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**CORPORATE SUSTAINABILITY AND ENVIRONMENTAL  
REPORTING IN THE RUSSIAN FEDERATION<sup>1</sup>**

*Sustainability and Corporate Social Responsibility (CSR)*

In recent years, the problem of socially responsible business (i.e. responsible to the nation or public in general) has been evolving controversially in the Russian Federation. In fact, after the 13<sup>th</sup> Congress of the Russian Union of Industrialists and Entrepreneurs in 2003, when the President of the Russian Federation called on Russian businesses to become socially responsible, quite an evident process of voluntary activity in this sphere started among the most concerned and strategically thinking representatives of the Russian business community. Basically, those were big private businesses, which entered into an active dialogue with the interested public groups. They began to introduce modern international standards of socially-oriented and environmental management and published their first social reports, sometimes in the sustainability reporting format recognized as the most advanced by the world business leaders. Such businesses mainly comprised major Russian companies and a number of banks, including JSC Norilsk Nickel, JSC LUKOIL, JSC Unified Energy System of Russia, JSC Tatneft, Ilim Pulp Corporation, NOVOGOR-Prikamie LLC, YevrazHolding Ltd, SUAL Group, JSC Magnitogorsk Metallurgical Plant, AKB Rosbank, Togliatti FIA-Bank, etc. However for now, it is only a small group of enthusiastic companies aware of how this work is strategically important for business sustainability. Their activity in this sphere is also aimed at creating clear, effective and regular relationship with regional and municipal authorities, as well as with the civil society.

Corporate social responsibility (CSR) has been progressing in Russia in line with the global trends, however as yet very slowly and, in fact, without covering small and medium businesses. The point is that by social responsibility reported openly to the public in its most developed version is meant the company activity, which has three "pillars" of responsibility: economic (quality, product and service safety, availability, and affordability), environmental (reduction of harmful emissions and other environmental loads) and social (corporate development and social projects, including charity). As a rule, Russian small and medium businesses do not go beyond local charity, claiming it as the main form of social responsibility.

CSR is a part of corporate governance and not just a function of public relations. This activity reflected in a system of economic, environmental, and social indicators of sustainable development is implemented through a regular dialogue with the public, being a part of strategic planning and company management. That is why any decision regarding CSR is made by all

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interconnected levels of corporate governance, including company owners, board of directors and managers.

The main point of this work is to show that any operational and economic decisions are made considering their social and environmental impact on businesses and communities. With such scheme CSR turns into a powerful factor of strategic development, strengthening of business standing and competitiveness, and also growth of company market capitalization. In fact, CSR is both policy and implementation of sustainability strategy of companies. CSR and sustainable development are different sides of the same coin. The effect of CSR on business attractiveness for investors could hardly be overestimated since every portfolio investor assesses all risks when making a serious decision on purchasing any shares. A company may be attractive in respect of its current profitability but extremely unstable from environmental and social point of view.

In Russia, in addition to utterly poor involvement of small and medium businesses into this process there is also no progress with regard to large and medium state-owned companies (and also companies under largely state control). In many respects it is due to the problem of non-transparency of Russian business. After all, social, environmental, and sustainability reports openly published in compliance with international standards imply voluntary disclosure of very important additional information pertaining to all aspects of company activities. According to Standard & Poor's 2005 survey results, the transparency level of Russian state-owned businesses is much lower than of the private ones, which, of course, cannot be regarded as normal. In theory, everything is vice versa: the state-owned – and, in fact, people's – companies should be by definition more publicly open as well as more socially responsible.

### ***What a Socially Responsible Company Is***

Before we dwell upon the main forms of social, environmental, and sustainability reporting it is necessary to define the notion "social responsibility of a Russian company", which is currently quite ambiguous in the Russian Federation. This is primarily due to the fact that without public coordination of such activity in general and first of all on the federal level, all stakeholders (businesses, authorities, and non-profit organizations) interpret this concept for the sake of themselves, trying to camouflage and even to publicly underestimate or overestimate their share of social responsibility.

Below you will find a system definition of social responsibility of business consisting of two components: statutory and voluntary. The latter developed by relevant Russian NGOs under coordination of NGO "Corporate Social Responsibility – Russian Centre" in a series of consecutive expert seminars held in 2004.

**By social responsibility of a Russian company (or corporate social responsibility, CSR) is meant its contribution to economic, environmental, and social activities to provide and maintain sustainable development of the company itself, its location area and the public in general.**

Social responsibility of a Russian company is defined according to **statutory and voluntary actions**, which are constantly in the process of enhancement due to regular dialogues of the company with the stakeholders both from within and from without. **The socially responsible company** observes all statutory rules and obligations formed a **minimum set of CSR features**, including the following:

- Produce quality and safe goods and services
- Pay taxes in full

- Regularly pay wages and salaries to employees and contribute to their social security
- Follow antimonopoly law requirements
- Follow the environmental regulation and government requirements for clean production
- Provide safety, health and labour protection for employees and comply with the employment law
- Observe human rights under the Constitution of the Russian Federation

Following public demands, **the socially responsible Russian company** can assume additional obligations combined into **a voluntary set of CSR features** to meet both its own interests and interests of the public in general, including as follows:

