



Dear readers,

The business case for sustainability has strengthened substantially – with environmental, social and economic challenges more relevant and urgent than ever. A vanguard of companies understands that public and private interests are ever more interwoven – and have decided to take action on global development challenges including water, climate, unemployment, anti-corruption, gender, education, food and agriculture.

Over 7,000 companies are committed to embrace and embed universal values, as advocated by the United Nations Global Compact. Through over 100 Global Compact Local Networks, companies are convening and acting on sustainability issues at the country level. Networks serve an essential role in rooting global norms, issue platforms and campaigns within a national context, and provide an important base to jump-start action and awareness on the ground.

In this context, this publication illustrates a concrete way for the Global Compact Local Network Russia to promote learning and dialogue by developing case studies on corporate sustainability practices. The publication highlights how businesses in Russia are implementing the principles of the Global Compact and taking action to promote broad UN goals on sustainable development. The experience of companies in Russia will surely bear significance to businesses in other countries.

I welcome the Russian Local Network's efforts to advance corporate sustainability practices within Russia, as well as Russian corporations for their leadership in integrating the Global Compact's ten principles into their strategies and operations. I am confident that the initiatives and contributions of the Russian Local Network and businesses will make significant inroads toward the implementation of the ten principles of the Global Compact.

*Georg Kell
Executive Director
United Nations Global Compact*



Dear readers,

We are very pleased to present for your attention this booklet that comprises the best practices developed and applied by Russian companies which are participants of the UN Global Compact Network Russia.

The UN Global Compact (UNGC) is the world's largest strategic initiative intended to strengthen responsible corporate citizenship, extend the practices of corporate social responsibility and sustainable business development. This initiative, which unites over 100 local networks, is supported by around 10,000 companies and organizations that share the 10 principles of responsible business in the spheres of human rights, labor relations, the environment and anti-corruption.

In the globalization and economic crisis era, corporate social responsibility becomes especially important. Global experience confirms that only companies that build their business on the principles of respect for human rights, transparency, environmental friendliness, care of the staff and ethical conduct may achieve a long-term success. Therefore, we believe that the priority task of the UN Global Compact Network Russia is promoting the best practices of

its participants and actively engaging the Russian business in the initiative.

Efforts of the UNGC local networks bring together the best international and national experience. Russian companies that actively participate in the UN Global Compact and apply the most advanced international standards in their business clearly demonstrate it. In this connection, it is encouraging to note that this code contains not only a description of various practices summarized by topics in accordance with the UNGC key areas, but also presents unique ideas and innovative approaches applied by organizations of various industries, geography, and scale and scope of business.

We are sure that dissemination of the best experience will stimulate further growth of responsible business practices both nationally and internationally. This is the message of the final document signed by heads of states and governments at the United Nations Conference on Sustainable Development 'Rio +20. The Future We Want'.

We hope that the code prepared by the UNGC Network Russia that presents best practices of the network participants will be interesting to a wide audience and provide benefits to all the parties concerned.

*Steering Committee
of the UN Global Compact Network Russia*

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UN GLOBAL COMPACT NETWORK RUSSIA

The Russian business actively participates in global initiatives for promoting corporate social responsibility (CSR) and sustainable development and, primarily, in the UN Global Compact.

GENERAL

The UN Global Compact (UNGC) is the world's largest voluntary initiative uniting companies and organizations that share the ten principles of responsible business in the spheres of human rights, labor relations, environment and anti-corruption.

This initiative is supported by over 10,000 companies and organizations from more than 130 countries all over the world. By subscribing to the UNGC, participants share the conviction that the business based on the ten fundamental principles contributes to higher sustainability, fairness and representativeness of the global market and promotes developing a responsible civil society.

The UNGC was officially presented in Russia in late 2001 within the framework of a round table organized by the Ministry of Foreign Affairs and the Russian Union of Industrialists and Entrepreneurs (RSPP) together with the UN Development Programme and other UN agencies in Russia.

In 2008, participants of the UNGC Network Russia carried out in their companies important structural and organizational changes aimed at increasing operational efficiency. Senior representatives of Russian companies met the UN Secretary-General Pan Ki-moon and declared their intention to launch a local network of the UNGC in Russia.

The UN Global Compact Network in the Russian Federation was established at the general meeting of participants of the UNGC Russia on December 17, 2008.



STRUCTURE

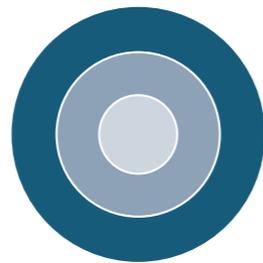
The UN Global Compact Network Russia (UNGC Network Russia) is a system of voluntary communication and interaction between Russian corporate entities, which have joined the UN Global Compact. The system is intended to ensure efficient joint activities relating to observance of the ten fundamental principles of the Compact.

The supreme governing body of the UNGC Network Russia is the *General Meeting* that defines priority areas and approves the annual report of the UNGC Network Russia.

The collegiate governing body of the UNGC Network Russia is the *Steering Committee* that consists of nine members and is elected for one year. The permanent members of the Steering Committee include one representative of the Russian Union of Industrialists and Entrepreneurs, one representative of the United Nations, and one representative of the public authorities. Five representatives of the participant companies of the UNGC Network Russia and one representative of the non-commercial participant organizations of the UNGC Network Russia are elected by the General Meeting. The *Chairperson* of the Steering Committee is elected by members of the Steering Committee from among them by a majority vote and is the official representative of the Network.

The permanent executive body of the UNGC Network Russia is the *Secretariat* that is located on the platform of the UN Development Programme (UNDP) Project Support Office in Russia.

The UNGC Network Russia acts in accordance with the *Regulations on Organization of the UNGC Network Russia Activities* approved at the first General Meeting on December 17, 2008.



- General Meeting
- Steering Committee
- The Chairperson

AREAS OF ACTIVITIES AND INITIATIVES

Participants of the UNGC Network Russia focus on the following priority areas:

- implementing and integrating the ten principles of the Global Compact in the business of the UNGC Network Russia participants;
- organizational development of the UNGC Network Russia;
- promoting results of activities of the UNGC Network Russia participants and engaging the Russian business in the initiative.



1. Implementing and Integrating the Ten Principles of the Global Compact in the Business of the UNGC Network Russia Participants

The ten fundamental principles in the spheres of human rights, labor relations, environment and anti-corruption become integral elements of the managerial and entrepreneurial strategy, culture and day-to-day operations of the participants of the UNGC Network Russia.

To implement the Global Compact principles in a successful manner, a constructive dialog is conducted with all the stakeholders, including representatives of the business, civil society, public authorities, and organizations of the UN system. Working meetings, thematic conferences and seminars are held where participants share experience; best and innovative practices, develop and publish materials for promoting the activity outcomes.

The ten universal principles of the UN Global Compact cover:

- human rights,
- labor relations,
- environment,
- anti-corruption.

They have a universal support and are based on the following documents:

- Universal Declaration of Human Rights;
- International Labor Organization's Declaration on Fundamental Principles and Rights at Work;
- Rio de Janeiro Declaration on Environment and Development;
- UN Convention against Corruption.



The booklet 'Indigenous Peoples and Industrial Companies: Best Practices of Cooperation in the Russian Federation' presents specific practices and mechanisms of cooperation between Russian companies and indigenous peoples. The issue of this booklet became a result of the international conference "UN Global Compact in the Russian Federation: Business and Indigenous Peoples" held in September 2011 in Moscow within the framework of the UNGC Network Russia.



Круглый стол «Политика управления экологическим воздействием административно-хозяйственной деятельности компаний: начнем с себя?» (Москва, декабрь 2012 г.)



Международный семинар «Вынужденное переселение: ключевые вопросы, стандарты деятельности, практика» (Москва, ноябрь 2012 г.)



Международная конференция «Методы противодействия коррупции для общества и частного сектора» (Москва, декабрь 2011 г.)



2. Organizational Development of the UNGC Network Russia

Within this area, the UNGC Network Russia participants hold, on a regular basis and in due time, organizational events, including meetings of the Steering Committee and general meetings, coordinate their activities with respect to the UNGC principles and prepare the relevant annual information bulletins, develop and maintain the website of the network, form and distribute the annual newsletter.



Годовое собрание участников сети Глобального договора ООН в России (Москва, декабрь 2012 г.)



Выставка нефинансовых отчетов компаний-участников сети ГД ООН в РФ (Москва, декабрь 2012 г.)



Награждение участников сети ГД ООН в РФ и СМИ за активную работу (Москва, декабрь 2012 г.)

BUSINESS COMMUNITY OBLIGATIONS

Joining the Global Compact means to publicly declare one's commitment to the ten universal principles of this initiative.

Participants of the Global Compact commit themselves to:

- Initiate changes to business operations so that the Global Compact principles become an integral part of the management and business strategy, culture, and day-to-day operations;
- Publish in its annual report or a similar public corporate report (e.g. a sustainability report) a description of the ways in which the participant is supporting the Global Compact and its principles;
- Publicly advocate the Global Compact and its principles via communications vehicles such as press releases, speeches, etc.
- In addition, companies are able, to the fullest extent possible, to enjoy the advantages of participation in the Global Compact through their involvement in the dialog with the society/stakeholders, activities within forums and partnerships, etc.

3. Promoting Activity Outcomes of the UNGC Network Russia Participants and Engaging the Russian Business in the Initiative

The UNGC Network Russia participants make concerted efforts to increase the awareness of their activity results through Russian and foreign printed mass media, take part in public and representative events in Russia and other countries, such as Rio+20 Corporate Sustainability Forum (Rio de Janeiro, Brazil, June 2012), meeting of the UNGC European Networks (Rome, Italy, October 2011; Belgrade, Serbia, October 2012), Global Conference on Corporate Social Responsibility (Seoul, Republic of Korea, November 2011), arrange their own events to promote international sustainability standards in Russia and engage Russian companies in the initiative.

The Rio+20 Corporate Sustainability Forum: Innovation & Collaboration for the Future We Want became a milestone event of 2012. At the Forum, Russian companies and organizations actively participated in the sessions 'Respecting and Supporting Human Rights is the Key Sustainability Principle' and 'Collaboration of Business with Indigenous Peoples', presented the booklet 'Indigenous Peoples and Industrial Companies: Best Practices of Collaboration in the Russian Federation'. A number of the network participants presented their best practices relating to the implementation of the UNGC principles in the booklet 'The European UN Global Compact Companies Towards Rio+20 and Beyond. A Best Practices Collection'. The efforts of the business representatives that participated in events of the Forum on behalf of Russia were highly appreciated by Georg Kell, Executive Director of the UN Global Compact Bureau, who sent a letter of gratitude to the Russian Network.

On June 15-18, 2012, the Rio+20 Corporate Sustainability Forum was hosted in Rio de Janeiro, Brazil. More than 2,700 global business leaders, investors, UN representatives, NGOs, academic institutions and public authorities came to Rio de Janeiro in order to bring greater significance and publicity to the idea of corporate sustainability. As part of the Forum agenda, over 100 sessions devoted to 6 key topics were held: Energy & Climate, Water & Ecosystems, Agriculture & Food, Social Development, Urbanization & Cities, Economics & Finance of Sustainable Development.



The final outcome of the Forum was the official document 'Overview and Outcomes: Innovation & Collaboration, Public Policy Recommendations, Commitment to Action' presented to UN Secretary-General Ban Ki-moon on the eve of the Rio+20 UN Conference on Sustainable Development. The document contained an overview of the best corporate practices in key sustainable development areas and a wide range of recommendations formulated in the course of the Forum on innovation implementation, mutually beneficial cooperation and sustainability policies; the appendix to the document contained around 200 commitments assumed by leaders of corporations each of which would be reported on and tracked by the companies. The UNGC Network Russia participants prepared a translation of this document in Russian.

PARTICIPATION ADVANTAGES

The participation of companies and organizations in the UN Global Compact and the UNGC Network Russia secures the following advantages:

- Global Compact is an international brand;
- competitive advantages in developed markets (IPO, PRI, etc.);
- corporate governance improvement;
- opportunities for implementing joint development projects, including international ones;
- direct access to CSR technologies and the best global CSR practices;
- active and constructive dialog with the civil society and other stakeholders at the national and global levels, higher trust in companies;
- opportunities for engaging UN experts;
- exchange of up-to-date information;
- access to analytical materials in the sustainable development and CSR area.



Russian Union of Industrialists and Entrepreneurs

DOING RESPONSIBLE BUSINESS



'Currently, doing responsible business is not just a question of ethical choice any more, but a practical imperative for companies, particularly, against the background of closer integration into the global economy. The rating of companies subject to environmental, social, and ethical standards and indicators will increasingly impact access to markets and capitals. RUSPP supports the development of cooperation between the UN Global Compact Network Russia and RUSPP in respect of subscribing to the UN Global Compact by members of the Social Charter of Russian Business.'

Aleksandr Shokhin,
President, Russian Union of Industrialists and Entrepreneurs (RUSPP)

RUSPP sees its mission in consolidating efforts of Russian industrialists and entrepreneurs intended to improve the business environment, increase entrepreneurial standards and status of the Russian business in the country and globally, and in striking the right balance of interests between society, government and business.

Adherence to the UN Global Compact principles is set out in the Social Charter of Russian Business and reflected in practices and initiatives of RUSPP and companies that are focused on international standards, are caring about their business reputation, aspire for an improved investment climate, and establish relations with stakeholders based on a quest for the right balance of interests.

A new version of the Social Charter of Russian Business approved by the congress of RUSPP in February 2008 defines and translates principles of responsible business practices, responsibility of the business towards economic counterparties into a system of practical actions. In the final part of the Charter, it is said that 'we set ourselves only clear, measurable, achievable and consistent economic, social and environmental goals and seek their attainment'. The Social Charter is recognized by business organizations and conforms to documents adopted at the international level.

It should be noted that understanding of the principles of responsible business practices set out in the Social Charter fully corresponds to interpretation of social responsibility expressly formulated in international standard ISO 26000 'Social Responsibility Guideline' approved by the International Standardization Organization in October 2010.

At present, 246 organizations (companies, industrial and regional business unions, and other non-profit organizations) with the total headcount of more than six million employees joined the Social Charter of Russian Business. The register of members is maintained, which is published and made available on the website of RUSPP.

