

General

Period covered by your Communication on Progress (COP)

From: 15 March 2015 **To:** 15 March 2016

Statement of continued support by the Chief Executive Officer (CEO)

Please provide a statement of your company's chief executive expressing continued support for the Global Compact and renewing your company's ongoing commitment to the initiative and its principles (Please include name and title of the chief executive at the bottom of the statement).

YükselKarkınKüçük Attorney Partnership decided in 2014 to participate in the United Nations Global Compact initiative and integrate its ten principles in the fields of human rights, labor, environment and anti-corruption into its daily business. We hereby confirm YKK's continuing support to the said principles. As Turkey's largest law firm, we believe our efforts will also help raise awareness among legal professionals. Our second annual Communication on Progress objectifies our commitment to this initiative as well as our efforts to even better comply with UNGC's principles and values. Such report will also be shared with our stakeholders via primary channels of communication.

Your sincerely,

Murat Karkın, Esq.

Co-Managing Partner

YükselKarkınKüçük Attorney Partnership

12 February 2016

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

YKK supports UNGC's Human Rights Principles, as well as the Universal Declaration of Human Rights and the European Convention on Human Rights and abides by these rights in its operations.

Implementation

Description of concrete actions to implement Human Rights policies, reduce Human Rights risks and respond to Human Rights violations.

YKK has an open-door policy for all complaints of unfair treatment. During our regular firm meetings, both lawyers and the administrative staff are informed on their rights and invited to discuss any issues they might have. As a consequence of the nature of law profession, all employees are fully aware that human rights violations will not be tolerated within the firm and that if any violation occurs, all appropriate actions will be taken in such circumstances.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

There has not been any complaints or lawsuits on human rights violations in our firm. In case of such complaint, according to our internal procedure, the incident will be raised to the relevant partner who will be responsible for investigating the matter and the appropriate actions will be taken.

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

There is no unionism in YKK as the branch of activity (i.e. law firm) does not permit it. YKK considers non-discrimination as a core value; diversity is much appreciated.

Implementation

Description of concrete actions taken by your company to implement labour policies, reduce labour risks and respond to labour violations.

All employees are provided with private health insurance and life insurance. Social security and workplace safety trainings are provided to all employees on a regular basis, as well as check-ups provided by our workplace doctor. Safety requirements imposed by legislations are fully abided and further measures in the international standards are taken: regular fire drills are conducted, certain employees are trained for first-aid and emergency squads, lighting and temperature are measured periodically, earth resistance tests are conducted etc.

Our firm has a well-established seniority system where each lawyer gains seniority in line with their performance on a foreseeable basis. Thus, salaries are determined solely on the basis of the lawyer's seniority, eliminating any risk of discrimination and providing just and comparable pay for comparable work.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

86 women and 54 men are employed. YKK also employs one disabled person. We have a relatively young employee profile, the average age of our employees is 30. There has been no complaints or lawsuits on labor rights violations.

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

All YKK employees signed a declaration for environmental sustainability. We also have a global environment policy which is distributed to all employees and published internally.

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents.

One of the most significant factors while choosing our office building was the management's sensitivity towards the environment. Kempinski Residences have policies to reduce the ecological impact of their establishments. Accordingly, all waste papers, batteries, toners, water, plastic and metals of YKK are recycled in collaboration with Kempinski and the Municipality of Şişli. Energy-saving light bulbs are used throughout the establishment. We understand that Kempinski also uses green electric.

In order to ensure that there is no energy loss, regular earth resistance testing is conducted.

In an attempt to reduce the carbon footprint of air travel, YKK prefers using teleconference and videoconference while meeting our clients abroad.

In 2015, YKK installed a card-reader system in all printers in the office and switched to e-payrolls instead of paper payrolls in order to reduce paper waste.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

YKK is eligible for the ISO 14001:2004 certificate for an effective environmental management system according to an independent audit firm.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

As a law firm operating globally, YKK has a non-tolerance policy on corruption and bribery. YKK abides by the United Nations Convention against Corruption and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Since most employees are lawyers and because of the nature of the business, we show utmost attention to anti-corruption principles.

Implementation

Description of concrete actions to implement anti-corruption policies, reduce anti-corruption risks and respond to incidents.

YKK has a thorough checks and balances system. All expenses are carefully reviewed by the senior of the employee making the expense. Different employees enter and approve the transaction which is recorded to the books, thus providing an additional control mechanism over expenses. Undocumented expenses are unacceptable in accordance with our internal policy. All financial transactions with employees and third parties are conducted through banks. Cash transactions are prohibited.

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

YKK has never been involved in a case related to corruption, bribery, extortion or money laundering.
Our firm is known for its ethical operations and many of our clients approach us for our services in the field of compliance. Compliance related developments and news are followed and regularly shared with all employees as well as our clients.
A separate accounting department within our firm regularly reviews our books and accounts. Our financial records are also audited annually by an independent audit firm. We also started to obtain an annual report by a certified public accountant. Reports affirming our conformity with the tax legislations are provided on a monthly basis by external auditors.