#### *Economy and Corporate Governance*

- Follow the principles of social responsibility included into the Code of Corporate Conduct and Social Charter of Russian Business
- Develop and follow consistently all intracorporate codes or other documents defining company's business ethics
- Constantly enhance quality, consumer properties, and social significance of products and services
- Follow sound business practice by establishing reliable relationships with suppliers, distributors, and customers preferring those companies, which follow the CSR requirements
- Support development of small and medium businesses, including its own process flows and participate in relevant industry and interindustry programmes and funds

#### *Environment Protection*

- Take measures of technological nature to provide saving of energy, water, and other resources
- Organize waste and wastewater treatment by gradual introduction of non-waste production technology
- Reduce emission of ozone depleters, greenhouse gases, chemical agents, and other harmful air emissions
- Organize efficient land use and maintain biodiversity and native habitat, including recreation areas and nature reserves

#### *Social Policy*

- Participate in social investments through internal and external social programmes
- Provide personnel development using professional training system
- Implement sponsor and charity projects within location area to maintain social well-being, safety, and sustainability
- Participate in sponsor and charity programmes of regional and federal levels to solve acute nation-wide problems
- Support social projects for culture, sports, and education
- Participate in PPP projects to solve social and environmental problems of society
- Take part in international charity and social projects
- Support public and nonprofit organizations of the civil society
- Enter into a regular dialogue and public hearings with stakeholders, including shareholders and investors, employees and trade unions, suppliers and customers, representatives of local, regional, and federal authorities, mass media, professional

associations, public and nonprofit organizations, etc. and on this basis make necessary changes in own activity

- Improve openness and transparency of own business by regular social and international reporting on sustainability, enabling enhancement of production management quality, social development, and non-financial risks

Additional qualities and actions featuring socially responsible business are limitless, being a subject of voluntary civil initiative in cooperation with company's stakeholders and the public in general. Making for effective management of non-financial risks, additional actions represent a powerful means of demonstration by business its moral responsibility for social conditions and development. CSR is an instrument of constant and consistent growth of Russian business competitiveness, inspiring technological and social innovations.

### ***CSR as the Basic Ideology for Corporate Governance***

All over the world (and Russia is no exception) the problem of non-financial risks plays an increasingly important role for businesses. As to investors, such risks also become more significant along with commercial and economic risks. Beginning nearly the mid-nineties of the last century, the CSR reporting fills this information gap for investors since it shows and proves that a company pays constant attention to environmental and social aspects of its activity, thus lowering the risk of internal and external social conflicts, as well as environmental penalties.

CSR will gradually become the basic ideology of corporate governance and management as it already happened in most developed countries of the world. Nowadays, we have in Russia quite a collection of CSR components, and every company defines CSR in the light of its own strategic tasks and priorities, its corporate culture and extent of responsibility and obligations, which it is ready to assume. Socially responsible leading Russian companies highlight a number of interconnected features of their CSR vision:

- CSR as a *strategic business approach to manage company's social, environmental, and economic responsibility*, which allows to reveal and define a frame of obligations and areas of responsibility and implement them on the basis of continuous improvement in terms of general business strategy
- CSR as a *set of conduct and governance principles* voluntarily adopted by a company, which materially effects the process of decision-making on every level and is based on responsible attitude and preference recognition of aspects, strategically important for business
- CSR as a *management system*, representing a set of mechanisms and tools enabling coordinated and balanced control of non-financial issues of company's activity

This approach will encourage socially responsible companies to perform this work consistently by means of regular dialogue with the public and use it for strategic planning and company management, as well as to reflect it in a resulting system of economic, environmental, and social indicators. The backbone of this work lies in the fact that any operational or economic decisions are made noting their social and environmental impact for a company and the public in general. Only with such scheme CSR can become a powerful factor of strategic development and strengthening of company's business standing and competitiveness.

## ***Social, Environmental, and Sustainability Reporting***

Being a company's voluntary action, social, environmental, and sustainability reporting is a technology and tool of corporate governance enabling arrangement of non-financial activity (social, environmental, and other initiatives and programmes) and improve the quality of strategic and operating management, resulting in organization's general sustainability and controllability. Such voluntary and open reporting allows a company to demonstrate its commitment to the principles of the CSR and sustainability concept, become transparent for the public and present significant company's information in the form of corporate environmental, social and ethic performance.

Such practice of informing is recognized internationally due to high efficiency of this control element for organizations of all types and sizes, including profit and nonprofit, public and private, production and services. Among major benefits of CSR and sustainability reporting for organizations are the following:

- It allows to reveal stakeholders' opinions and expectations for organization's activity and clarify their CSR strategy
- It demonstrates that stakeholders' opinions have been heard and taken into account and also creates long-term confidence and cooperation
- It is an effective tool for revealing, prevention, and lowering non-financial risks and building up sustainable reputation of a responsible employer, partner, citizen, etc.
- It allows to present attained CSR and sustainability performance, estimate and take account of them for decision-making on all levels, thus improving their quality
- It helps to monitor organization's adherence to the principle of continuous enhancement and encourage further improvement of internal processes
- It improves competitiveness, etc.

Today, there are nearly 30 international CSR standards in the world designated for assessment and management of CSR actions and reporting on corporate level. For more adequate reception and introduction on corporate level, it is advisable to classify these standards in four categories, depending on application and use:

- **Guidelines and codes of conduct** (Amnesty International's Human Rights Guidelines for Companies, OECD Guidelines for Multinational Enterprises, UN Global Compact, etc.)
- **Management systems and certification schemes** (Eco-Management and Audit Scheme (EMAS), ISO 9000 and ISO 14001 eco-standards, SA 8000 Standard for Social Accountability, etc.)
- **Rating indexes** (Dow Jones Sustainability Indexes (DJSI), FTSE4Good "ethical" Index Series, etc.)
- **Report preparation systems** (Guidelines of Global Reporting Initiative (GRI) and AA1000S Process Standard for Report Preparation)

For the last 10 years, Russian leading companies have been primarily introducing the EMAS, ISO 9000 and ISO 14001 eco-standards, and SA 8000. GRI and AA1000S are used in CSR reporting during two or three years.