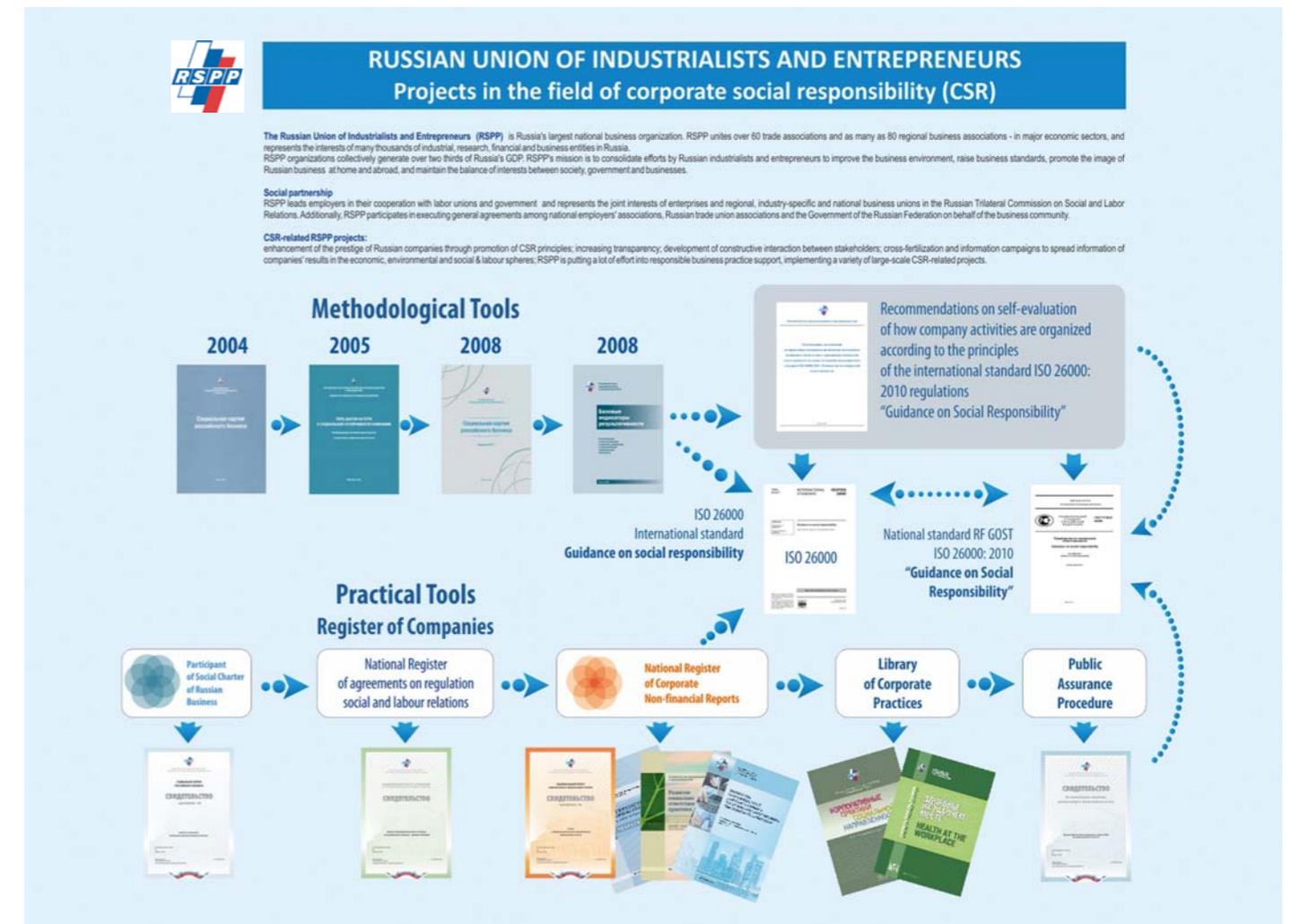
RUSPP has developed a set of tools that allows for a wider practical application of the responsible business principles, implementation of advanced standards of business culture and communication of the company activity outcomes to stakeholders. That also ensures experience exchange based on successful corporate practices. These are methodological recommendations, analytical surveys, CSR and non-financial reporting publications, establishment and maintenance of national registers of social partnership agreements, non-financial reports, electronic libraries of documents, etc.

Voluntary non-financial reporting (sustainability reporting) is obviously an efficient way to disclose information about responsible business practices. The concept and formats of non-financial reporting, its ideology and prospects are closely linked to the adopted CSR concept.

Supporting the practice of voluntary social (non-financial) reporting, RUSPP renders methodological and informational guidance to companies, maintains the National Register of Corporate Non-Financial Reports of Companies Operating in Russia and that of industrial unions of employers. By January 2013, around 400 reports of 123 organizations issued since 2000 were included in the register. In 2012, RUSPP became an official information partner of GRI. The analysis of the non-financial reporting development in Russia is presented ▶

'We see our public mission in the achievement by independent and responsible companies of sustainable development that meets long-term economic interests of the business, secures social peace, security and welfare of people, environmental protection, and observance of human rights'

Social Charter of Russian Business





We undertake to conduct our business in accordance with the ethical rules based on the principles of honorability and fairness, integrity in the relationship with our partners and competitors. Bribery, corruption or similar wrongdoing is absolutely unacceptable for us.

Social Charter of Russian Business

vide methodological guidance for Russian organizations in its practical application to enhance companies' management efficiency and external positioning, the RSPP developed Corporate Self-Appraisal (Diagnostics) Recommendations. The results of the self-appraisal may be used both for internal corporate purposes and for public positioning of a company.

RSPP builds its relationship with associations of trade unions and executive authorities in the area of labor relations based on the partnership principles, developing a dialog between the parties involved in labor relations at the federal, regional, industrial levels and directly in organizations. Members of the RSPP, which are organizations or unions, representing the employer party in the work of trilateral commissions, consider these activities as an important form for official participation of business representatives in social and economic policy- and law-making as an opportunity for the public protection of their lawful interests in the relationship with trade unions and public authorities. A. N. Shokhin, President of RSPP, is the coordinator on the part of Russian unions of employers in the Russian Trilateral Commission on Regulation of Social and Labor Relations. Since 2007, RSPP established and since then has been maintaining the National Register of Social Partnership Agreements and a library of the respective electronic versions on the website.

RSPP, being a member of the UNGC since 2004 and a permanent member of the Steering Committee of the Russian network, does a lot to promote responsible business practice principles in the Russian business community. We are witnessing enhanced business participation in sustainable development at the global level. That primarily concerns securing comprehensive and appropriate conditions for implementing corporate sustainability, innovation and collaboration practices.

As part of cooperation with the UN Global Compact Network, meetings of business representatives with public authorities, civil society and the UN were held on the RSPP platform in July 2012 within the framework of the general meeting of the Russian network participants devoted to the outcomes of the Rio+ Corporate Sustainability Forum. That was done to engage new members and promote the activities of the network participants.

The national business is seeking to draft environmental laws aiming to develop industry while securing efficient environmental protection. As part of monitoring the legal regulation in the area, RSPP worked out its stance both with respect to laws that are being drafted and are effective. In drafting a new document (approved and in effect since 2011), the Government of the Russian Federation gave due consideration to the RSPP coherent stance on the Kyoto Protocol tools to implement projects reducing greenhouse gas emissions and its proposals on liberalization of the relevant laws.

RSPP actively communicates with federal and regional public authorities with respect to the economic, environmental and social policies.

NEW INITIATIVE OF RSPP – ANTI-CORRUPTION CHARTER

In recent years, it has become obvious that corruption is a real challenge and tackling it requires joint efforts of the state, society and the business. A special survey of organizations carried out by RSPP with respect to the efficiency of legal and illegal methods of interaction between the authorities and business has shown that *work in the trilateral commissions is an important and sought-after tool for a dialog over a wide range of issues, including, among other things, prevention of corruption*. Besides, other anti-corruption tools, efficient from the point of view of business, were identified. They include development of anti-corruption policies, implementation mechanisms and participation in the public appraisal of laws, etc.

In February 2012, the congress of RSPP approved the Basic Principles of Anti-Corruption Conduct for RSPP member companies that are intended to turn the situation around. These principles became the basis of the Anti-Corruption Charter, a draft of which was supported by other business associations of Russia and was signed by business representatives in September of that year.

RSPP has been continuously and consistently engaged in fighting corruption and corrupt practices. This theme was reflected in the Social Charter of Russian Business and was further developed in the Anti-Corruption Charter of Russian Business.

A kind of the 'road map' has been devised that envisages maintaining a register of companies that joined the Charter and developing uniform methodological requirements to members. The 'road map' also requires organizing regular public assurances evidencing that companies have implemented the best corporate practices. That could be best done through arranging special contests for members of the Charter to identify the most successful practices. The consistent implementation of anti-corruption principles may become a serious reputational advantage of a company, specifically, in investment and foreign economic relations.

The Russian business community sees its mission in following high standards of doing business in accordance with internationally recognized rules and regulations, in responsible partnership with the state that aims to improve the quality of life of the Russian people, in developing the national economy and raising its competitiveness. We recognize that manifestations of corruption, which is deeply rooted in the economic and social spheres seriously damaging competitiveness and worsening the business conduct, significantly impede achieving these objectives.

Anti-Corruption Charter of Russian Business

in analytical surveys prepared and published by RSPP (surveys issued in 2006, 2008, and 2012).

In the global community, the *practice of public certification of non-financial reports*, which stimulates a higher public trust in business, has been increasingly gaining support. In 2009, supporting the institute of independent assurance of information disclosed by companies, RSPP established the *Council on Non-Financial Reporting*. By the beginning of 2013, 34 corporate reports passed the public certification procedure as to the completeness and significance of information presented in the reports in accordance with the responsible business practice principles set out in the Social Charter of Russian Business.

Ratings and contests organized by RSPP or with the support of RSPP are a tool for securing responsible corporate business practices. For example, RSPP has been holding the Russian National Contest 'Best Russian Companies. Trends, Efficiency, and Responsibility' for more than 10 years and has established nominations in important competitions held by other institutions.

Since 2008, RSPP has been maintaining an information resource intended to publicly communicate the social practices to society. RSPP also established a corporate information exchange platform – *Library of Corporate Practices* (published on the RSPP website), which includes around 245 internal and external social programmes of 125 companies. Based on the materials of the library, collections of corporate social programmes were published in 2009 and 2011 and the respective collection for 2013 is being prepared.

Maintaining a tight focus on dissemination of international standard ISO 26000 'Social Responsibility Guideline' and seeking to pro-

ORGANIZATION OVERVIEW



The Russian Union of Industrialists and Entrepreneurs (RSPP) is the Russian national organization that represents business, a participant of the UN Global Compact since 2004. Today RSPP comprises around 140 industrial and regional business associations and companies of the large, medium and small business representing key sectors of the economy. Companies represented in RSPP, in aggregate, account for more than 60% of the Russian GDP. RSPP sees its mission in consolidating efforts of Russian industrialists and entrepreneurs intended to improve the business environment, raise entrepreneurial standards and status of the Russian business in the country and globally, and strike the right balance of interests between the state, society and business.



Sakhalin Energy Investment Company Ltd.

RESPONSIBLE ENGAGEMENT – CORE ELEMENT OF SUPPORTING AND RESPECTING HUMAN RIGHTS



‘Effective stakeholder engagement is an integral part of responsible business and at the same time an important element of supporting and respecting human rights.

Sakhalin Energy meets requirements of the Russian Federation laws and follows international advanced experience in the field of information campaigns and public consultations. The company develops and constantly improves efficient tools for engagement and communication with stakeholders.’

Oleg Sapozhnikov,
External Affairs Manager
Sakhalin Energy Investment Company Ltd.

When implementing such innovative projects as Sakhalin-2, it is only natural that some concerns and questions arise in the local community. Sakhalin Energy recognizes special importance of the continuous engagement with stakeholders. That is why from the very launch of the project the company has selected the strategy of maximum accessibility and transparency, while seeking to secure their presence in all communities affected by the project.

GOALS

- To develop a mechanism for efficient stakeholder engagement;
- To resolve grievances in a timely and effective manner;
- To secure mutual trust with all stakeholders;
- To shape up and reinforce a positive reputation for the company.

OBJECTIVES

- implementing Sakhalin-2 project in compliance with the best international CSR standards;
- complying with social commitments;
- informing stakeholders on a regular basis about the status of the project implementation, grievance procedure, and social programmes of the company;
- preventing potential issues and solving the existing ones;
- accepting official grievances from community, carefully documenting complaints, and taking corrective measures.

PARTICIPANTS

- people;
- social institutions;
- non-profit organizations;
- employees of contractors and sub-contractors;
- lenders.

CONCEPT

The infrastructure of Sakhalin-2 project is located on the area of over 800 km. These specifics motivated the need to develop a special mechanism for continuous engagement with the communities and stakeholders.

IMPLEMENTATION

Sakhalin Energy developed a unique three-level system of communication with stakeholders.

1) Information centers. The availability of a developed library system in Sakhalin communities and the popularity of libraries as information sources made them the key resource for communication with the community.

Currently, based on libraries, 23 information centers have been established and successfully operate.

More than 3,500 visitors per year apply to the centers. The community is mainly concerned about employment issues, obtaining additional information about Sakhalin-2 project, and the opportunities to participate in the company’s social programmes.

The company on a regular basis informs people of the centers’ operation using various mechanisms for these purposes. Librarians in the information centers provide on-job consulting.

The operation of such information centers ensures that residents of remote communities are informed on a regular basis, any potential problems are settled at an early stage, and the company’s reputation is strengthened within communities.

2) Community Liaison Officers (CLOs). CLOs are the key link between the information centers and the company. To ensure direct communication, CLOs hold regular meetings with the community, representatives of the municipal authorities, and other stakeholders in the districts affected by the company’s operations.

3) Company. The Community Grievance Procedure (the ‘Procedure’) was set up for efficient risk management and grievance resolution. Under the Procedure, the company addresses grievances lodged by the community and contractors.

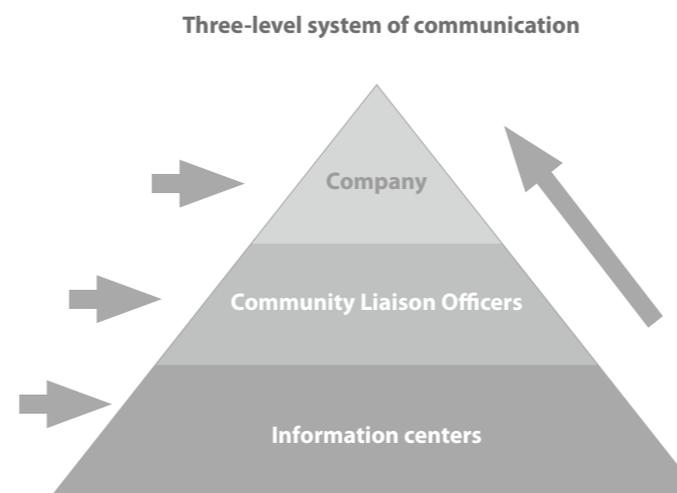
The company adheres to the following principles to address grievances:

Stakeholder engagement of Sakhalin Energy is based on the company’s commitments set out in such key documents as:

- Statement of General Business Principles;
- Sustainable Development Policy;
- Human Rights Policy;
- Commitments and Policy on Health, Safety, Environment and Social Performance;
- Social Performance Standard (Specification Public Consultation and Information Disclosure);
- Public Consultation and Disclosure Plan.

These documents define the engagement strategy, principles, processes, mechanisms and tools and are publicly available.

- legitimacy and integration in the corporate management system;
- accessibility;
- transparency and openness;
- dialogue and stakeholder engagement;
- defined timeframe and consistency;
- confidentiality;
- continuous learning.





