efficiency, loyalty and intellectual added value generation are the key principles. As a new implementation, there is a new volunteering approach in the company where 6 volunteer teams work towards the defined objectives that are settled by themselves. This new approach creates integrity, motivation, cohesion and valueóadded benefits for the company as well as the employees.

Communication on Progress Report / 2014



Firstly in 1999, the concept of Human Assets rather than Human Resources was revealed by Ali Saydam; followed by an article in 2000 and later in 2005, in his book "Perception Management" Saydam continued sharing his knowledge which contributed to the structural changes made within the group. "Human Assets" concept has been registered by the Turkish Patent Institute Bersay Communications Consulting.

Our main purpose is to have all our employees to be successful and happy, respect & love their job with continuous excitement.

This philosophy, no matter what position, throughout their career, employees self improvement and continue to develop themselves.

Human Assets Policy Concept; Human Assets Management Procedure based on qualifications;

- As pointed out among 2013 targets, New Bersay Organizational structure have been put into use.
- 15 interlinked processes were created.
- A Human Assets booklet has been prepared for Bersay employees.
- Each employee was offered a career plan tailored for him/her.
- For each position depicted in this career plan, 60 different assignment profiles and juxtaposed task explanations were defined.
- To create a stable, synergic office atmosphere, to promote employee interaction and to intensify intellectual contribution and productivity, volunteer teams were formed with the help of aspirant employees. The action plans and budgets were drafted.
- A personal development plan and Training Management system was put into use to support continuous employee improvement.
- Each employee was equipped with a Scorecard with annual targets.
- Bersay fire, earthquake, sabotage and first aid action plans were drafted and training activities were started.
- A new salary and premiums system was developed.

Another one among these steps is the great educational track record of BIE since 2008. As Bersay Communications Group, we have established BIE with the aim of providing training opportunities to both Bersay employees as well as the industry professionals. Since its establishment, BIE has hosted numerous conference and seminar programs that have greatly contributed to the world views of the participants.

In 2013, we have organized the following training programs at BIE:

Bahcesehir CO-OP Project:

Consultants of Bersay Communications Group are also the lecturers of the <u>CO-OP</u> <u>Education Model</u> applied by Bahcesehir University with BIE support. The program included major communications disciplines like Reputation Management, Stakeholders and Target Audience, Crisis Management, Media Relations, Corporate Responsibility,

Financial Communications, Online Communications, Event Management, Celebrity Communications and Leadership Management, Issue Management and Agenda Setting. 55 students participated in 2013-2014 classes.



Communications Profession Trainings:

Bersay consultants that contribute to the CO-OP projects presented their trainings to Bersay Group employees as well as participants from client teams. Around 50 participants attended to several lectures at BIE including Strategic Marketing at Crisis Era, Presentation Techniques, Public Relations Authorship, and Client Relations Management topics

All Bersay consultants enjoy participating in webinars arranged by Ketchum to betterify Ketchum / Bersay relations and to increase the industry know-how. Bersay also supports TUYID (Turkish Investor Relations Association) since its establishment and Bersay consultants that aim to specialize in finance sector benefit from regular finance trainings of TUYID. Bielog, the online platform of BIE, was kept open to contribution of all Bersay employees as well as PR industry professionals.

B. Social

Having about 8279 and gradually increasing online and offline materials including books, DVDs, magazine subscriptions focused on communications, BIE library is open to Bersay employees and client teams as well as communications professionals, students, interns, academicians, media members, and the attendants of BIE training programs through a simple membership process. Managed by a professional information management specialist, BIE library has 839 members 50 of which are Bersay employees.

BIE¢s revenue sources are generally the conferences such as Ducane Cündio lu seminar on Philosophy, webinars and seminars, as well as all kinds of corporate programs including media trainings. Among these sources are the revenues of books and lectures of Ali Saydam, founder and Honorary President of Bersay Group, who is among the leading communications experts in Turkey. As a non-profit organisation, BIE donates its profits to communications master and doctorate students as scholarships.