The Guidelines of Global Reporting Initiative (GRI) present one of the most recognized and generally used international standard, which is structured on the principle of "three pillars" or "triple bottom line": company's economic, environmental, and social performance. According to the 2002 Guidelines this advisory standard includes 50 core and 46 additional performance

indicators in all three areas, absolute majority of which are quantitative. The GRI sustainability reporting standard is *results-oriented*, and the results are defined by economic, environmental, and social performance:

- **Economy:** 10 core and 2 additional performance indicators
- **Environment protection:** 16 core and 19 additional performance indicators
- **Social policy** (labour, human rights, and society): 24 core and 25 additional performance indicators

Currently, this form allows to present mostly full the information on company's social and environmental responsibility. This standard provides for step-by-step use of performance indicators, as the companies, starting this difficult and diligent work, advance in non-financial reporting.

The standards of AccountAbility 1000 Series (AA1000S) serve as a support format for GRI and other international standards, that define the procedures of communication with stakeholders and preparation of social reports (sustainability reports) and establish verification and assessment principles. The key standard in this series is AA1000 SES (Stakeholders Engagement Standard). **Stakeholders** may include natural persons and legal entities or groups of persons, which have influence on a company/organisation and its activities or are being influenced by a company: namely, shareholders, clients, consumers of company's goods and services, representatives of business, civil society, governmental authorities, and trade unions.

### ***Types of Social and Environmental Reports***

Depending on objectives and maturity, company's CSR and environmental reporting can be presented in five forms:

- *Special section* in an annual report
- *Social report*, which combines all company's social, charity, and sponsor projects and is executed in an optional form, convenient for a company and out of the CSR international standard format
- *Environmental report*, describing priorities and major orientation of company's environmental policy, system of environmental management, monitoring and control, environmental impact, performance, and eco-policy expenditures
- *Corporate social and environmental report* with partial application of international standard principles and indicators, which describes company's mission, values, and strategic targets along with social actions and projects implemented in response to its dialogue with stakeholders
- *Sustainability report* prepared in compliance with the principles and use of performance indicators defined in the GRI Guidelines and AA1000S standard, which include all aspects of company's social mission, corporate strategy and culture, social and environmental policy.

Below we describe standard structures used in four types of corporate reporting (except special section in an annual report) on social and environmental responsibility.

#### **Social Report**

- Simple list and description of all social, environmental, sponsor, and charity projects prepared in a format suitable for PR campaigns

## **Environmental Report**

- Company's priorities in rational nature management
- Official documents, government decrees, and environmental policy concepts
- **Environmental management system**
- **Environmental monitoring and operational control**
- **Company's environmental impact and performance**
- Expenditures, efficiency, and economic aspects of environmental policy

## **Corporate Social and Environmental Responsibility Report**

- Corporate principles, values, and culture
- Company's mission and strategic targets
- **Social policy in terms of personnel development**
- **Company's social, environmental, and public projects on the local, regional, and federal levels**
- **Economic, environmental, and social performance**
- **Sponsorship and charity**
- Company's future challenges and tasks

## **Sustainability Report**

- Corporate principles, values, and culture
- Company's mission and strategic targets
- **Economic performance and development**
- **Environmental sustainability of production**
- **Company's social policy**
- Company's future challenges and tasks

Full public openness is a matter of principle for all types of such reporting. Mass media pertain to stakeholders and play a special role: they cover best practices in this field to be multiplied by business communities and the civil society. In Russia, a small part of major businesses actively develop annual reporting forms using basic principles, elements, and performance indicators defined in the international standards.

Since the leading world companies and corporations report on their social and environmental responsibility according to GRI, then this standard is effective and widely recognized. Moreover, a new rating and investment Dow Jones Sustainability Index is estimated on the basis of indicators similar to the GRI performance. Then it is the matter of both efficiency of this work on CSR management and its direct connection with capitalization growth of Russian companies in major stock markets of the globe. In our understanding, there is no need to invent another "Russian bicycle", for the world best professionals have already performed this work (meaning the GRI Guidelines and the AA1000S social accountability standard). We should simply familiarize ourselves with these "soft" standards and introduce them since they are unified and understandable for all developed countries, as well as such third-world leading countries as Brazil, Argentina, Chili, South Korea, South Africa, etc., which take an active part in this process. Furthermore, based on the Russian originality we could, certainly, add individual performance indicators (economic, environmental, and social).

## *Introduction Problems*

Much work should be done to enable Russian companies to move up to the international standards of social and environmental reporting. However, we should start with introduction of the concept of sustainable development and social and environmental responsibility of such forms that are mostly convenient for companies, including the simplest ones: special sections in annual reports and social and environmental reports. In this connection, it is crucial to enter into a formalized dialogue on all levels of state power and with the civil society on social responsibility of company's business. Such dialogue should not be populist but absolutely specific, during which the representatives of state authorities and the civil society, in their turn, define and present their own share of social responsibility. This should be a continuous trilateral movement, useful and efficient for all. Initial steps can be made by companies on their own, i.e. on the level of "inventory" of their social responsibility.