These principles are observed through:

- clear delineation of roles and responsibilities among employees;
- existence of a defined timeframe to address grievances and strict control of their observance;
- availability of many channels for filing grievances (by letter, phone, e-mail, through CLOs, network of Information Centers, etc.);
- existence of the clear and mandatory complainant communication;
- control by the company top management and performing internal and external monitoring and audit of the grievance process and its results. Applying grievance addressing related KPIs;
- including the information about the Procedure implementation in internal and external reports;
- careful documentation of the grievance process and tracking of results through an automated incident registration system. In the event of any delay in the grievance resolution, an automatic notification and escalation of the grievance follows;
- intensive education and trainings of all the parties involved in the grievance receipt and resolution process;
- informing stakeholders of the Procedure on a continuous basis;
- regular public opinion surveys with respect to the Procedure and its discussion with stakeholders.

When handling grievances, the company applies the best international standards of human rights observance and respect, including the UN standards (UN Guiding Principles on Business and Human Rights), standards of the International Financial Corporation, and standard ISO 26000:2010.



The following facts confirm that Sakhalin Energy pursues the grievance management, which is successful and advanced in terms of many parameters, and observes and respects human rights:

- In 2009, Sakhalin Energy was selected as one of the five companies in the world for participation in testing of the so-called Ruggie Principles with regards to corporate grievance mechanisms. These principles were developed by Professor John Ruggie as part of his mandate of the Special Representative of the UN Secretary-General and listed in the document 'Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework'. In June 2011, the Guiding Principles were approved by the UN Human Rights Council and became a new standard for the international business community with respect to human rights. The experience of Sakhalin Energy contributed to the development of the new international standard and was highly recognized by the project participants.
- In 2011, the company was selected a member of the Human Rights Working Group of the UN Global Compact.

In 2012, the company was invited to participate in the work of the Advisory Group for developing Guidance for the Oil and Gas Sector

The participation of Sakhalin Energy in the pilot project demonstrated the applicability of the Guiding Principles in a corporate context where a grievance mechanism had already been fully developed and tested. As the Sakhalin Energy grievance mechanism is among the more comprehensive and well-resourced in the industry, the project helped identifying opportunities for applying the Principles in practice and across multiple grievance procedures.

Addendum to the report of John Ruggie, the Special Representative of the United Nations Secretary-General for Business and Human Rights "Principles for Effective Company-Stakeholder Grievance Mechanisms" (17th session of the UN Human Rights Council, 2011)

on Implementing the UN Guiding Principles on Business and Human Rights. This guideline development project was initiated by the European Commission.

RESULTS

- An efficient tool was created for informing stakeholders and engagement with the community;
- A tool was created for strengthening the company's reputation;
- Public opinion surveys show an improved reputation of the company as a socially responsible member of the society.

COMPANY OVERVIEW



Sakhalin Energy Company Ltd. is the operator of Sakhalin-2 project, one of the largest oil and gas projects.

Shareholders: Gazprom, Shell, Mitsui and Mitsubishi.

The project infrastructure includes three offshore platforms, offshore and onshore pipelines, onshore processing facility, an oil export terminal, and the first liquefied natural gas plant in Russia.

Sakhalin Energy is the only Russian company selected by the UN for participation in the new platform for corporate sustainability leadership - Global Compact LEAD.



URALSIB Bank

OPEN IDEAS FOR SMALL BUSINESS



'The contemporary society matures. It has passed the globalization stage when one could buy 'global brands' in any part of the world. Now, the demand for an individual approach is growing. The small business is just the so-called 'boutique' thing, when you come to a coffee-house or a restaurant and expect the host to recognize you. Or you come to a small shop where everything is 'hand-made' and realize that the thing possesses some other kind of energy. It is clear that large companies cannot provide that sort of thing. URALSIB was the first to see this social element, special demand for small businesses and began to develop technologies to support entrepreneurship.'
Svetlana Kulagina,
Head of the Central Executive Directorate for Small Business,
URALSIB Bank

TOPICALITY

Everyone, as a member of the society, has economic, social and cultural rights that must be observed for a harmonious development of the individual. They include the right to education, work in fair and favorable conditions, and a satisfactory standard of living. The practice of CSR supposes that a company appraises probable implications and impacts of its decisions, operations, products and services on these rights, with a particular focus on improving the quality of life in the local community.

Many years of the banking practice in customer services rendered to small and medium businesses in more than 50 regions of the Russian Federation show that a significant part of new small businesses is established by people who have no experience in running their own business or have dramatically changed their business sphere in recent years. A high level of bankruptcies among small businesses is attributable to inability to get quality consulting in due time.

To minimize these limitations and in accordance with the CSR principles adhered to by major businesses, URALSIB Bank has developed and successfully implements a programme for upgrading financial skills of Russian entrepreneurs. In cooperation with a wide range of partners and with the support of the Ministry of Economic Development of Russia, the Bank organizes regular information and education seminars, round tables, and Internet conferences with leading experts of public and private entities.

GOALS

Social and Economic Goals

- Increasing the availability of informational, financial and administrative resources for Russian small and medium businesses, including examples of the best global experience;
- forming an advanced infrastructure for small businesses in regions;
- shaping up a positive image of an entrepreneur in society, promoting and supporting entrepreneurial initiatives;
- improving financial skills and social responsibility of small businesses.

Financial Goals

- increasing the loan portfolio of the Bank for small and medium businesses;
- extending the market share of loans to small and medium businesses.

PARTNERS

- Non-profit organizations: Russian Public Organization of Small and Medium Businesses OPORA ROSSII, Association of Young Businessmen of Russia, SVOYE DELO Fund, Association of Lawyers of Russia, regional representative offices of DELO-VAYA ROSSIYA.
- Commercial organizations: Moscow international higher business school MIRBIS, SME bank.
- Public authorities: Ministry of Economic Development of the Russian Federation, Ministry of Regional Development of the Russian Federation, regional authorities, Federal Agency for Youth Affairs, regional guarantee small business support funds.

IMPLEMENTATION

Project launch: Entrepreneur Days (2010)

Since August 2010, the Bank has been implementing a comprehensive programme focused on supporting small businesses of Russia and held the first series of 'Entrepreneur Days' seminars for owners of businesses and individual entrepreneurs in 96 cities of the Russian Federation.

When launching the programme, the company pursued 3 key goals: improving financial skills of small business employees, disseminating information of state support programmes for small businesses, and establishing trust-based partnership relations with representatives of the key client groups. Leaders of the bank's regional branches proposed that seminars and collective consultations should serve as the basic communication format. These interactive forms, as opposed to conventional presentations, enabled participants to share their experience and discuss business ideas with the representatives of the bank, local officials, and the market peers.

Project development: 'Days of Open Ideas' (2011–2012)

Having analyzed stakeholder expectations and the current changes in the social and economic situation, the work group continued to improve the tested formats of the programme. In 2011, the bank switched over from the format of lecturers to business discussions. The following seminars/master-classes were proposed for businessmen: 'Personnel Motivation Art', 'Search of Partners for Promotion', 'How to Activate Sales', 'Healthy Lifestyle', 'Brand of My Name', 'Quality of Service as a Guarantee of Successful Sales', 'Inter-

net-Seller Who Is Constantly Working', 'Taxation Optimization', and 'Efficient Negotiations'.

The Days of Open Ideas were held in 150 cities of the Russian Federation.

The programme name was also changed. The new brand of the Days of Open Ideas expressly reflects the spirit of a live discussion among business partners. Such a dialog allows businessmen to obtain reliable and up-to-date first-hand information and the Bank's managers to carry on a constructive client dialog enabling them to continuously update the product line and offer most favorable terms and conditions.

In 2012, the format of seminars included a teleconference 'Programme of State Support to Small Businesses: New Opportunities' from the RIA-Novosti Moscow platform with the participation of Natalia Larionova, Director of Small and Medium Business Development Department, Ministry of Economic Development of Russia. The on-line teleconference was broadcasted in 5 cities: Krasnodar, Chelyabinsk, Nizhny Novgorod, Novosibirsk, and Kaliningrad. The on-line broadcasting could cover all the cities. This teleconference increased awareness of the representatives of small business about state support programmes and allowed them to get appropriate answers on-line.

Partner Engaging Events

URALSIB Bank is the general partner of the Business – Success contest organized by the Russian Public Organization of Small and Medium Businesses OPORA ROSSII. The contest highlights achievements of small businesses that apply innovative approaches in their operations and demonstrate high financial performance indicators.

The Bank established the Socially Responsible Businessman award. In 2010–2011, the winners of the contest were awarded with RUB 60,000 worth of a certificate for education at MIRBIS business school. In 2012, the winners received an URALSIB/Moneybox bank card with a credited amount of RUB 100,000.

In collaboration with SVOYE DELO Fund, the Bank organized economic forums at regional levels (covering over 45 Russian regions), ensured participation in the You Are Entrepreneur congress, and arranged the Time for Business image and social campaign. Within the campaign, on the initiative of URALSIB Bank, the Russian Center of Public Opinion Polls researched and created the small business portrait (for 15 cities of the Russian Federation). The results served as the basis for discussing small businesses' problems and development prospects at the Big Objectives of Small Businesses round tables attended by regional authorities, businessmen and journalists that were held in 12 major cities of the Russian Federation. Over 300 publications regarding the development of small and medium businesses were initiated in federal and regional mass media.



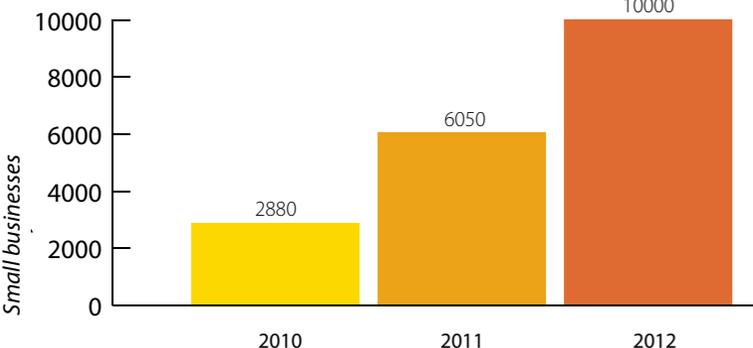
In 2010 and 2011, the Bank was a partner of Youth Innovation Forum 'Seliger', where a system for supporting small businesses was presented. According to results of the Forum, the winners of the best business project exhibition were awarded with certificates for education at MIRBIS business school.

Together with the Association of Young Businessmen, the contest 'Best Businessman of Russia 2011' was organized in 8 regions of the Russian Federation.

The Bank implements a number of programmes in cooperation with regional small business support funds. Specifically, the Bank has launched and successfully implements joint projects with small business support funds of the Republic of Bashkortostan and Republic of Karelia, Altai Territory, Arkhangelsk, Bryansk, Kemerovo, Lipetsk, Perm, Ryazan, Tomsk, Nizhny Novgorod, and Sverdlovsk Regions, and Khanty-Mansiysk Autonomous District, etc.

RESULTS

Number of participants in events



Sales of Small Business Products

Annual increase of the small and medium business loan portfolio – 23%.

Annual increase of settlement accounts opened by small businesses – 27%.

Youth Employment

The number of employed financial advisers from among students of higher educational institutions and youth exceeds 1,000 per year. Actually, in 2011, 70 graduates from among students participating in the programme were employed by the Bank.

Participation in the State Programme of Financial Support for Small and Medium Businesses

In 2011, a new RUB 1,225 million loan agreement was signed with SME Bank to extend loans to clients at the interest rate of 11.75% per annum.

In 2012, the agreements with SME Bank amounted to RUB 1.25 bn. In 2012, URALSIB received funds under the Programme 'Financing for Innovation and Modernization – 2012' for sales of products of 'FIM-Tselevoiy', 'MFO-Bank', and 'Regional Growth'.

Number of businessmen awarded in the following nominations

'Socially Responsible Businessman'

Certificates for education at MIRBIS:

2010 – 10 certificates.

2011 – 15 certificates.

'URALSIB/Moneybox' bank cards with RUB 100,000 credited to the account:

2012 – 7 businessmen.

Number of initiated SME publications

Over 300 publications in federal and regional mass media (printed, electronic, TV, and radio).

Bank's Brand

According to COMCON researches, the Bank was among Top-3 socially responsible banks.

Local Community Development

The Bank developed a system of informational and organizational communication with small businesses at the level of local regional communities in 57 Russian regions.

Social and Economic Impact

The key change that the programme aims to achieve is improving living standard of people in localities where the business operates. That is to be achieved through increasing the share of small and medium businesses, development of local business communities, creation of new jobs, growing incomes of people, and improved financial skills of businessmen and the community.

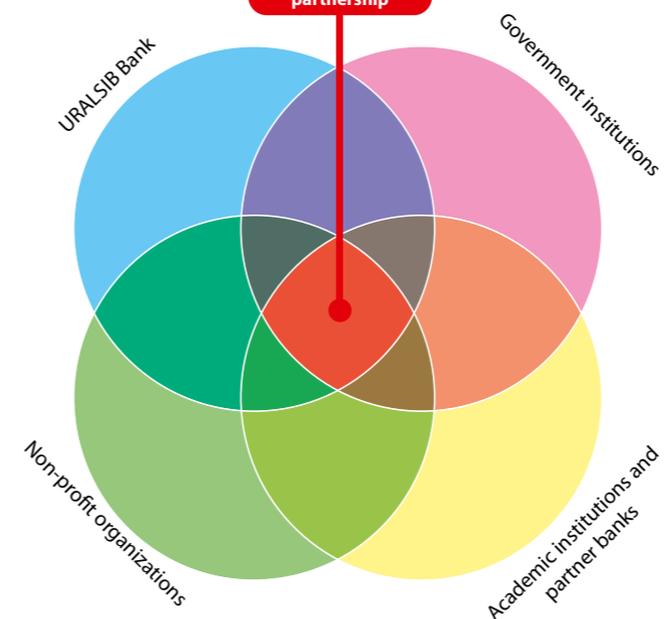
**STRATEGIC PRIORITIES OF THE PROGRAM
"OPEN IDEAS FOR SMALL BUSINESS"**

Securing high standard of living in the regions of the Russian Federation

Improving the efficiency of small businesses

Availability of information, financial and administrative resources

Strategic partnership



The programme secures a higher standard of living due to a higher share of small and medium businesses, development of local business communities, creation of new jobs, and improved financial skills.

COMPANY OVERVIEW



URALSIB Bank is a major federal level universal bank that offers a wide range of financial services for private and corporate clients. Key business areas of the Bank include retail, corporate and investment banking. URALSIB has been a participant of the UN Global Compact since 2010. According to Profile magazine, the Bank is the 14th among Russian banks in terms of assets and equity and the 8th in terms of deposits as of June 1, 2012.



Transaero Airlines

SOCIAL PROGRAMME FOR IMPROVING THE QUALITY OF LIFE FOR DISABLED PEOPLE



'Disabled passengers want to travel and wish to do it on their own. Our objective is to guarantee them the respective right and do our best to ensure their safety and convenience when using the aviation transport. This is a comprehensive objective. It is important to pool efforts of the business, the state and the non-commercial sector in meeting the challenges relating to the creation of a barrier-free environment that is of so critical importance for the whole society.'

Olga Pleshakova,
Chief Executive Officer, Transaero Airlines

OBJECTIVE

According to the Ministry of Health and Social Development of the Russian Federation, there are almost 14.5 million of disabled people in Russia or the 10th part of the country's population. That means that problems of disabled people concern each fourth family.