C. Ethics

Handling its business in full transparency with its clients and the industry, Bersay and Saydam companies are audited every two years in respect of being suitable to Consultancy Management Standard (CMS). Bersay continues to work with Turkish Ethics and Reputation Society after becoming a corporate member in 2011. Furthermore BIE maintains its activities according to the Ethics Declaration signed in 2012.

D. Environment

In order to develop a healthier and more clear environment for our employees, Bersay has moved to an office which offers an open working area for an easier internal communication atmosphere. This new working condition also includes an open living room which stores movies, books, magazines, projection and couches for comfort. This is an area where Bersay employees meet once a week to discuss client cases, media and everything related to both global and domestic subjects within the public relations sector.

Communication on Progress Report / 2014



As much as a working environment can motivate our employees we thought increasing our internal activities would help strengthen our group both mentally and physically. Since 2014 we have been apart of the Dragon Fest paddle races, backgammon tournaments, bowling tournaments and happy hour to enjoy the end of the week.

Forward Looking

We remain committed to Global Compact and its principles in all our strategies, throughout our organisation and during our consultancy services to our clients. In the upcoming years, we'dl continue adding value to our employees and clients, as well as actively contributing to the development of PR industry in Turkey.

UN Global Compact Principles

| GC | GRI | Definition | Bersay Approach | Bersay Practices |
|----|---|---|---|---|
| 1 | HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9 | Business should support and respect the protection of internationally proclaimed human rights | Bersay Communications Group believes that every people has right to work, choose his/her job, freedom of expression, liberty and security, health care and equality. Bersay also consults its suppliers and clients to support the same principles. | Recruitment process Rewarding system (Finder/Success Fee) Employee satisfaction survey Health insurance Trainings Internal Communication Internship Program |
| 2 | HR1, HR2 | Business should ensure that they are not complicit in human rights | Bersay policies on harassment, employment equity, safety and health ensure that basic human rights are firmly respected. | Employee satisfaction survey Employee contracts and confidentiality Fire, sabotage, first aid trainings Trainings on health insurance Offering private pension funds & trainings |
| 3 | LA2, LA4, LA5, LA13, LA14, HR4, HR5 | Business should uphold the freedom of association and effective recognition of the right to collective bargaining | Bersay policy on employment equity ensures the provision of good working conditions in which all employees could express their ideas. | Accessible management team Bielog communication platform Weekly regular group meetings Participative management Information sharing Profit sharing Bonuses |
| 4 | HR7 | Business should support the elimination of all forms of forced and compulsory labor | Bersay is strictly against forced labor considered as a potential risk also in service sector. | Bersay employee policies are specified within employment contracts. Employee contracts cannot be against the labor law. The contracts state the actual working terms and conditions and their rights clearly. Thus, all of our employees are aware of these working conditions and their rights. |

| 5 | HR6 | Business should support the effective abolition of child labor | | Bersay is against the child labor and complies with the minimum age provisions of Turkish labor laws and regulations. | Bersay does not recruit anybody below the legal age of 18. | |
|---|--|---|---|---|---|--|
| 6 | LA2, LA13, LA14, HR6 | Business should support the elimination of discrimination in respect of employment and occupation | | Bersay believes every individual has to be treated fairly without considering what their gender is, what their contract type is, what the job is and so on. | Recruitment process Intensive education&training program promoted with the scorecard system Discipline code | |
| 7 | 4.11 | Business should support a precautionary approach to environmental challenges | Bersay, like the rest of the society, faces the global challenge of ensuring a healthy and sustainable environment in the future. By signing the Global Compact Bersay commits itself to approach more carefully to environmental issues. Bersay signed the Ethics Declaration in 2013. | | Waste handling applications Decreasing paper usage Gradually falling electricity and gas consumption | |
| 8 | EN2, EN5, EN6, EN7, EN10, EN13, EN14, EN21, EN22, EN22, EN26, EN27, EN30 | Business should undertake initiatives to promote greater environment responsibility | One of the priorities of Bersay Communication Group is to create environmental awareness first for our employees and for all of our clients, suppliers and stakeholders. | | Bersay develops Corporate Social Responsibility projects and projects aiming to promote greater environmental responsibility. The clients are encouraged to apply those projects as their environmental and Corporate Social Responsibility projects. | |