It should be noted that on the local and regional levels (though not in every region) such mutual movement can be already observed. Often cooperation occurs in fairly effective form of intersectoral social partnership, so support of socially responsible businesses becomes more coordinated. At this point, state authorities on the local and regional levels have already tried quite a collection of efficient means and methods, including as follows:

- Holding regional social forums to formulate social and environmental priorities with inviting businesses to participate in the most important actions organized by the authorities
- Development and implementation of special target programmes and social investment in social, environmental, culture and sport areas with companies' direct cost sharing
- Participation of representatives of municipal and regional authorities in businesses' actions (including the so-called dialogues about their social and environmental responsibility) to formulate specific recommendations for businesses with regard to development of their own public programmes
- Conducting seminars and special actions to develop intersectoral social partnership with participation of all the parties involved, including the power, business, and civil society
- Transition to NGO involvement (for example, to local communities' funds) in implementation of joint social and environmental programmes of power and business to improve their efficiency and provide guaranteed transparency of consolidated fund spending.

Both Russian regions and municipalities gradually come to an understanding that it is necessary to build their relationship with business on a constant and clear basis. If earlier they, primarily, appealed to business for urgent "patching of holes" in social and environmental areas or infrastructure, now most governors, regional Dumas, and local mayors prefer joint planning of various medium-term projects and programmes. It is advantageous both for power and business. Little by little they build stable partnership relations. However, development of regional sustainability plans is still a long way off. The two of such attempts can be noted: long-term sustainable development programmes for the Tomsk Region and Novosibirsk City.

Yet on the federal level – the Government of the Russian Federation – there is neither an authorized agency or organisation department nor a set-forth public policy with regard to social responsibility of business. Even in the context of general sustainability of the country we have absolutely incomprehensible understatement: beginning December 1997, the National Sustainability Strategy of the Russian Federation approved by the Government has never been discussed since then in terms of its implementation and adjustment. At the same time, due to the Accomplishment Plan of the 2002 Johannesburg World Summit for Sustainable Development all

participating countries had to *"immediately take steps to progress in development of sustainability strategies and commence their implementation by 2005"*. We are getting impression that the state bureaucracy in its present form, "crazy about" the controversial institutional reform and busy with solving the social problems, has no interest and motivation to analyze and formulate strategic tasks in this field. It is a very deep problem, for annual messages of the President of the Russian Federation state only current and medium-term priorities for the country. The medium-term programmes of social and economic development of the Russian Federation prepared by the Ministry of Economic Development and Trade just specify and detail said priorities and describe different scenarios of the country's social development.

### ***Russian Experience of Social and Environmental Reporting***

Based on the world experience and starting serious large-scale CSR and sustainability projects to present their economic, environmental, and social performance, Russian companies solve two problems at once: providing strong domestic PR and "nearing" the level of the world leaders. By early August 2006, 876 world leading corporations and companies have been already involved in CSR and sustainability reporting on the basis of international standards and the GRI Guidelines. Most of them support the UN Global Compact, defining 10 CSR principles, the last of which being "struggle with corruption of any form, including extortion and bribery".

As of July 2006, 41 Russian companies have issued their non-financial reports. Fourteen of them are included as sections into their annual reports; seventeen are prepared in the form of social reports, six as sustainability reports, and four as environmental reports. At the same time, all in all eleven companies have prepared their reports with application of the GRI and AA1000S methods and performance indicators. Among them are JSC Norilsk Nickel, JSC LUKOIL, JSC Unified Energy System of Russia, JSC Tatneft, JSC YUKOS, Ilim Pulp Corporation, JSC Northwest Timber Company, NOVOGOR-Prikamie LLC, EvrazHolding Ltd, Shell, and BP. RUSAL has prepared its nonfinancial report in compliance with ten principles of the UN Global Compact.

#### ***Types of non-financial reports, issued in the period of 2003-2005 in the Russian Federation***

<b><i>Types of reports from the selection of 26</i></b>	<b><i>Environmental</i></b>	<b><i>Social</i></b>	<b><i>Sustainable Development</i></b>
<b><i>Companies</i></b>	JSC GASPROM  JSC "Rjazan State Regional Power Station"  JSC "Arkhangelsk Pulp and Paper Mill"  JSC "Northwest Timber Company"	JSC UKOS JSC Sibheft JSC "Lenenergo" JSC "Perm State Regional Power Station" JSC "Magnitogorsk Iron and Steel Works" JSC RUSAL JSC "Norilsk Nickel" «EvrazHolding» West-Siberian Metallurgical Plant «EvrazHolding» Kachkanarsk Mining&Processing Plant	JSC LUKOIL  JSC Tatneft  BP  Shell in Russia  RAO UES of RUSSIA

		«Vanadium » Ilim Pulp JSC “Mondi Business Paper Syktyvkar” BAT Russia Union of Russian Breweries Alfa-bank FIA-bank JSC “Russian Communal Systems” IKEA	
<b>Bzero</b>	<b>4</b>	<b>17</b>	<b>5</b>
<b>%</b>	<b>15%</b>	<b>65%</b>	<b>20%</b>

Source: Non-Financial Reporting of the Companies, Working in the Russian Federation: Practice of Social Reporting. Analytical Survey. General edition by A.N. Shokhin – RUIE, Moscow, 2006 – p.32.