In the capital alone, there are 1.2 million of disabled people and most of them are young people with an active life position. Low transport availability for disabled people is one of the most serious problems relating not only to limited mobility, but to the ability of people to have a normal mode of life.

The development of products and services responding to the needs of disabled people will also facilitate access to them for the elderly people and parents with children.

For Transaero, the solution of problems relating to the mobility of disabled people is a priority both in terms of quality services and the social policies.

Since 2008, Transaero has been implementing a comprehensive social programme, the **key purpose** of which is to improve the quality of life for disabled people and ensure transport availability and barrier-free environment for disabled passengers.

OBJECTIVES

When implementing the programme, Transaero Airlines set the following objectives:

- creating maximum comfort for independent travelling of disabled people;
- establishing close partnership relations with public associations of disabled people to appraise and improve the service providing procedure for disabled people;
- establishing a system of monitoring and feedback from disabled passengers that have used the services of the company;
- arranging an information campaign to draw public attention to disabled people's problems;
- facilitating independent travelling and tourism for disabled clients.

PARTICIPANTS

Disabled clients/immobile clients, public associations of disabled people, and partners of the airlines.



KEY MEASURES

When implementing these objectives, Transaero applies a comprehensive approach that includes the following lines:

1. Transport Availability

This area directly relates to services provided by airlines to disabled passengers.

Transaero purchases expensive equipment – unique aviation beds for transporting bedridden patients in a severe condition. For maintaining specialized equipment during the flight Transaero would send its technicians, with all the expenses borne by the company. In addition, the company provides disabled passengers with special chairs enabling them to move in the cabin on all types of the company's aircraft.

Transaero actively applies advanced technologies to accommodate travelling for disabled people (mobile check-in, self-registration stands, etc.).

Transaero Airlines engage its business partners in tackling transport accessibility problems of disabled people. In 2011, Transaero and the Moscow Domodedovo airport developed a corporate standard to rationalize transport servicing of disabled people. The standard both sets forth general principles of services offered to disabled people and describes the travel organizational technology for this category of air passengers. The standard envisages a mandatory programme for training and upgrading the skills of the airlines' and the airport's staff when servicing disabled people.



2. Employee Training

All categories of aviation specialists are trained in disabled people transportation technologies in strict compliance with international standards. Special methodological guidance and software are applied.

With the support of experts of the Perspektiva disabled people's organization, the airlines holds special trainings and seminars for the staff to establish proper communication with clients of various disability categories. Such trainings are organized on the basis of the Aviation Training Center of Transaero.

The trainings are part of the airlines' staff training programmes.

Training of airports' staff and other airlines' partners arranged on the basis of Transaero Aviation Training Center is also seen as an imperative.

3. Information Campaign

The information campaign includes disseminating information booklets for work with disabled people, the target audience being both the staff and passengers travelling with Transaero.

Transaero seeks to provide disabled people with information concerning services making the best use of the means possible (website, sale offices, and recommendations for disabled travelers).

Cooperation with Perspektiva focuses on still another important area – operation of the **Business Advisory Board on Disability**, which is a unique institution for Russia. The Council includes Russian and international companies. The Council supported by Perspektiva works on matters relating to adaptation of services provided by various companies for disabled clients, employment of disabled persons, and other important social aspects.

The participation of Transaero in the consulting the **Business Advisory Board** enables it to draw on the experience of civil aviation partners and colleagues.

Cooperation with Perspektiva is also very instrumental for Transaero in terms of expert appraisal.

4. Charity Programmes

Support for social, cultural and sports events engaging disabled people is another important element of the programme.

That includes:

- Back to the Future programme of assistance to children's healthcare (treatment and rehabilitation of disabled children with oncology problems);
- supporting disabled sportsmen.

RESULTS

- Transaero Airlines became the 1st aviation company in Russia to develop a separate transportation programme tailored to the needs of the disabled, under which aircraft were appropriately technically equipped and mandatory staff training in servicing disabled persons was procured;
- the Corporate Standard to service the disabled in air transportation was developed and put in place in collaboration with the Moscow Domodedovo airport;
- during the period of programme implementation, over 2,000 disabled children were transported for medical care purposes and 1,000 children passed rehabilitation programmes;
- within the framework of the information campaign, Transaero organized 5 photo exhibitions devoted to problems of disabled persons;
- as part of support for sports involving disabled persons, Transaero is the 'carrier' in the course of some sports events, including the Special Olympic Games and the wheelchair dance sportsmen.

For more than five years, the airlines have been helping children with oncology problems to overcome this trouble under the Back to the Future programme implemented in partnership with major charity funds. Transaero transports disabled children from Russia and the CIS for medical care to leading clinics of Moscow, Saint Petersburg, and foreign countries on the free-of-charge basis. In addition, the company implements programmes for rehabilitation of children that have already passed treatment sessions and come back to normal life. Under this project, over 1,300 small patients were carried for medical treatment. Over 850 children suffering from severe diseases undergone rehabilitation.

APPRAISAL

Quantitative and qualitative appraisals are carried out together with partners and public organizations with respect to each of the above-mentioned programme lines. In addition, to ensure completeness of such appraisal and improvement of practices, questionnaires and surveys, and focus groups among disabled passengers are arranged.

PLANS TO DISSEMINATE THE PRACTICE IN RUSSIA AND GLOBALLY

The airlines plan to disseminate this practice in regions, since underdeveloped infrastructure of Russian regional airports is a great handicap in development of the barrier-free environment. This is a comprehensive objective ranging from technical equipment to staff training and developing uniform service standards.

COMPANY OVERVIEW



Transaero Airlines started flights in 1991 combining in its operation the best traditions of the domestic civil aviation and advanced achievements of the global industry.

Currently, Transaero is the 2nd largest air carrier in Russia. The ever-growing and renewed fleet of the company consists of more than 90 aircraft. The route network of the company covers more than 160 directions in Russia and abroad. The team of Transaero consists of over 10,000 employees.

In 2012, Transaero was recognized as the best air company in Eastern Europe. The company is the winner of the World Airline Awards established by Skytrax Agency. In 2012, the highest rating of corporate social responsibility (AAAs) was assigned to Transaero by REPUTATION rating agency.



ОАО АФК «Система»

ЛИФТ В БУДУЩЕЕ



«Российская экономика сталкивается с дефицитом квалифицированных инженеров, химиков, технологов, ИТ-специалистов. Эту проблему мы отчетливо видим и подбирая кадры для высокотехнологичных компаний нашей корпорации. Чтобы переломить негативный тренд, необходимо обратиться к подрастающему поколению: вовремя поддержать молодые дарования, дать представление о современных профессиях и инновационном бизнесе, где они смогут реализовать свои мечты».

Владимир Евтушенков,
председатель Совета директоров
ОАО АФК «Система»

ЦЕЛЬ

Последовательная поддержка и развитие талантливых школьников и студентов, оказание им помощи в осознанном выборе профессии и в организации карьерного роста через широкую сеть социального партнерства с участием представителей бизнеса, науки, образования, власти и общества в целом.

ПРЕДПОСЫЛКИ

1. Отсутствие в российском обществе четких и прозрачных систем социальных лифтов.
2. Современная экономика требует нового подхода к развитию креативности молодежи со школьной скамьи.
3. Низкий уровень профориентации молодежи в России и СНГ.
4. Распространение в мире концепции «Открытых инноваций».

ЗАДАЧИ

1. Создание технологии выявления, целенаправленного развития и последующего трудоустройства талантливой молодежи с учетом потребностей современной экономики. Один из инструментов – всероссийская молодежная социальная сеть для талантливой молодежи www.lifttothefuture.ru.
2. Поднятие престижа профессий, связанных с естественными науками, инженерным делом, математикой.
3. Создание международной сети кураторов и наставников, способствующих эффективному старту профессиональной карьеры талантливой молодежи.

УЧАСТНИКИ

Талантливая молодежь: школьники 7–11 классов и студенты – основная целевая аудитория проекта. Именно они оценивают его эффективность в зависимости от того, насколько он помог им определиться с будущей профессией, реализовать свои идеи, найти наставника в лице куратора и ментора для определения траектории своего развития.

Институты развития и бизнес-структуры – ключевой заказчик и партнер проекта, которые:

- определяют ключевые компетенции молодых кадров;
- выделяют кураторов, готовых работать над проектами со школьниками и студентами, определяют направления работы в рамках проектной деятельности;
- объявляют конкурсы и оценивают конкурсные работы;
- предоставляют рабочие места.



На сегодня в проект вовлечены:

- более 50 HR-директоров компаний, входящих в АФК «Система»;
- 157 ТОП и мидл-менеджеров, 117 из которых работают в АФК «Система» и ее дочерних компаниях.

Учебные заведения (преимущественно ВУЗы) выступают партнерами проекта и являются еще одним инструментом поддержки и развития талантливой молодежи. «Лифт в будущее» проводит совместные акции с МГУ им. М. В. Ломоносова, МГИМО, ВШМ СПбГУ, НИУ ВШЭ, МАИ, МГТУ имени Баумана и другими.

Государство и общество в целом выступает основным благополучателем проекта, заинтересованным в построении социальных лифтов, в ликвидации разрыва между образованием и потребностями экономики и бизнеса, в преобразовании инновационного потенциала молодых людей в капитал.

Ключевой элемент проекта «Лифт в будущее» – институт кураторства. Куратор – это наставник молодого таланта. Именно он предлагает школьнику или студенту интересные познавательные конкурсы, разрабатывает вместе с ним научный проект или инновационную идею, консультирует при выборе вуза и профессии, помогает с трудоустройством, общается с участниками проекта на портале «Лифт в будущее» и за пределами портала и помогает реализовать самые лучшие идеи.

ОСНОВНЫЕ МЕРОПРИЯТИЯ

Проект создан с учетом проблем общества, ценностей АФК «Система» и потребностей основных участников проекта «Лифт в будущее» – талантливой молодежи.

Определив задачу, АФК «Система» приступила к созданию общероссийской программы формирования и развития кадрового резерва страны под названием «Лифт в будущее». Это развивающее пространство, все участники которого разделяют его базовые ценности – потребность в новизне, творчестве, свободе и самостоятельности. Проект пропагандирует высокие интеллектуальные достижения его участников – активных и творческих школьников и студентов.

Проект предполагает как онлайн-виды, так и офлайн-виды деятельности, цель которых – постоянная поддержка молодых талантов. На первом этапе мы хотим вовлечь в нашу орбиту как можно больше талантов, которые отбираем при помощи как собственных (на сайте lifttothefuture.ru), так и локальных конкурсов дочерних компаний АФК «Система», а также через уже работающие механизмы: олимпиады, интеллектуальные турниры, студенческие научные конференции и т. д., проводимые организаторами проекта «Лифт в будущее» и партнерами. На сайте каждый участник проекта заполняет профиль со своими достижениями. Продвижение «Лифта» по этажам зависит только от индивидуальных усилий его пассажира.

Каждый участник проекта может планомерно развиваться вместе с кураторами и партнерами проекта. Институт кураторства – важная часть проекта.

Кроме того, «Лифт в будущее» объединяет информацию о программах ведущих российских вузов и о проектах основных федеральных и региональных научных институтов, структур дополнительного образования, а также бизнеса, рассчитанных на молодежную аудиторию.

Для молодых людей, достигших высоких результатов, «Лифт в будущее» предлагает инструменты творческой реализации – проекты, формирующие профессиональные навыки, очные мероприятия (летняя школа, воркшопы, экскурсии на предприятия АФК, научные и инновационные учреждения, поездки на международные выставки), мастер-классы с топ-менеджерами АФК «Система», стипендии и тревел-гранты для студентов. На каждом этапе у школьников и студентов есть возможность для общения с потенциальными работодателями.

Наш «Лифт» помогает двигаться не только вверх, предоставляя новые навыки, образование, работу, но и по горизонтали – школьники и студенты получают новые возможности для общения и самореализации.

ИНСТРУМЕНТАРИЙ

1. Материальные виды мотивации талантливой молодежи, участвующей в проекте «Лифт в будущее»:

- Участие в Летней школе «Лифт в будущее» для самых активных и одаренных школьников из разных регионов России. БФ ▶



«Система» оплатил проезд и проживание. Обучающие и культурные программы были разработаны кураторами. В 2012 году 180 школьников стали участниками Летней школы в пансионате «Университетский» под Звенигородом. Поток включал в себя три направления: естественнонаучное, химико-биологическое и инженерное.

- Экскурсии для победителей конкурсов на инновационные предприятия АФК «Система», в Звездный городок и др.
- Тревел-грант и посещение выставки «Нефть и газ 2102» для победителей конкурса «Стань нефтяником!».
- Тревел-грант на финал российско-французского конкурса «Учи математику!» в Гренобль (Франция).
- Стипендии АФК «Система» для лучших студентов российских вузов, обучающихся на естественнонаучных факультетах. В рамках программы 2012 года 200 участников проекта «Лифт в будущее», студентов ведущих вузов России, получают ежемесячную стипендию 5 000 рублей от Благотворительного фонда «Система».
- Оплата обучения финалиста конкурса «Телеком Идея» на факультете менеджмента инноваций НИУ ВШЭ.
- Поездка победителей конкурса «Будущее нефтехимии в России» на предприятия ОАО «Башнефть» с полной оплатой проезда и проживания.
- Поездка победителей конкурса «Телеком идея» на выставку ITU World с посещением инновационных предприятий региона (в 2011 году – Швейцария, Германия, в 2012 году – ОАЭ).

2. Нематериальные виды мотивации талантливой молодежи, участвующей в проекте «Лифт в будущее»:

- Помощь куратора в разработке индивидуальной образовательной траектории и в выборе будущей профессии.
- Социальный статус в рамках социальной сети, создаваемой на базе портала «Лифт в будущее».
- Участие в проектах и профессиональная социализация в избранной сфере.

- Информация от ведущих компаний о реальной отраслевой проблематике и реальная возможность трудоустройства.
- Навыки командной работы, возможность заочного и очного знакомства с единомышленниками.
- Возможность испытать свое изобретение, проверить свою идею.
- Квалифицированный консалтинг от руководителей R&D подразделений компаний Корпорации, венчурных финансистов, бизнес-ангелов и т. д.
- PR-поддержка молодых талантов.
- Получение опыта публичных выступлений перед квалифицированной аудиторией и возможность получения обратной связи от топ-менеджеров современной экономики.

3. Нематериальная мотивация представителей институтов и бизнес-структур:

- Возможность публичного выступления перед молодой, активной аудиторией и обмен опытом с молодыми талантами, получение обратной связи и взгляда на отрасль глазами поколений Y и Z.
- Обмен свежими идеями, поиск новаций для своих проектов.
- Коучинг и наставничество по теме работы с молодыми талантами со стороны организаторов проекта «Лифт в будущее».
- Обмен опытом в рамках различных конференции, например «Социальные лифты для талантливой молодежи – лучший российский опыт, совместно с газетой «Ведомости» 14 июня 2012 года.

4. Нематериальная мотивация представителей учебных заведений:

- Привлечение на учебу наиболее талантливых студентов.
- Разработка новых подходов и методов обучения: например, проекты, выполненные в Летней школе, войдут в методическое пособие по робототехнике как дополнительному курсу в рамках школьного курса физики.
- Преподаватели школ и вузов получают представления о реальных потребностях различных отраслей экономики РФ.