| 9 | EN2, EN5, EN6, EN7, EN10, EN18, EN26, EN27 | Business should encourage the development and diffusion of environmentally friendly technologies | Bersay encourages its staff to use environmentally friendly technologies. | Water, Paper, Electricity, Natural Gas, Energy Saving Supporting Recycling Process |
|----|---|--|---|--|
| 10 | SO2, SO3, SO4 | Business should work against corruption in all its forms, including extortion and bribery | Bersay is against all forms of corruption, including extortion and bribery. | Bersays employment agreement states that unethical business practice is a reason for ending employment contract. Bersay Memberships: ICCO, IDA (Communication Consultancies Association of Turkey), TEID (Turkish Ethics and Reputation Society) Individual Based Memberships: TUHID (Turkish PR Foundation), TBV (Turkish Information Foundation), TUSIAD (Turkish Industry and Business Association) |

Performance Indicators

| | Actions | Aims | 2012 Targets | 2012Results | 2013 Targets | 2013 Results |
|-----------------|---|--|--|---|--|--|
| | Recruitment Process | Fair treatment | 100% job application responding rate | 98% job application responding rate | 100% job application responding rate | 100% job application responding rate reached |
| Human Rights | Training | To give individual development opportunities to our employees | 10 corporate trainings 15 option al training s | 13corporate trainings 18 optional trainings | 10corporate trainings 15 optional trainings | 10corporate trainings 15 optional trainings conducted |
| | Internal Communication | Motivation / Participation to company processes / Information sharing | 1 year end organization / Weekly Bizbize Meetings / 1 year end Kick- off | 1 year end organization / Weekly Bizbize Meetings / 1 year end Kick- off | 1 year end organization / Weekly Bizbize Meetings / 1 year end Kick- off | 1 year end organization / Weekly Bizbize Meetings / 1 year end Kick- off |
| Labor Standards | Non-Discrimination | Fair treatment | Revised Discipline Code | Discipline Code is revised | To sustain the fair and proper policy | Discipline Code Revised |
| | Number of Woman Employees / Number of Total Employees | Fair treatment | Increase the ratio of women employees (65% in 2011) | 70% of our employees are women | To sustain the fair and proper policy | Fair and proper policy was sustained |
| Anti- | Memberships | Ethical Business Practices To sustain the ethical approach in business practices | | TEID membership completed and Ethics Declaration signed | To sustain the ethical approach in business practices | Ethical approach in business practices was sustained |
| Environment | Water & Electricity Usage | Electricity Usage applications and less consumption and continue supporting the | | 40% productivity in electricity consumption and 60% in water consumption | To reduce consumption and continue supporting the recycling process | Consumption rate was reduced. Recycling process maintained |
| | Scholarships | For our nonprofit enterprise BIE to deliver its first scholarships | 8 scholarships / 400 TL for each scholar by month for | 9 scholarships / 400 TL for each scholar by month for 12 months | Sustain the scholarship program | 3 more scholarships / 400 TL for each scholar by month for 12 months |



| Volunteer Activities | Publications | To publish nonprofit books supporting the development of the sector and to donate their income | Sustaining the ongoing book publishing and BIELOG plannings | 2 books of Ali Saydam: õPerception Managementö, English version of õHow to Loose Wives and Clientsö, õPower is Solitudeö Sustaining of BILEOG | Sustaining the ongoing book publishing and BIELOG plannings | BIELOG and Publication activities continued |
|----------------------|--------------|--|---|--|--|--|
|----------------------|--------------|--|---|--|--|--|