From the environmental responsibility point of view, the leading Russian companies and Russia-operated foreign corporations presented their reports according to GRI currently use 26 of 35 core and additional indicators of environmental performance (Annex 1), and this result is not bad for the initial period. Only nine additional environmental indicators are not used that is quite allowable for novice GRI reporters (Annex 2).

Especially distinguished among other reports based on the GRI and AA1000S methods and performance indicators is the JSC Unified Energy System of Russia's Social Responsibility and Sustainability Report, which was prepared and presented to the public in the middle of this year. Having certain experience in open environmental reporting mostly performed by Ryazan State District Power Plant, Unified Energy System of Russia made an extremely important step for entire concern by smooth incorporation of the environmental component both into the general concept and the sustainability report (by applying a new GRI-G3 third-generation standard; refer to Annex 3 for environmental performance). Noting the role of Unified Energy System of Russia in power (70%) and heat (32%) production in the Russian Federation, the scale of environmental impact that this corporation has is one of the most significant in the country:

- Pollutant air emissions: 14% of total Russian volume
- Greenhouse gases (particularly, CO<sub>2</sub>): 30%
- Raw water abstraction: 36% of total water use in the country
- Contaminated wastewater discharge: 3% of total Russian volume
- Wastes: nearly 1% of total Russian volume

Hence, a major power-generating Russian corporation has made a principle step towards implementation of modern voluntary reporting on sustainability where the environmental component occupies an equal and important position.

At present, only four Russian companies present their environmental policy in the form of special environmental reports: JSC Gasprom, JSC Ryazan State District Power Plant, JSC Arkhangelsk Pulp and Paper Factory, and JSC Northwest Timber Company. No doubt, this number is extremely small for the Russian Federation though the reports presented are highly transparent in most aspects of environmental responsibility. This fact can have a demonstration

effect for possible Russian followers, especially because of such reporter as JSC Gasprom, one of the major corporations in the Russian Federation.

The environmental performance indicators included into this environmental reporting are compatible and mostly conformable with the GRI international sustainability standard in the following aspects:

- Air emissions
- Water sources
- Wastes
- Used and recultivated lands
- Resource and energy saving
- Environment protection expenditures and environmental payments
- Personnel retraining

The systems of environmental management applied by these leading Russian companies meet the ISO 140001 requirements. Moreover, Gasprom has introduced such environment management system that anticipates both environmental monitoring and environmental operating control (including administrative verification of compliance with environmental legislation).

Annex 4 lists the companies, working in Russia and presented their open non-financial reports in different forms.

Of course, CSR and sustainability reporting are just emerging in Russia. However, involvement of major public and private corporations, as well as constant growth of published voluntary reports in number during the last three years allow to conclude that sustainability and environmental reporting in Russia has good pace of development and quality oriented on the international standards and that it also has considerable prospects. Growth of international cooperation in this field with the EU and EECCA countries could have a strong favorable impact on general status of the state environmental policy in the Russian Federation, which is now fragmentary in the organizational aspect and far from the level of developed countries.

### ***Ratings of Social and Environmental Responsibility***

National ratings of social and environmental responsibility of Russian companies play a very important role in increase of this activity and public monitoring. Among the best known ratings are the rating 'Environmental Responsibility of Major Russian Enterprises' developed by the interregional public organisation Independent Social Environment Protection Initiative (MOO NESPI) and the ratings of transparency of environmental reporting and social and environmental performance developed by the International Social and Environmental Union (MSoES) and Independent Environmental Rating Agency (NERA)

The purposes and approaches used for these ratings significantly differ from each other.

MOO NESPI's subject of rating is the company environmental activity, namely environment protection, its legitimacy, completeness and intensity regardless of amount of emissions and industry-specific pollutants. This rating covers top 20 Russian holding companies based on a twofold criterion: environmental responsibility of enterprises belonging to said holdings and information openness in presentation of key environmental information.

NERA's rating is focused on assessment of environmental impact produced by 110 companies and their 700 enterprises based on six key indicators, most commonly used in the

Russian practice of environmental monitoring: use of natural water, wastewater discharge, air pollution emissions, waste formation, land damage, and exhaust transport gas emissions. All companies are ranked on the basis of three integrated indicators: level of environmental impact per employee, short-term (2003–2004) and long-term (2000–2004) changes of environmental efficiency. In the process of ranking NERA also assesses company's environmental transparency.

It is interesting to note how much these two ratings differ from each other and how peculiar they reflect, on the one hand, the level of environmental activity of the Russian companies and, on the other hand, their level of environmental impact. For example, the first five companies of the Russian top 20 ranked according to MOO NESPI include:

1. JSC Gasprom
2. JSC GMK Norilsky Nickel
3. Severstal Group Holding
4. YevrazHolding Ltd.
5. Ilim Pulp Enterprises Ltd.

At the same time, according to NERA's rating the above companies occupy positions 73, 105, 79, 84, and 100, respectively, for integral environmental costs (impact) per employee; positions 64, 96, 63, 45, and 62, respectively, for short-term changes of environmental efficiency, and positions 74, 72, 52, 31, and 66, respectively, for long-term changes of environmental efficiency.