РЕЗУЛЬТАТЫ, ОЦЕНКА ЭФФЕКТИВНОСТИ, ОЖИДАЕМЫЕ РЕЗУЛЬТАТЫ:

- ежегодная регистрация на портале не менее 50 тыс. человек;
- обсуждение проектов на внешних площадках – не менее 100 тыс. в год;
- ежегодное привлечение не менее 2000 стажеров и молодых специалистов в компании корпорации через проект «Лифт в будущее»;
- не менее 30 проектов в год переходят со стадии проработки на стадию внедрения внутри компаний Корпорации;
- повышение процента трудоустройства по специальности выпускников естественно-научных и технических специальностей вузов-партнеров проекта до 20%;
- в рамках проекта работает не менее 1 000 кураторов, 20% – из стран СНГ.

СЕМЬ ЭТАЖЕЙ В ПРОЕКТЕ «ЛИФТ В БУДУЩЕЕ»



В дальнейшем проект «Лифт в будущее» должен стать единой платформой для любых институтов, производящих что-то новое и заинтересованных во взаимодействии с молодой и талантливой аудиторией.

ИНФОРМАЦИЯ О КОМПАНИИ



АКЦИОНЕРНАЯ ФИНАНСОВАЯ КОРПОРАЦИЯ
СИСТЕМА



БЛАГОТВОРИТЕЛЬНЫЙ ФОНД
СИСТЕМА

ОАО АФК «Система» – крупнейшая в России и СНГ публичная диверсифицированная финансовая корпорация, обслуживающая более 100 млн потребителей в таких отраслях, как телекоммуникации, высокие технологии, ТЭК, радио и космические технологии, банковские услуги, розничная торговля, масс-медиа, туризм и медицинские услуги. Основана в 1993 году.
www.sistema.ru

Корпорация активно внедряет международные принципы устойчивого развития и социальной ответственности корпорации в своей ежедневной практике. В 2011 году АФК «Система» запустила всероссийский социальный проект «Лифт в будущее», цель которого – последовательная поддержка талантливых школьников и студентов, оказание им помощи в осознанном выборе профессии и организации карьерного роста. Это достигается с помощью создания широкой сети социального партнерства с участием представителей бизнеса, власти, науки и общества, объединенных под эгидой проекта «Лифт в будущее».
www.lifttothefuture.ru

Проект «Лифт в будущее» реализуется **Благотворительным фондом «Система»** – некоммерческой организацией, созданной в 2003 году для реализации социально значимых проектов АФК «Система». Фонд осуществляет социальные инвестиции в сфере науки, культуры и образования.
www.bf.sistema.ru



Vnesheconombank

INVESTMENT IN HR: SUPPORT FOR EMPLOYEES' FAMILIES & FAMILY WELL-BEING



«Established in 1924, Vnesheconombank is the oldest Russian bank. Throughout its history, the Bank has developed its own corporate culture and established strong, deep-rooted traditions. Much attention is paid to cherishing such traditional values as family well-being, continuity of generations, development and education of the young. Family values hold a special place in the Bank's corporate culture. Management recognizes that family encourages individual social activity and engagement, offers incentives for achievements, and stimulates personal aspirations for development.»

Sergei Noskov,
Director of Administrative Directorate, Vnesheconombank

GOALS AND TARGETS

Seeking to ensure its employee development, well-being and a stable family life, the Bank pursues several lines of activity. In particular, they include boosting the birth-rate, supporting families with minor children and families in challenging life circumstances, as well as reviving and continuing family traditions and relations.

In the context of these activity lines, the Bank operates long-term programmes that provide employees and their families with various social packages, benefits and compensations in addition to those set by the law.

KEY ACTIVITIES

Boosting the birth-rate

Vnesheconombank has traditionally given its comprehensive support for the families expecting a child and families with children under three years of age.

Starting from 2009, a social package for the Bank's female employees includes prenatal care and obstetric programmes as part of the voluntary medical insurance. The programmes are designed to ensure quality medical services at best medical institutions of Moscow, specialist attention and proper hospital facilities for a mother-to-be and her baby.

The Bank's employees are entitled to a lump sum benefit on the occasion of a child's birth. Moreover, the Bank renders monthly financial assistance for employees with children under three and those on a parental leave.

Such programmes are designed to ease the financial burden of a child's birth, as well as provide mother and child with quality medical services. Statistics demonstrate a significant increase in the birth-rate over the three years the programmes have been put in place at the Bank.

Equally important is a wide legal and advisory support the Bank seeks to give to women going on a maternity leave and employees returning to work from a parental leave.

Every female employee due for a maternity leave is provided with comprehensive information about her rights and guarantees. Being on a maternity leave, she can obtain a full clarification of any points of concern. All issues related to female employees on a maternity leave are dealt with by a designated officer, a curator.

The back at work programme has been developed specifically for employees returning to work after a parental leave. The programme is designed to facilitate their adaptation to the workplace after a long

break and help restore professional skills and knowledge. On the day of his/her return to work, an employee has an interview with the curator who informs the employee of the changes in the Bank's organizational structure, new business priorities, and the back at work adaptation programme. One month on, the curator meets the employee to discuss the adaptation results.

Support for families with minor children and families in challenging life circumstances

In 2012, with a view to strengthening social security for young working parents and helping cut their children's medical costs, the Bank launched a new voluntary medical insurance programme for employees' children from 0 to 3 years of age. In addition to ambulatory care at leading children's medical institutions of Moscow, the programme was enlarged to include planned and emergency hospitalization with accommodation in individual comfortable wards together with a mother. Presently, the Management considers the possibility of expanding the age range of the employees' children included in this voluntary medical insurance programme.

Annually, families with three and more children are entitled to a targeted financial aid.

Family encourages individual social activity and engagement, offers incentives for achievements, and stimulates personal aspirations for development.

Since 2009, the Bank has been paying monthly allowance to minor children of deceased employees. This measure is aimed to improve social security of the children who have lost one or both parents and provide them with social guarantees. Adult children up to 23 years of age who have lost a breadwinner are also entitled to the allowance while studying at secondary and higher education establishments. The amount of the allowance is approved by the decision of the Bank's Board on a yearly basis irrespective of a deceased employee's salary and length of service.





Reviving and continuing family traditions and relations

The Bank's family support programmes are designed to place a special focus on strengthening the institution of the family, as well as reviving and maintaining spiritual and moral traditions of the family affinity.

In order to ensure favourable conditions for child rearing, female employees with pre- and primary school age children are allowed flexible working hours.

Starting from 2008, mothers with children of 6 to 10 years of age are entitled to an additional paid leave on September 1 (the first day of a school year), or the Knowledge Day. Mothers may spend this day with their children to make the beginning of a new school year a real family celebration.

Furthermore, the Bank grants its employees an additional leave and allowance on the occasion of marriage.

A great number of the Bank's employees spend most of their working hours in the office, at the computer. This entails the risks of such widespread so-called "office" illnesses as musculoskeletal system



malfunction and vegetative-vascular dystonia. In 2011, with a view to addressing these problems, the Bank developed a project on the recreation for the Bank's employees and their families at a holiday centre in the Astrakhan Region. The centre is located in the region with a well developed infrastructure, unique historical sites, water and natural resources, as well as fishing and hunting opportunities. The project aims to maintain and improve health, reduce the infection rate and provide employees and their families with the conditions necessary to restore their labour capacity and enhance productive efficiency. The Bank pays 100% of the employees' accommodation and 80% of that of their families. Besides, the Bank partly compensates employees for their travel expenses. It is worth noting that the Bank intends to implement a number of various long-term recreation and rehabilitation projects for its employees and their families, which is a considerable part of the employee social package.

Regular sport events organized by the Bank also play an important role in promotion of a healthy lifestyle among employees and their families. The XXI Century Partners event dating back to 2002 is the oldest one. It is a summer sport festival that includes a variety of sport and recreational contests for adults and children. Such sport events help foster family values, strengthen bonds between generations, arrange leisure time activities of employees and their relatives, as well as promote a healthy lifestyle and support renowned families' traditions.

RESULTS

- 76 female employees participated in the obstetric programme between 2009 and 2013;
- by June 2013 voluntary medical insurance was provided for 163 employees' children from 0 to 3 years of age;
- since 2005 over 15 sport events were organized for about 20 thousand people – employees and their family members - cumulatively.



COMPANY OVERVIEW



Vnesheconombank was established in 2007 by transforming Vnesheconombank of the USSR – one of the oldest institutions in the Russian banking system. The Bank's objective is to give an extra competitive edge to the Russian economy, promote its diversification and stimulate investment processes. Vnesheconombank is a national development bank. It serves as an instrument to implement government economic policies on:

- removing infrastructure constraints to economic growth;
- increasing efficiency of the natural resources utilization;
- developing hi-tech industries;
- unlocking innovation and production potential of small and medium enterprises; and
- promoting national exports.

www.veb.ru/en/



Russian Railways

CORPORATE PENSION SYSTEM OF RUSSIAN RAILWAYS



'One of our most important social achievements is the establishment of a corporate pension system. For employees of the industry, it is a symbol of surety in the future.'

Vladimir Yakunin,
President of JSCo 'RZD'

Joint Stock Company 'Russian Railways' (hereinafter 'RZD') is a major employer that defines its social responsibility towards employees as one of its top priorities. The railway industry was among the first industries in the Russian Federation that made non-governmental pension support a part of its social policy as early as in 1999 taking care of the future of its employees.

PRINCIPLES

Corporate pension support for railway employees is provided in accordance with the Regulations on Non-Governmental Pension Support for Employees of RZD that reflects the following principles:

1. parity (on an equal basis) participation of both employer and employee in financing of his/her future corporate pension;
2. setting the amount of the monthly pension contribution of the employee depending on the age of the person that enters the corporate pension system;
3. dependency of the corporate pension amount on the salary level of the employee and employment history in RZD or insurance period during which contributions are paid;
4. full financial coverage by RZD of awarded corporate pensions;
5. lifelong corporate pension payment.

GOAL

Strategic goal of the corporate pension system: the replacement ratio to be at least 40% of the lost earnings.

OBJECTIVES

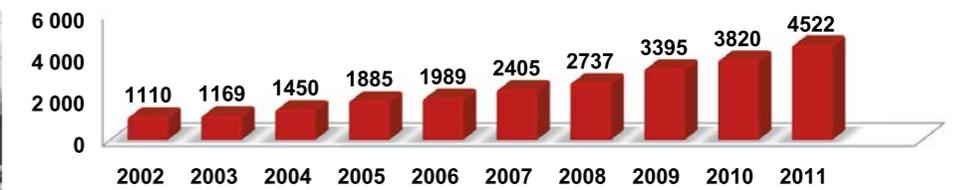
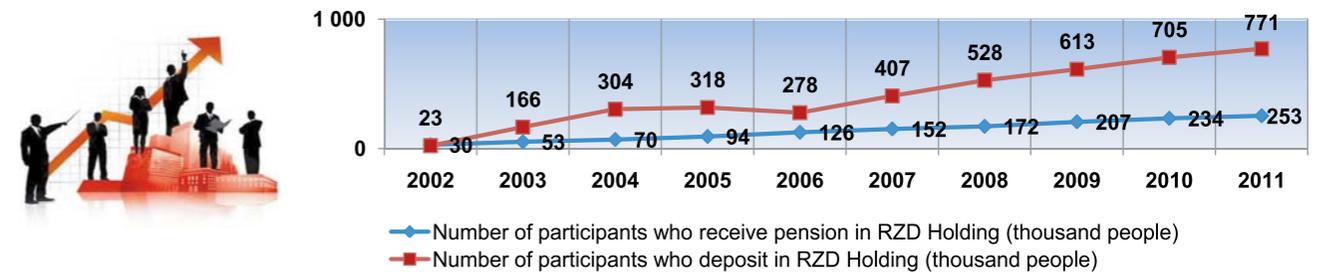
Objectives pursued by the corporate pension system of RZD include increasing the motivation of employees and improving their future welfare.

PARTICIPANTS

The total number of employees of RZD Holding forming their non-governmental pension in Non-Governmental Pension Fund BLAGOSOSTOYANIYE reached almost 808,000 people as of August 1, 2012. More than 266,000 former employees of RZD Holding receive corporate pension in the current average amount of 5,000 rubles. When joining the non-governmental pension support agreement, an employee of RZD may select the most acceptable option of the pension scheme: saving; saving and insurance; insurance and saving; insurance. These options differ in the rates of contributions and conditions of payments to heirs. In addition, the programme provides for a transitional grace period for employees that are less than 15 years



Key indicators of the corporate pension system of RZD Holding



The average size of non-governmental pension in RZD (thousand rubles)

Corporate pension system is trusted.
It is important to maintain this trust and ensure continuity of the system with regard to reforming units and created subsidiaries and affiliates.



before the pension age and whose abilities to form savings are rather limited. During this period, the company makes additional deductions to form a relevant level of the pension support. Any employee of RZD may become a participant in the programme. The programme provides for the right to an early corporate pension, i.e. the corporate pension system of RZD is already implementing certain principles of professional pension systems.

IMPLEMENTATION

The corporate pension support for employees of RZD and its subsidiaries is provided through Non-Governmental Pension Fund BLAGOSOSTOYANIE.

The latest amendments of and supplements to the Regulations on Non-Governmental Pension Support (hereinafter the 'NGPS') to Employees of RZD regulate the following provisions:



- including in the insurance period the periods of employment preceding exit of a contributor from the corporate NGPS system due to dismissal from RZD, provided that the contributor was re-employed by RZD within 5 years after the previous dismissal, re-entered the corporate NGPS system and did not apply for payment of the accumulated amount before;
- including in the insurance period the periods of employment of a contributor under term employment contract (except for part-time jobs), provided that the contributor did not exit from the corporate NGPS system;
- granting contributors the right to change the pension contribution rate without prior approval by the Central NGPS Commission or the Affiliate NGPS Commission;
- granting contributors the right to a corporate pension subject to awarding a governmental or labor pension, including early pensions, irrespective of where the pensionable service was done, in which event the corporate pension amount will be defined by accumulated funds;
- establishing procedures for calculating a corporate disability pension based on the salary for actually worked time if there are no earnings for the last 24 months of work or any 5 years of uninterrupted employment since 1997;
- reserving the right to corporate pension if a contributor is transferred from RZD to an outsourcing company, provided that the contributor enters into an individual agreement.

In case the industry is reorganized (new directorates and subsid-

iaries are established), the key objective will be reservation of the right to the non-governmental pension for employees that are transferred to these entities, which right has been gained by them during previous employment in the company. Thus, the corporate pension system of RZD will develop dynamically subject to reorganization of the industry and creation of more attractive conditions for employees of the company.

The NGPS standard provides for a uniform approach to determining the right to non-governmental pension, calculating its amount, providing financing, etc. As an exception, to optimize the financial load on subsidiaries of RZD caused by implementing the NGPS system, special conditions for financing the granted non-governmental pensions may be set.

RESULTS

The programme demonstrated positive results. To illustrate, for the RZD pensioners eligible for corporate pension, the lost earnings replacement ratio is above 42%. This indicator complies with recommendations of the International Labor Organization (ILO) and is materially higher than the earnings replacement ratio for most Russian pensioners (23-27%).

The programme had many positive feedbacks from current and former employees of RZD. Besides, in 2006 the company became the winner in the 'Best Corporate Pension System' category and received the national award 'Pension Oscar' for its contribution to the development of the Russian pension system.



COMPANY OVERVIEW



October 1, 2003 – establishment of JSCo 'RZD'. The founder and the only shareholder of RZD is the Russian Federation. Powers of the shareholder are exercised on behalf of the Russian Federation by the Government of the Russian Federation. The mission of the company is to satisfy the market demand for carriage services, raise performance efficiency, the quality of services, and deep integration into the European and Asian transport system. The company is focused on satisfying the needs of the state, corporate entities and individuals for railway carriages, works and services provided by the rail transport, and generating profit. Joint Stock Company 'Russian Railways' makes the top-three among railway companies.



Transaero Airlines

CORPORATE VOLUNTEERING AS A PART OF THE PERSONNEL DEVELOPMENT STRATEGY



‘Corporate volunteering programmes are investment in personnel, in the professional and personal growth of employees. Volunteering initiatives result in broadened experience and expertise, enable employees to master new skills, demonstrate or develop leadership talent, to be an integral part of the company and understand personal contribution to solving actual problems. Volunteering efforts bring moral satisfaction, help improve self-confidence, better understand current developments and external trends.’

Elena Zhuravleva,
Head of the Social Programme and Special Project Department,
Transaero Airlines

GOAL

Creating a system of interactive volunteering support aimed at strengthening corporate culture, efficient internal communications and corporate values, developing personnel, raising employees’ loyalty and improving morale, strengthening the company’s reputation and the corporate brand, and developing the local community.

OBJECTIVES

Transaero Airlines set the following objectives when implementing the corporate volunteering programme:

1. promoting charity and corporate volunteering among employees and partners of the company;
2. involving employees of the company and their family members in charity and social programmes of Transaero;
3. developing and implementing volunteering initiatives that are focused on the needs of the local community, are in line with the company’s priorities and are integrated in existing social programmes with due regard for the interests and competencies of employees;
4. developing and introducing a volunteer training system with proper consideration for scheduled volunteering projects and personnel development objectives;
5. encouraging creative initiatives of employees and providing a self-learning environment.

PARTICIPANTS

Employees of the company, beneficiaries (non-profit organizations and individuals that are aid recipients).

Events are organized in partnership with non-profit organizations (Da animation studio, Schastlivy Mir, Nastenka, Big Brothers Big Sisters programme, Deti autonomous non-profit organization, etc.).

KEY EVENTS

For Transaero Airlines, corporate volunteering is a part of the corporate culture based on the development of initiatives and creativity. The corporate culture created helps stimulate employment, retain the best employees and improve the company’s reputation. It ensures that the company’s management and employees share the same values.

The corporate volunteering programme ‘Travel to Transaero World’ is a part of a wider social investment programme contributing to the improved programme efficiency. The volunteer projects open wide opportunities for unveiling the company’s social responsibility strategies, and creating and improving the company’s image as a socially responsible employer.

When procuring and delivering projects under the corporate volunteering programme, Transaero Airlines are governed by the following criteria:

- programme compliance with Transaero’s social priorities and individual business objectives;
- continuity of aid provision;
- compliance of Transaero’s volunteer projects with the company’s major business lines and core business interests;
- focus of volunteer projects on practical solution of problems faced by project beneficiaries.

For Transaero Airlines, corporate volunteering is a part of the corporate culture based on the development of initiatives and creativity. The corporate culture created helps stimulate employment, retain the best employees and improve the company’s reputation. It ensures that the company’s management and employees share the same values.





Corporate volunteering projects of Transaero cover several areas:

1. Rehabilitation of disabled children. This is a part of the global programme of Transaero for supporting and developing children's healthcare that includes children's medical transportation, medicine transportation, doctors' skill upgrading and rehabilitation projects. The programme covers children with serious diseases (specifically, oncological and hematological diseases), children rehabilitated after serious diseases, and their family members. The company volunteers arrange trips to children's rehabilitation camps, organize creative master classes, develop and implement entertainment programmes stimulating socialization and emotional welfare of children in a difficult life situation and their family members.

2. Social adaptation of children in difficult life situations. The activities include thematic events on a regular basis, focused on socialization of children in a difficult life situation and support for the individual tutorship programme for foster children.

3. Pro-bono volunteering. The projects provide for consulting of non-commercial organizations within professional competence of volunteers and providing professional assistance to non-profit organizations and beneficiaries.

4. Donor events. The company organizes the Donor Days on a quarterly basis, every time involving about 100 employees donating blood free of charge. Blood is delivered to children's oncological and hematological centers in line with the priorities identified in the company's social programmes.

5. Private donations. This initiative is implemented on a constant basis – there are special boxes for donations in each office of Transaero. Collected funds are channeled to partner charity foundations.

6. 'Club of Volunteers' is a series of educational events for volunteer employees.

RESULTS

1. Popularity among employees and their family members. Over the 4 years of the corporate volunteering programme, the number of participants exceeded 500 people.
2. Regional coverage. The programme involves employees from various Russian regions from the northwest to the Far East.
3. Effectiveness. Number of events for disabled and foster children, donor events – number of events, employees involved, donations – outcomes. Number of beneficiary children.
4. Higher loyalty of employees to the company due to new, deeper types of motivation.
5. Development of employees. Higher creativity of employees, personal growth, and development of communication skills.
6. Development of local communities. Due to a number of city-wide events focused on external audience, charity and volunteering ideas were promoted among representatives of various classes. Most significant and remarkable events include 'Heart2Heart Bazaar' Charity Fair (over 5,000 guests) and a city fest in Garage Art Center (about 1,000 Muscovites).

APPRAISAL

When appraising charity efficiency, including the corporate volunteering programme, the following fundamental components are taken into account: social efficiency; impact on company's reputation; influence on core business (contribution to optimizing non-financial risks, encouraging corporate values, etc.). Alongside that, the programme stipulates the appraisal of psychological climate change and the programme's impact on lower personnel turnover.

PLANS TO DISSEMINATE THE PRACTICE IN RUSSIA AND ABROAD

The programme foresees its qualitative transformation. For example, based on the research (questioning of volunteers) a training and development programme for volunteers is developed as part of the global personnel development programme. The programme will cover different areas and combine various charity and volunteering practices. Based on the knowledge and expertise gained, volunteers will initiate and implement their own charity projects in line with the company's social priorities. Thus, the company will ensure personal growth and improvement of creative and leadership skills of employees, as well as use most efficient non-financial motivation tools.



COMPANY OVERVIEW



Transaero Airlines started its flights in 1991 drawing on the best traditions of the domestic civil aviation and the latest global achievements. Currently, Transaero is the second largest air carrier in Russia. The constantly growing and renewed fleet of the company consists of more than 90 aircraft. The route network of the company covers more than 160 directions in Russia and abroad. The team of Transaero consists of over 10,000 employees. In 2012, Transaero was recognized as the best airlines in Eastern Europe. The company is the winner of the World Airline Awards established by Skytrax. In 2012, the highest rating of corporate social responsibility (AAAs) was assigned to Transaero by REPUTATION rating agency.



Vodokanal of Saint Petersburg

FOSTERING WATER CARE CULTURE



'We are convinced that environmental problems cannot be solved only by implementing new technologies and replacing equipment. It is required to change the mind of people, avoid consumer's treatment to the environment; respect opportunities created by natural resource utilization, and learn to adhere to an environmental life-style. Enlightening efforts do not yield immediate results. But we see that the attitude to water gradually changes in Saint Petersburg. The evidence is downward trends in water consumption.'

Felix Karmazinov,
Director General, Vodokanal of Saint Petersburg

GOALS

Careful and efficient use of natural resources is among key values for Vodokanal of Saint Petersburg. Vodokanal considers that its mission also includes fostering a culture of water consumption and conservation of the Baltic Sea basin.

The growth of water consumption results in a higher environmental load (intake of increasing volumes of water from water sources, higher quantities of applied chemical reagents, electricity, etc.). In addition, enhanced volume of consumed water creates considerable difficulties in proper treatment of waste water generated.

Vodokanal of Saint Petersburg set a goal to convince people in the need for careful treatment of water resources and to form skills of responsible water consumption at the level of households, thus securing lower per-capita water consumption in Saint Petersburg and conservation of the Baltic Sea basin.

TARGET GROUPS

Children were selected as the key target group. First, children are an audience not burdened with behavioral stereotypes, ready to perceive new knowledge and apply it in practice. Second, these are children who are capable of drawing the interest of their friends and families to the idea of careful water treatment. A multiplication effect can be achieved: each child committed to the idea of careful water treatment involves 4-8 people in this process (parents, grandmothers, grandfathers, and friends).

The Youth Environmental Center holds free seminars for teachers and issues methodological materials. Specifically, the following guidance manuals were developed and distributed in schools and other educational institutions: Water Lessons, Baltic Sea Lessons, Pure Water Lessons, Water Lesson with Smeshariki, etc. Alongside that, special methodological recommendations prepared for the Russian Water Lesson are publicly available at the website of the Pure Water International Forum (thus, these recommendations can be used in any Russian schools).

Youth represents another target group. As first pupils of the Youth Environmental Center are turning into teenagers, the youth asset of the Center is being formed. The Center also uses the Internet technologies to disseminate the project idea among the young audience.



KEY STAGES

The first stage was the establishment of the Youth Environmental Center within Vodokanal of Saint Petersburg in 2002.

In 2011, the Youth Environmental Center was renewed. Two thematic halls were created: Hall of First Discoveries for small children (from 4 to 9 years old) and Baltic Sea Hall for school pupils and students.

A specific feature of the Youth Environmental Center is its openness and availability to any social groups (lessons and programmes of the Center are free of charge; operation of the Center is financed by Vodokanal of Saint Petersburg).

The Youth Environmental Center focuses on promoting simple recommendations intended to develop practical skills of efficient water consumption. For example, specialists of the Center created a special device – 'jet meter' (water meter) intended to measure water consumption in home conditions.



An example of applying the acquired knowledge at the level of households is the 'Drop Saves Drop' programme of the Youth Environmental Center. The Programme participants – school pupils – first carry out a water audit of their flats to find out how much water their family consumes and identify water consumption purposes. Many families agree upon efficient water consumption.

Since 2009, the Youth Environmental Center has been a participant in the UN Model educational programme. Specialists of the Center organized a special forum devoted to water problems within conferences of the UN Model.

In 2012, the Youth Environmental Center of Vodokanal became a partner of the International Youth Forum 'Water and World Heritage' organized as part of the 36th session of the UNESCO World Heritage Committee in Orlenok Russian children's camp.

In 2010, the Center launched a new water care treatment initiative – an active promotion of water consumption culture among the



Internet audience. Da-Voda.com website was created. One of its sections – Gadgets – contains information about devices that allow for lower water consumption without compromising comfort, and detailed analysis of their advantages and disadvantages. The website character – Neva Crawfish – gives to website guests practical advice in the form of video lessons: how to install a water meter, check the water quality, etc. In 2011, Neva Crawfish opened its blogs in social networks: Facebook, VKontakte, and Twitter.

In 2011, Vodokanal and Lahti Science and Business Park (Finland) established **The International Advanced Water Technologies Centre**. The Center's efforts include lessons for children and students aiming to improve efficient water consumption.

CHALLENGES AND LESSONS

The key challenge Vodokanal has faced is the need to change the mind of people and their behavioral habits. The challenge is most urgent for an adult audience. The practice shows that it is important to involve children in environmental enlightenment process from the very young age. Children are the best teachers for their parents. It is essential not just to speak of the importance of efficient water consumption, but also give recommendations on simple actions that procure positive results. One more conclusion made by Vodokanal related to the need of applying a set of tools to promote efficient water treatment strategies: on-line lessons, thematic programmes, visual materials, Internet resources, and social media.

RESULTS

Over nearly 11 years of its existence, the Youth Environmental Center has implemented more than 50 various projects and programmes and about 350,000 children took part in its lessons and projects.

Participants in various projects and programmes of the Youth Environmental Center saved 12,000,000 liters of water in 2012 alone.

The main result of the work done is to keep up with the trend towards reducing water consumption in St. Petersburg. Based on 2012 data, the average water consumption in the city is 159 liters per person per day (ten years ago, the figure was about 300 liters).

The popularity of Da-Voda.com constantly grows: the average number of unique visitors per day was 150 people in 2010, while in 2012 it reached 390 people.

The key result is the growing trend towards lower water consumption in Saint Petersburg. At the end of 2012, the average water consumption in the city was 159 liters per capita per day (ten years ago – about 300 liters).

COMPANY OVERVIEW



Vodokanal of Saint Petersburg was established on October 10, 1958. Currently, Vodokanal provides 5 million of urban population and dozen thousands of companies with water supply and sanitation services. Vodokanal ensures that all potable water is treated with ultraviolet. Vodokanal does not use liquid chlorine – it is replaced with sodium hypochlorite. In 2012, Vodokanal treated 97% of wastewaters in the city. Saint Petersburg follows recommendations of the Helsinki Convention on Protection of the Baltic Sea. Vodokanal is the finalist of Excellence Award 2011 by the European Foundation for Quality Management (EFQM).



JV LLC Sakhalin-Shelf-Service

**ENVIRONMENTAL ACTIVITIES
AS AN INTEGRAL PART OF PRODUCTION**



'Environment protection is a priority business objective of JV LLC Sakhalin-Shelf-Service. We believe that environmental activities and strict compliance with environmental laws are among the most important aspects of the production process.'

Leonid Katsev,
General Director, JV LLC Sakhalin-Shelf-Service

For more than 15 years, Sakhalin-Shelf-Service has provided a range of onshore procurement services for oil and gas projects implemented on the Sakhalin shelf. For these purposes, production bases were organized throughout the Sakhalin Island and in Magadan to ensure operations at the Western Kamchatka Shelf.

Exploration and mining of mineral resources at the Sakhalin Shelf caused a material growth of volumes and types of production waste, including drilling waste.

Production waste generated in the course of offshore drilling operations is delivered to the shore through onshore bases of the company, thus the company decided to establish a production waste treatment practice as a part of onshore procurement services for shelf projects.

GOAL

Procurement of waste treatment activities of the company while fully meeting consumer requirements, minimization of adverse environmental impact and strict compliance of all employees with the environmental laws of the Russian Federation, applicable regulations, rules and standards.

OBJECTIVES

- establishing a simple and efficient system of production and consumption waste treatment;
- legalizing waste treatment activities in the Far Eastern Federal District;
- minimizing environmental impact in the course of production, including waste treatment;
- applying advanced waste treatment technologies.

PARTICIPANTS

- employees of the company;
- customers;
- social and governmental institutions;
- contractors licensed for waste treatment.

CONCEPT

Maintaining the balance between the business and the environment is the key objective of any civilized society and a prerequisite to achieving sustainable development.



The unique nature of the Sakhalin Island and the Sea of Ohotsk and its vulnerability requires the highest level of responsibility of all companies involved in production operations in the region, especially those relating to the development of offshore oil and gas deposits.