Maybe, and most likely, the data according to these two methods do not contradict each other since they define absolutely different aspects of company's environmental responsibility. But they show very well how subtle is connection between environmental activity of Russian companies and actual levels of their environmental impact. At the same time, there is no doubt that we should take into account industry classification of these companies. It is obvious that environmental impact of food manufacturers is by definition lower than that of oil & gas, chemical, metal manufacture or timber companies. However according to MOO NESPI, mostly high-rated companies represent the most "dirty" industries, which speaks for their strong activity in the areas of environment protection initiatives, introduction of environment management systems, and their legal and apparently energetic information and PR support. At the same time, it is indicative that MOO NESPI's and NERA's ratings of environment reporting transparency of major Russian companies are similar in many respects, and the number of the companies disclosing their environmental performance grows from year to year. This means, on the one hand, constant enhancement of consciousness and level of social and environmental responsibility of Russian companies and, on the other hand, very important role that plays the non-profit sector in this sphere of Russian economy, including ranking NGOs.

The examples of voluntary non-financial reporting on sustainability and environment protection performed by Russian companies and also their ranking, basically, demonstrate the first Russia's positive trends in this field. At the same time, the system of governmental support, incentives and control of this activity both on the federal and regional levels, is, in fact, left alone since 2000. This means that on the governmental level there is still no distinct and effective policy of priorities and motivation for open environmental (sustainability) reporting and on CSR in general. There are also significant gaps in Russian environmental legislation. For example, in the OECD's publication 'Environmental Management in EECCA' \* such criteria as 'Environmental Operational Self-control' and 'Nationwide Environmental Planning' were given the lower score, i.e. "1" due to the results of environmental legislation ranking. Obviously, the status of the legislative control applied for national environmental policy and environmental

reporting by Russian companies was assessed as extremely low comparing to developed countries.

**To conclude the above, we can propose as follows to provide dynamic expansion and arrangement of corporate social and environmental reporting in the Russian Federation by implementing new organizational and economic approaches and instruments:**

#### **On the federal level**

- Assign the function of defining national priorities and regulating CSR and non-financial reporting to a federal ministry (without introduction of new administrative bodies)
- Hold annual forums on social and environmental responsibility of businesses and forms of their cooperation with the government
- Prepare and distribute regular governmental public communications (statements) on development of the social and environmental responsibility system for businesses
- Have the leading business associations (Russian Union of Industrialists and Entrepreneurs, “Delovaya Rossiya” and OPORA) and the industry manufacturers' associations prepare recommendations on voluntary introduction of international standards of management and reporting on sustainability and environment protection
- Provide budgetary financing and awarding by tender any projects for CSR, sustainability and environmental reporting among profiled NGOs

#### **On the regional level**

- Hold special forums on regional sustainability to formulate social and environmental priorities for regional authorities and invite businesses to participate in major actions of regional administrations
- Develop and implement special target programmes and provide social investment in social, environmental, and cultural areas with direct participation in their financing of regional administrations and companies on a shared basis
- Have representatives of local and regional authorities participate in actions initiating by businesses, including the so-called dialogues on their social responsibility to work out specific recommendations for businesses in terms of development of their public programmes
- Conduct seminars and special actions to develop intersectoral social partnership with participation of all parties, including authorities, businesses, and the civil society
- Transition to NGOs' involvement in implementation of joint social programmes for authorities and businesses to improve their effectiveness and guaranteed transparency in spending joint funds

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\* Environmental Management in EECCA. OECD, 2005, page 99.

# ANNEX 1

## GRI Environmental Performance Indicators in accordance with 2002 Guidelines (second generation):

Core indicators	Additional Indicators
<b>Materials</b>	
<b>EN 1.</b> Weight of materials use other than water, by type.	
<b>EN 2.</b> Percentage of materials used that are wastes (processed and unprocessed) from sources external to the reporting organisation.	
<b>Energy</b>	
<b>EN3.</b> Direct energy use segmented by primary source.	<b>EN17.</b> Initiatives to use renewable energy sources and to increase energy efficiency.
<b>EN4.</b> Indirect energy use.	<b>EN18.</b> Energy consumption footprint (i.e., annualized lifetime energy requirements) of major products.
	<b>EN19.</b> Other indirect (upstream/downstream) energy use and implications, such as organizational travel, product lifecycle management, and use of energy-intensive materials.
<b>Water</b>	
<b>EN5.</b> Total water use.	<b>EN20.</b> Water sources and related ecosystems/habitats significantly affected by use of water.
	<b>EN21.</b> Annual withdrawals of ground and surface water as a percent of annual renewable quantity of water available from the sources.
	<b>EN22.</b> Total recycling and reuse of water.
<b>Biodiversity</b>	
<b>EN6.</b> Location and size of land owned, leased, or managed in biodiversity-rich habitats.	<b>EN23.</b> Total amount of land owned, leased, or managed for production activities or extractive use.
<b>EN7.</b> Description of the major impacts on biodiversity associated with activities and/or products and services in terrestrial,	<b>EN24.</b> Amount of impermeable surface as a percentage of land purchased or leased.

freshwater, and marine environments.	
	<b>EN25.</b> Impacts of activities and operations on protected and sensitive areas.
	<b>EN26.</b> Changes to natural habitats resulting from activities and operations and percentage of habitat protected or restored.
	<b>EN27.</b> Objectives, programmes, and targets for protecting and restoring native ecosystems and species in degraded areas.
	<b>EN28.</b> Number of IUCN Red List species with habitats in areas affected by operations.
	<b>EN29.</b> Business units currently operating or planning operations in or around protected or sensitive areas.