IMPLEMENTATION

The process was divided in the following stages:

1. Comprehensive analysis of the needs for production and consumption waste treatment expressed by Sakhalin companies.
2. Training of personnel engaged in waste treatment activities.
3. Obtaining a license for treatment of I-IV hazard class waste, including collection, transportation, disposal, treatment and use.
4. Creation and certification of infrastructure facilities for collection, transportation, disposal, treatment and use of I-IV hazard class waste in the Sakhalin and Magadan Regions.

5. Purchase and certification of special-purpose vehicles and cargo package, including mud containers to transport waste of all hazard classes.

6. Signing of waste delivery contracts with licensed companies on final treatment, use and disposal of waste.

7. Centralized collection of waste produced by companies operating at the shelf of the Sakhalin Island, as well as municipal entities, educational and health institutions, etc.

8. Elaboration and launching of waste treatment programmes and instructions, conducting environmental monitoring, including waste disposal areas, in accordance with the production control programme.

9. Obtaining a certificate of compliance with ISO 9001 and 14001 standards.



Special emphasis was placed on drilling waste disposal (e.g. drilling cuttings, waste water-based drilling fluid).

Provisions of Russian environmental laws do not allow for waste discharge into water bodies. In the course of drilling operations at the continental shelf of the Far Eastern Region, a technology of 'zero discharge' is applied that provides for taking off any generated waste onshore and its further disposal in a manner safe for the environment. To meet the said requirements, drilling waste treatment and use (with production of a product) methodologies were developed and successfully implemented.

Drilling waste disposal provides for developing the most optimal system of waste transportation from a drilling unit to the nearest port to speed up the turnover of mud containers for uninterrupted drilling process; availability of certified production facilities for its process-

ing and final disposal. The detailed exploration of this issue enabled the company together with its stakeholders to define possible ways of water-based drilling waste disposal and introduce them in specific projects.

In 2004, operations relating to drilling waste treatment by cement hardening and burying in accumulation hangars were performed at Sakhalin for the first time.

This technology was applied for disposal of drilling waste generated when constructing exploration wells for Sakhalin-4 and Sakhalin-5 projects from 2004 to 2006.

Waste in special containers was delivered to a port located at the minimum distance from drilling points, reloaded onto motor vehicles and delivered to hangars to be disposed of. The short logistic chain (drilling unit – port – hangars) allowed for an optimal time of con-

tainer turnover and resulted in simplifying the disposal system itself, cost reduction and uninterrupted drilling operations. This technology was not developed due to some limitations relating to special nature management conditions in the Sakhalin Region (many spawning rivers, close location of underground waters to the surface, etc.).

In 2006, a method of drilling waste processing in soil was implemented, which envisages that drilling waste is processed using turf by mixing in relevant proportion to get a smooth paste. The waste treatment by this method is based on the unique ability of turf to absorb excessive moisture.

After processing and getting confirmation of compliance with imposed requirements, the produced soil is used as an insulation layer at solid domestic waste land-fields for rehabilitation of damaged lands, filling of road slopes, and improvement of soil fertility.

From 2006 to 2012, the method was applied to dispose of waste generated when constructing exploration wells at Veninsky and Yuzhno-Kirinsky blocks of Sakhalin-3 project and at the Western Kamchatka Shelf.

Thus, performing operations relating to the production waste collection and treatment, implementing new waste processing methods, taking environmental measures and complying with the environmental laws, Sakhalin-Shelf-Service makes a considerable contribution to higher environmental safety and conservation of the natural wealth in the Sakhalin Region.

From 2002 to 2012, 25,631.17 tons of various waste, including 19,093.65 tons of drilling waste, were utilized.

From 2007 to 2011, the company's environmental activities resulted in annual awards of '100 Top Russian Organizations. Environment and Environmental Management', 'Environment, Health and Safety', and 'Leader of Environmental Activities in Russia' contests.

Comprehensive services for shelf projects, including waste treatment, demonstrated its practical efficiency. This is confirmed by the fact that Sakhalin-Shelf-Service was included in the list of socially important companies in the Sakhalin Region in 2009.

RESULTS

- implementing a system for treatment of waste generated in the course of shelf projects and waste produced by other organizations operating in the Sakhalin Region;
- applicable waste treatment system is an integral part of services provided by the company.

The company constantly makes efforts to extend its activities to various Russian regions, with ecology and environment protection being its top priorities. The company keeps seeking new methods and ways of waste disposal that will allow for saving the environment and protect it against harmful impact.

COMPANY OVERVIEW



JV LLC Sakhalin-Shelf-Service is the only company in the Far Eastern Region that provides specialized onshore procurement services for organizations participating in the development of hydrocarbon deposits at the shelf of the Sakhalin Island and Kamchatka Peninsula.

Production and technical procurement bases of Sakhalin-Shelf-Service have a strategically favorable location throughout the Sakhalin Island, including all key seaports of Sakhalin, Wakkanai (a Japanese port), and the port of Magadan to procure operations at the Western Kamchatka Shelf. This enables the company to accomplish its production tasks in a proper, efficient and timely manner.



ОАО ОмскВодоканал

INTELLECTUAL PARTNERSHIP FOR ENVIRONMENTAL EDUCATION



'Access to pure water is a prerequisite for quality life and public health. Currently, our enterprises are actually engaged in creating municipal sustainment systems and, at the same time, providing environmental services. That is why the group views the environmental education of children and youth as an important part of its social mission. The sustainable development of our cities depends on their knowledge and standpoint. On these pages, we would like to share the experience of such efforts at ОАО ОмскВодоканал.'

Mikhail Shneiderman,
Chief Executive Officer, Rosvodokanal Group of Companies

GOAL

The Intellectual Partnership project is intended to engage children and teenagers in measures for raising public environmental awareness in Omsk.

OBJECTIVES

- Support environmental educational projects;
- Support students' research activities designed to facilitate occupational guidance and dissemination of environmental knowledge;
- Enhance the image of ОАО ОмскВодоканал as a socially-oriented and transparent company seeking to ensure that future generations are provided with vitally important resources;
- Promote positive attitudes to power efficiency among the Omsk citizens.

PARTICIPANTS

- ОАО ОмскВодоканал;
- The Siberian Business Career Centre;
- Pupils and teachers from gymnasium N 12 and schools N 37 and N 123, Omsk.

IMPLEMENTATION

For seven years, ОАО ОмскВодоканал has been implementing a programme of environmental education for children and youth. Our experts organize environmental excursions and classes at schools and universities. However, all of these activities serve merely as the preparation to the main challenge, i.e. involving children and teenagers in educational activities, as it is the activity approach that helps foster not only profound environmental beliefs, but also behavioral skills in terms of power efficiency.

Another advantage of such approach to the environmental education is an opportunity to increase the audience reach and engagement, as the children involved in educational activities become 'educated educators' themselves. Therefore, the Intellectual Partnership project designed to support schoolchildren and students' educational and research initiatives has become the most important line of the environmental education programme.

Thus, in 2008, the company for the first time became a partner in the Russian Olympiad 'Career in Russia' organized in Omsk by the Siberian Business Career Centre. The essence of the partnership was to

develop tasks in the public environmental education for teams participating in the project. For six months, corporate PR officers helped the teams, who had chosen the tasks by ОАО ОмскВодоканал, in developing their projects.

After the regional round, the SimCom team from Omsk school No. 2, reached the final of the Russian Olympiad which was held in Moscow. The project on the 95-year history of the Omsk water supply system was presented at the All-Russian Exhibition Centre during the IX All-Russian Exhibition of Scientific and Technical Creative Work of Youth. By example of Omsk, schoolchildren demonstrated the importance of the water supply system and the need for its continuous improvement. The Intellectual Partnership project continued into the next year. Once again, the company developed tasks for the teams that took part in the regional round of the Olympiad. Three completed projects got into the final.

The Fresh Mix team (school N 123) developed the 'Water of Life' project for its further implementation in schools of the city. Guided by their teachers and the company's specialists, the pupils collected considerable historical material and tracked down various tales and legends of the Om and Irtysh rivers. Children developed games and creativity contests for the elementary school, as well as humor competitions, scientific and practical tasks – for upper-form pupils.

The SimCom team from gymnasium N 12 presented the results of further historical researches. Not only did the children seek out valuable documents about the history of the water supply system, but also prepared them for print, and then had them published as a collected volume.

The third team (Fortuna, school N 37) won the regional stage of the Olympiad with its H2Omsk environmental website devoted to the conservation of drinking water.

After the victory in the regional qualifying round of the All-Russian Olympiad, pupils from Omsk schools No. 123 and No. 37 were invited to participate in the final festival, which took place in late August



2010 in Tuapse. The Omsk project was awarded the first prize – the Golden Icarus.

Still another area of the Intellectual Partnership project related to the activity approach to the environmental education is the corporate experts' assistance for students in their scientific work. To the fullest extent, this concept is implemented in cooperation with school No. 123. The school pupils became regular participants in various competitions and conferences where they presented their researches on the environment and resource conservation.

For example, Vladimir Eskov, a fifth-grader, made a successful presentation at the scientific-practical conference on environmental friendliness and resource efficiency. The conference, organized for intermediate school children by the regional ministry of education, ranked his work among the best ones. The schoolboy chose the water resources conservation as the subject of his first research. ▶

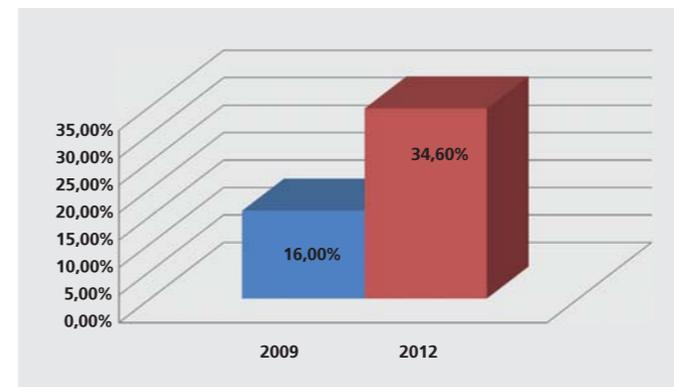




Alena Sologub, a ninth-grader, was awarded the I Degree Diploma by the Omsk Regional Ministry of Education at the XVI White Birch Interregional Festival of Youth Creative Work. For her report in the Hydroecology section Alena chose the environmental education at her school. Together with her teacher, Valentina Nikolaevna Gekkel, and specialists from OAO OmskVodokanal, she organized the Magic of Clean Water Festival for elementary school pupils.

A pupil of the same school, Vyacheslav Rossinsky, was awarded the I Degree Diploma by the Omsk Regional Ministry of Education at the XVII White Birch Interregional Festival of Youth Creative Work for a research into the drinking water quality in Omsk. Vyacheslav conducted his research using the facilities of the Omsk Vodokanal Laboratory Centre. At the Environment section, Vyacheslav told that he analyzed water by several dozens of indicators and proved that the Omsk tap water was as good as bottled drinking water and by some indicators even better.

The dynamic of the installation of individual metering devices in Omsk



The research helped Vyacheslav decide on his future profession: the boy would like to deal with environmental problems.

RESULTS

Such an approach to the environmental education has proved to be efficient:

- Children not only tell their families and friends about the water conservation, but also show by their own example how to save water;
- Information is collected and communicated to the target audience not by the company employees but is rather originated by the targeted audience itself;
- Participants in the educational events contribute to a positive image of the company, increasing number of positive references to the company and recognition of its social activities;

- The number of those committed to the principles of efficient water consumption keeps increasing: in 2009, only 16.0% of consumers had individual water meters, whereas currently the percentage of such consumers is 34.6%.

APPRAISAL

Such results may well be attributable to both the amendments to the Russian legislation and persistent educational efforts put in by the OAO OmskVodokanal specialists in intellectual cooperation with their young partners, Omsk schoolchildren.



COMPANY OVERVIEW



OAO OmskVodokanal comprises the Rosvodokanal Group of Companies.

The Rosvodokanal Group of Companies is the leader of Russia's water and sanitation sector. The Group has 7 Russian water supply and waste water treatment companies under its management. The number of consumers exceeds 6.7 million, the number of employees approximates to 17,000, the length of the serviced water supply and sewerage pipeline networks is over 23,000 kilometers, and the amount of the investment programmes implemented in 2007-2015 totals RUB 24.2 billion. Since 2003, the Group has been a part of the Alfa Group Consortium.



Sakhalin Energy Investment Company Ltd.

GRAY WHALE PROTECTION AND CONSERVATION ACTION PLAN



'Sakhalin Energy was one of the first oil and gas companies to promote cooperation between the business and the community of scientists and environmentalists. Although not always easy, the dialogue has helped Sakhalin Energy gain the respect as an open, transparent and responsible operator. We have worked with numerous stakeholders, applied the scientists' advice, listened to the opinions of our critics and taken on board this feedback to deliver better results. Such cooperation and engagement can be used as a model by other companies as an example of sustainable business.'

Richard Evans,
Head of the Health, Safety and Environment Department,
Sakhalin Energy Investment Company Ltd.

The Piltun-Astokhskoye field developed as part of the Sakhalin-2 project is located close to a summer-fall feeding area of a small population of gray whales, which are on the endangered-species list of the Russian Federation and International Union for Conservation of Nature (IUCN).

In all types of operations the company takes very seriously its responsibilities and implements the best mitigation measures to protect the environment. Over the years the company has developed an efficient management system to monitor and mitigate any environmental impact.

GOALS

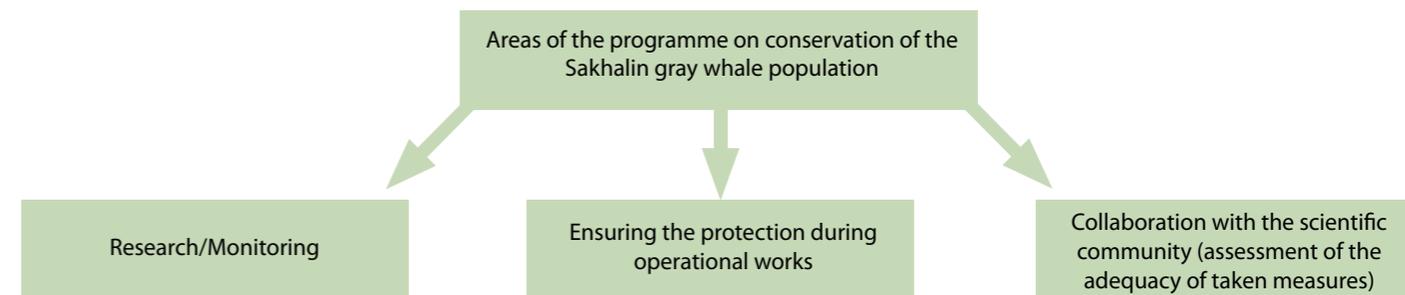
- Protect the gray whale population and minimize any potential negative impacts from the company's operation;
- Create a highly efficient mechanism of the close cooperation with the scientific community and ecologists to verify the adequacy of the whale protection measures.

OBJECTIVES

- Research and monitor the Sakhalin gray whales in order to develop measures for their protection and prevention/mitigation of any negative impacts;
- Develop and implement measures aiming to protect whales and prevent/mitigate any negative impacts on their population;
- Independent international verification of the measures implemented and results obtained.

PARTICIPANTS

- Sakhalin Energy - the initiator and the requestor of the research and conservation works related to the Sakhalin gray whales;
- The Western Gray Whale Advisory Panel of independent scientists and experts (under the auspices of the IUCN);
- The Ministry of Natural Resources and Environment of the Russian Federation;
- Russian and foreign scientists participating in the gray whales research programme;
- Exxon Neftegas Limited (operator of the Sakhalin-1 project), a partner of Sakhalin Energy in the joint Gray whale Monitoring Programme.



CONCEPT

Establish close partnership relations between the Sakhalin Energy and the global scientific community to develop and implement measures aimed at the conservation and protection of the gray whales offshore Sakhalin. Create a mechanism for independent and transparent assessment of the company's activities in order to reduce any negative impacts on gray whales from the company's operations related to oilfield development. In future, to engage with and involve other stakeholders in the partnership relations.

IMPLEMENTATION

The research programme was started in 1997. It included acoustic monitoring, research of the food base, whale photo-identification and creation of Photo-ID catalogue, habitat monitoring to determine the distribution and abundance of the whales, and behavioral studies. Since 2010, this has also included tagging whales with special telemetry chips and satellite monitoring of their routes outside the Sakhalin waters.





The most information about the western population of gray whales was obtained through this programme: the unique behavioral data, information about the food resources, size, gender and age structure, reproduction, distribution of whales off the coast of Sakhalin, migration routes and wintering areas. In addition, a photo catalogue of the population was prepared.

To ensure the protection of the whales during the construction and operational works, scientists and specialists at Sakhalin Energy developed a special set of protective measures. Although not required by the laws, the company developed and endorsed the Marine Mammals Protection Plan. The Plan describes the company's approach to the protection of gray whales during their summer-fall feeding period and aims to reduce any potential negative impacts on whales and their habitats.

Since 2001, the plan has been regularly updated. The last version (2008) included the recent scientific findings and impact mitigation measures, improved as per the assessment of their efficiency, new information available and recommendations provided by the independent experts.

The Plan establishes the limitations for the shipping traffic, mandatory presence of marine mammals observers onboard the vessels, designation of the special navigation corridors for vessels sailing in close vicinity to the whale feeding area, adjustments to the work schedules to avoid the operations during the main feeding period of whales near the Sakhalin island as much as possible; regulations for

helicopter operations, the criteria for the underwater noise limits, etc.

To create a special mechanism of the engagement with the scientific community and environmental experts, in 2004 Sakhalin Energy approached the IUCN with the request to establish and convene the Western Gray Whale Advisory Panel (WGWAP) under the auspices of IUCN.

The Advisory Panel was provided with an unprecedented amount of the information about Sakhalin Energy's activities plans, design solutions and the results of the gray whale studies.

Since 2006, WGWAP has been an independent forum for scientists from various countries. The Forum's main objective is to review operational plans of the company with respect to its potential impacts on whales and develop appropriate recommendations. WGWAP consists of 11 independent experts from the different fields of science.

Working on the regular basis, WGWAP organizes various workshops and twice a year holds its general meeting. Apart from the scientists and the representatives from Sakhalin Energy, the Panel meetings are attended by the observers from environmental NGOs, financial institutions, the Ministry of Natural Resources and Environment of the Russian Federation, and other stakeholders. One of the WGWAP permanent members is also the member of the special inter-departmental working group established by the Ministry of Natural Resources and Environment of the Russian Federation in 2009. This is what provides the relevant synergy between the activities of the international experts and the national regulators.

RESULTS

- At the time of the beginning of the Programme, the gray whales population was presumably thought to comprise of less than 100 animals. From 2004 to 2012, the number of adult Sakhalin gray whales was estimated to approach up to 150 individuals. According to WGWAP, the population growth rate varies from some 1.5% to 3% increase per year.
- The most part of the data on the ecology of Sakhalin whales was obtained due to extensive studies conducted by Russian Research institutes and international experts with the financial support from Sakhalin Energy, as well as the Sakhalin-1 project operator.
- The proper balance was found among the contribution to the economic development of Russia, energy resources exploration in the region and the whales conservation.

- The mechanism of engagement established by the company is recognized as a model for cooperation between the scientific community, civil society and business, as well as an example of the environmentally sustainable and socially responsible business.
- The monitoring programme developed by Sakhalin Energy together with WGWAP specifically for seismic surveys in 2010 has received the following recognition: *'WGWAP welcomes the report of the 4D Seismic Survey Task Force. WGWAP notes the significant amount of the work done, but also the fact that this cetacean monitoring conducted in the context of the seismic survey is, perhaps, the most carefully performed among those ever conducted prior to seismic field survey.'*



COMPANY OVERVIEW



Sakhalin Energy Investment Company Ltd. is the operator of the Sakhalin-2 project, one of the largest oil and gas projects. Shareholders: Gazprom, Shell, Mitsui, and Mitsubishi. The project infrastructure includes three fixed offshore platforms, offshore and surface pipelines, joint onshore production facility, oil loading terminal, and the first-ever in Russia liquefied natural gas plant. Sakhalin Energy is the only Russian company selected by the UN to participate in Global Compact LEAD, its new sustainable corporate development initiative.



Coca-Cola Hellenic

COCA-COLA HELLENIC PURSUING SUSTAINABLE DEVELOPMENT STRATEGY IN RUSSIA



'We are committed to the responsible management of water resources.'

Stefanos Vafidis,
Chief Executive Officer, Coca-Cola Hellenic in Russia

The Living Volga, a joint programme implemented by Coca-Cola Hellenic and UNESCO Moscow Office, is designed to foster responsible attitude to the river environment and better awareness of the biodiversity of the Volga river water and wetland ecosystems among the local communities. It is general knowledge that water is essential for human life and social development. This is why Coca-Cola Hellenic in Russia spares no effort to minimize negative impacts on water bodies and promote water quality monitoring in the regions where the company operates.

The Living Volga is one of the company's most important environmental projects in Russia. The project was launched in December 2006.

GOALS

- Help evaluate resources and species diversity in ecological systems of the Lower Volga and wetlands, as well as increase understanding of the sustainable development principles by the local authorities and communities;
- Foster a responsible attitude of the local community to the Volga ecosystem;
- Create a positive image of the company drawing on its initiatives on responsible water consumption.

OBJECTIVES

- Liaise with various groups of population and highlight the importance of ecosystems of the Lower Volga and wetlands;
- Attract the local authorities' attention to the environmental protection of waterways and wetlands in order to promote sustainable development of the Volga region;
- Prepare educational/informational materials and create efficient mechanisms for their dissemination.

PARTICIPANTS

- UNESCO Moscow Office ;
- Coca-Cola Hellenic;
- Local community;
- Representatives of the local authorities;
- Scientific community.

CONCEPT

Intensive environmental education, training and awareness building can help change public attitudes to the value of water resources.



To ensure such changes, The Living Volga programme was developed to include three major lines of activity:

1. Closer interaction between different communities. This can be achieved through dissemination of knowledge about the value of the Volga water and wetland resources;
2. Publication and distribution of educational and reference materials among pupils, students and teachers;
3. Local authorities and businesses' engagement in the programme.

This programme is of particular importance for the UN International Decade for Action: Water for Life (2005-2015) and Decade of Education for Sustainable Development (2005-2014).

IMPLEMENTATION

The programme covers 7 cities: Yaroslavl, Astrakhan, Samara, Saratov, Nizhny Novgorod, Volgograd, and Kazan. Implementing the programme, a group of experts developed reference and educational materials designed to raise the public awareness of the enormous importance the Lower Volga wetlands have.

The results of the work done served as the basis for the following materials: Volga information folders (an environmental educational set and a reference set). The folders are regularly updated and supplemented. The year 2011 saw the publication of a map of the Volga biosphere reserves and a respective brochure. The materials are distributed in local schools, among biosphere reserves visitors and in non-profit organizations.





influencing the Volga's future. Meetings between the representatives of state authorities, businesses and public organizations are designed to explain social and economic benefits of the sustainable management of the Volga resources and promote greater involvement from these groups.

Over the programme lifetime, the company has established strong partnership relations with many organizations operating in the Volga basin.

RESULTS

- Partnership relations established with the UNESCO Moscow Office and regional environmental NCOs;
- Public attention drawn to the problem of the Volga ecosystem preservation; The public made aware of the company's responsible attitude to the water resources utilization.



In 2008, the Volga Day was first established and celebrated in Nizhny Novgorod. Events of the day included river bank cleaning, scientific seminars and round tables, ethnographic and cultural events.

For the 5 years of the Volga Day celebration, more than 14,000 people took part in the project and more than 300 experts attended various scientific conferences.

Training workshops and roundtables on the Role of State, Private and Public Organizations in the Lower Volga Wetlands Conservation were attended by 140 people directly and 2,000 people - by correspondence.

The reports demonstrated not only the great public concern about the Volga's future but also people's intention to contribute to its protection. In 2012, 54 km of the river were cleaned. Since 2007, more than 400 km were cleaned. In 2012 alone, 37 tons of waste and debris were collected.

Furthermore, to make the programme more sustainable, it is necessary to increase the engagement of decision-makers capable of

Coca-Cola Hellenic Strategic Framework



COMPANY OVERVIEW



Coca-Cola Hellenic is among the world largest bottlers of trademark products of The Coca-Cola Company. Coca-Cola Hellenic conducts its business in 28 countries and is the leading European producer of Coca-Cola drinks with the sales exceeding 2 billion of conventional cases. The company serves some 581 million customers and supports 40,000 jobs. In Russia, Coca-Cola Hellenic is represented by Coca-Cola HBC Eurasia and has its own production facilities in Moscow and other regions. In recent years, Coca-Cola Hellenic has gained the reputation as a major investor among consumer goods producers in Russia. For many years, Coca-Cola Hellenic has been demonstrating sustainable business development. Coca-Cola Hellenic listing in the Dow Jones Sustainability Index (DJSI and DJSI Europe) and in FTSE4Good Index is indicative of the global recognition of the company's achievements in sustainable development.

THE ANTI-CORRUPTION CHARTER OF THE RUSSIAN BUSINESS

The Russian business community sees its mission in following high business standards that conform to the internationally recognized rules, and in responsible partnership with the government with a view to improving the living standards in Russia, promoting national economy and enhancing its competitive edge.

Realizing that no business objectives could be accomplished without a general consensus about a zero tolerance of any corruption, representatives of the Russian business community have come up with an idea to join the efforts to promote the anti-corruption principles. This idea underlies the Anti-Corruption Charter of the Russian Business.

GOAL

Preventing and fighting corruption.

INITIATORS

- The Russian Union of Industrialists and Entrepreneurs;
- The Chamber of Commerce and Industry of the Russian Federation;
- All-Russian Public Organization Delovaya Rossia;
- All-Russian Non-Governmental Organization for Small and Medium Entrepreneurship OPORA ROSSII.

PARTICIPANTS

- Corporate initiators of the Charter;
- Any unincorporated businesses, companies and organizations irrespective of the form of ownership, size, business profile and location, which are willing to join the Charter.

PROVISIONS

Underlying the Charter are the principles of preventing and fighting corruption, namely:

- Corporate management based on anti-corruption programmes;
- Anti-corruption programmes monitoring and assessment ;
- Efficient financial control;
- Personnel training and control;
- Joint efforts and transparency of anti-corruption measures;
- Rejection of illegally gained benefits;

- Relations with partners and counterparties based on the anti-corruption principles;
- Transparent procurement procedures;
- Information measures to counteract corruption;
- Collaboration with the government;
- Advocating law and order;
- Combating bribery of foreign public officials and international public organization officials.

The provisions of the Charter shall apply to both the relations inside the business community and those between the business and public authorities.

IMPLEMENTATION

The Charter shall be open for accession by national, regional and industrial associations, as well as Russian and foreign companies operating in Russia. Furthermore, companies may accede to the Charter both directly and through the associations of which they are members.

As the major mechanism to combat corruption, the Charter provides for anti-corruption programmes and policies to be integrated in corporate governance. Such programmes and other internal corporate documents shall explicitly specify principles, rules and procedures intended to prevent corruption in all areas of the company's business, including business ethics, special managerial procedures, personnel training requirements, special anti-corruption control and audit rules, procedures for preventing a conflict of interest and commercial bribery, rules of donations, sponsorship and charity activities, etc.

To successfully apply the Charter principles in the business practice, the initiators approved the *Regulations on the Anti-Corruption Charter of the Russian Business: Conditions and Usage Procedure, or The Road Map to the Charter.*

In accordance with the Regulations, a joint committee was established to deal with all matters relating to the implementation of the Charter, such as ensuring relevant organizational, methodological and informational conditions. Each corporate initiator shall delegate two representatives to the Joint Committee and appoint a co-chairperson. Consequently, the Joint Committee shall comprise four co-chairpersons, one on behalf of each organization. Each co-

chairperson shall, on the rotation basis, manage the work of the Committee for a six month term. In particular, a co-chairperson holds the meetings of the Committee and draws up the agenda based on the proposals made by the Committee members. In all its decisions the Committee shall be governed by consensus.

Major functions of the Joint Committee are to:

- Decide on the procedures and conditions applicable to the certificates to be issued to the Charter signatories as the public confirmation of their compliance with the Charter provisions;
- Outline proposals for government incentives designed to promote corporate anti-corruption practices, in particular, based on the annual financial and non-financial (sustainability) reporting of companies;
- Make decisions on various contests, company rating procedures, honorable distinctions, other reputational incentives, as well disclosure rules applicable, in particular, to the information to be posted on the single information web-site (register status, monitoring results, dispute resolution, etc.);
- At the request of the Charter initiators or based on the dispute settlement bodies' resolutions, make decisions on the 1-year suspension of the Charter membership, as well as on exclusion from the Companies Register of the Charter members in breach of the Charter provisions.

RESULTS

The Joint Committee held its first meeting about the implementation of the Anti-Corruption Charter of the Russian Business. The meeting approved the members of the Committee, Regulations on the Consolidated Register and immediate action plan. Conditions and procedures applicable to the public confirmation of the companies complying with the Charter provisions are still to be worked out.

The initiators of the Charter advise companies as to how develop and implement corruption risk assessment and management methodologies and corporate anti-corruption programmes. Furthermore, a number of seminars were held with regional and industrial employers' associations to expound the RSPP anti-corruption policy and the Charter accession procedure. The accession process is already underway. The Register of the Charter participants is being compiled.

ORGANIZATION OVERVIEW



The Russian Union of Industrialists and Entrepreneurs (RSPP) is the Russian national organization designed to promote interests of the business. RSPP has been a member of the UN Global Compact since 2004.

Today, RSPP comprises some 140 industrial and regional business associations, as well as large, medium and small enterprises from key sectors of economy. The companies comprising RSPP account for more than 60% of the Russian GDP.

RSPP sees its mission in consolidating efforts of the Russian industrialists and entrepreneurs with a view to improving the business environment, raising business standards and the status of the Russian business within the country and abroad, as well as maintaining the right balance between social, government and business interests.



THE TEN PRINCIPLES

HUMAN RIGHTS

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.

LABOUR

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.

ENVIRONMENT

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.

ANTI-CORRUPTION

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