<b><i>Emissions, Effluents, and Waste</i></b>
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<b>EN8.</b> Greenhouse gas emissions.	
<b>EN9.</b> Use and emissions of ozone-depleting substances.	<b>EN30.</b> Other relevant indirect greenhouse gas emissions.
<b>EN10.</b> NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type.	<b>EN31.</b> All production, transport, import, or export of any waste deemed “hazardous” under the terms of the Basel Convention Annex I, II, III and VIII.
<b>EN11.</b> Total amount of waste by type and destination.	<b>EN32.</b> Water sources and related ecosystems/habitats significantly affected by discharges of water and runoff.
<b>EN12.</b> Significant discharges to water by type.	
<b>EN13.</b> Significant spills of chemicals, oils, and fuels in terms of total number and total volume.	

<b><i>Suppliers</i></b>
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	<b>EN33.</b> Performance of suppliers relative to environmental components of programmes and procedures described in response to Governance Structure and Management Systems section (Section 3.16)
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<b><i>Products and Services</i></b>
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<b>EN14.</b> Significant environmental impacts of principal products and services.	
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<b>EN15.</b> Percentage of the weight of products sold that is reclaimable at the end of the products' useful life and percentage that is actually reclaimed.	
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***Compliance***

<b>EN16.</b> Incidents of and fines for non-compliance with all applicable international declarations/conventions/treaties, and national, sub-national, regional, and local regulations associated with environmental issues.	
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***Transport***

	<b>EN34.</b> Significant environmental impacts of transportation used for logistical purposes.
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***Overall***

	<b>EN35.</b> Total environmental expenditures by type.
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## ANNEX 2

### List of practically used GRI Environmental Performance Indicators in voluntary reporting of Russian companies (Core Indicators and Additional Indicators):

Core Indicators	Additional Indicators
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***Materials***

<b>EN 1.</b> Weight of materials use other than water, by type.	
<b>EN 2.</b> Percentage of materials used that are wastes (processed and unprocessed) from sources external to the reporting organisation.	

***Energy***

<b>EN3.</b> Direct energy use segmented by primary source.	<b>EN17.</b> Initiatives to use renewable energy sources and to increase energy efficiency.
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<b>EN4.</b> Indirect energy use.	
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<b>Water</b>
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<b>EN5.</b> Total water use.	<b>EN20.</b> Water sources and related ecosystems/habitats significantly affected by use of water.
	<b>EN21.</b> Annual withdrawals of ground and surface water as a percent of annual renewable quantity of water available from the sources.
	<b>EN22.</b> Total recycling and reuse of water.

<b>Biodiversity</b>
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<b>EN6.</b> Location and size of land owned, leased, or managed in biodiversity-rich habitats.	<b>EN23.</b> Total amount of land owned, leased, or managed for production activities or extractive use.
<b>EN7.</b> Description of the major impacts on biodiversity associated with activities and/or products and services in terrestrial, freshwater, and marine environments.	<b>EN26.</b> Changes to natural habitats resulting from activities and operations and percentage of habitat protected or restored.
	<b>EN27.</b> Objectives, programmes, and targets for protecting and restoring native ecosystems and species in degraded areas.
	<b>EN29.</b> Business units currently operating or planning operations in or around protected or sensitive areas.

<b>Emissions, Effluents, and Waste</b>
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<b>EN8.</b> Greenhouse gas emissions.	<b>EN32.</b> Water sources and related ecosystems/habitats significantly affected by discharges of water and runoff.
<b>EN9.</b> Use and emissions of ozone-depleting substances.	
<b>EN10.</b> NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type.	
<b>EN11.</b> Total amount of waste by type and destination.	
<b>EN12.</b> Significant discharges to water by type.	
<b>EN13.</b> Significant spills of chemicals, oils, and fuels in terms of total number and total volume.	

<b>Suppliers</b>
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Not used	Not used
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<b><i>Products and Services</i></b>	
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<b>EN14.</b> Significant environmental impacts of principal products and services.	
<b>EN15.</b> Percentage of the weight of products sold that is reclaimable at the end of the products' useful life and percentage that is actually reclaimed.	

<b><i>Compliance</i></b>	
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<b>EN16.</b> Incidents of and fines for non-compliance with all applicable international declarations/conventions/treaties, and national, sub-national, regional, and local regulations associated with environmental issues.	
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<b><i>Transport</i></b>	
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Not used	Not used
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<b><i>Overall</i></b>	
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	<b>EN35.</b> Total environmental expenditures by type.
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**Not used GRI Environmental Performance Indicators (all additional):**

**EN18.** Energy consumption footprint (i.e., annualized lifetime energy requirements) of major products.

**EN19.** Other indirect (upstream/downstream) energy use and implications, such as organizational travel, product lifecycle management, and use of energy-intensive materials.

**EN24.** Amount of impermeable surface as a percentage of land purchased or leased.

**EN25.** Impacts of activities and operations on protected and sensitive areas.

**EN28.** Number of IUCN Red List species with habitats in areas affected by operations.

**EN30.** Other relevant indirect greenhouse gas emissions.

**EN31.** All production, transport, import, or export of any waste deemed “hazardous” under the terms of the Basel Convention Annex I, II, III and VIII.

**EN33.** Performance of suppliers relative to environmental components of programmes and procedures described in response to Governance Structure and Management Systems section (Section 3.16)

**EN34.** Significant environmental impacts of transportation used for logistical purposes.

## ANNEX 3

### Environmental Performance Indicators (draft G3)\*

#### Environmental Performance Indicators in accordance with GRI-G3 (third generation)

Core Indicators	Additional Indicators
<i>Materials</i>	
EN 1. Weight of materials used.	
EN 2. Percentage of materials used that are recycled.	
<i>Energy</i>	
EN3. Direct energy consumption broken down by primary energy source.	EN5. Percentage of total energy consumption met by renewable resources.
EN4. Indirect energy consumption broken down by primary source.	EN6. Total energy saved due to conservation and efficiency improvements.
	EN7. Initiatives to provide energy-efficient products and services.
	EN8. Initiatives to reduce indirect energy consumption.
<i>Water</i>	
EN9. Total water withdrawal by source.	EN10. Water sources and related habitats significantly affected by withdrawal of water.
	EN11. Percentage and total volume of water recycled and reused.
<i>Biodiversity</i>	
EN12. Location and size of land owned, leased, or managed in, or adjacent to, protected areas.	EN14. Area of habitats protected or restored.
EN13. Description of significant impacts of activities on protected areas.	EN15. Programs for managing impacts on biodiversity.
	EN16. Number of IUCN Red List species with habitats in areas affected by operations broken down by level of extinction risk.

***Emissions, Effluents, and Waste***

<b>EN17.</b> Greenhouse gas emissions.	<b>EN23.</b> Other relevant indirect greenhouse gas emissions.
<b>EN18.</b> Emissions of ozone-depleting substances.	<b>EN24.</b> Weight of transported, imported, or exported waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII.
<b>EN19.</b> NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by weight.	<b>EN25.</b> Water sources and related habitats significantly affected by discharges of water and runoff.
<b>EN20.</b> Total amount of waste by type and destination.	
<b>EN21.</b> Total water discharge and quality.	
<b>EN22.</b> Total number and volume of significant spills.	

***Products and Services***

<b>EN26.</b> Initiatives to manage the environmental impacts of products and services and extent of impact reduction.	
<b>EN27.</b> Percentage of products sold that is reclaimed at the end of the products' useful life by product category.	

***Compliance***

<b>EN28.</b> Incidents of, and fines or non-monetary sanctions for, non-compliance with applicable environmental regulations.	
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***Transport***

	<b>EN29.</b> Significant environmental impacts of transportation used for logistical purposes.
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***Overall***

	<b>EN30.</b> Total environmental protection expenditures by type.
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\* Official launch of the GRI –G3 third generation Guidelines comes in October 2006

## ANNEX 4

### Companies, Working in the Russian Federation and Using Non-Financial Open Reporting

<i>№</i> <i>№</i>	Company	Report's Web-address	Form of Report	Declared periodicity	Year of reporting	Standard/ International document	Independent auditing
	<i>Notice: RSD – Report on Sustainable Development, SR – Social Report, ER – Environmental Report</i>						
	<b>Oil and Gas Sector</b>						
1	JSC GASPROM	<a href="http://www.gazprom.ru/articles/article5663.shtml">http://www.gazprom.ru/articles/article5663.shtml</a>	<i>ER</i>	Annually	2001-2004 (4 reports)	Orienting on GRI	
2	JSC LUKOIL	<a href="http://www.lukoil.ru/static_6_5id_2131_.html">http://www.lukoil.ru/static_6_5id_2131_.html</a>	<i>RSD</i>	Once in two years	2004	GRI with use of AA1000	yes/BVQ
3	JSC UKOS	Do not exist	<i>SR</i>	No information	2003	GRI (basic) AA1000 Global Compact	no
4	JSC Sibneft	<a href="http://www.sibneft.ru/pages.php?lang=2&amp;page=524">http://www.sibneft.ru/pages.php?lang=2&amp;page=524</a>	<i>SR</i>	Annually	2003, 2004	No (elements)	no
5	JSC Tatneft	<a href="http://www.tatneft.ru/socotchet.htm">http://www.tatneft.ru/socotchet.htm</a>	<i>RSD</i>	No information	2004	GRI (level not mentioned)	Partially/ Academy of Social Technologies
6	BP	<a href="http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/S/BP_Russian_Sustainability.pdf">http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/S/BP_Russian_Sustainability.pdf</a>	<i>RSD</i> (translated review)	Annually	2004	GRI Global Compact Millennium Goals	yes/E&Y
7	Shell in Russia	<a href="http://www.shell.com/static/ru-ru/downloads/news_and_library/sh">http://www.shell.com/static/ru-ru/downloads/news_and_library/sh</a>	<i>RSD</i>	Annually	2004	GRI	yes/KPMG, PWC Partially

		<a href="#">ell report 2004 russia.pdf</a>					
<b>Electric Power Sector</b>							
8	RAO UES of RUSSIA	Report presented in the form for public consultations <a href="http://www.rao-ees.ru/ru/info/about/resp/RAO_SocialReport.pdf">http://www.rao-ees.ru/ru/info/about/resp/RAO_SocialReport.pdf</a>	RSD		2005 and earlier	GRI, AA1000 SES, AA1000 AS and ISAE 3000 (verification)	yes/ <a href="#">Ernst@Young</a> Public consultations planned
9	JSC “Lenenergo”	<a href="http://www.energo.ru/upr/doc/social/otchet.pdf">http://www.energo.ru/upr/doc/social/otchet.pdf</a>	SR	Once in five years	2004 and earlier	Freely	no
10	JSC “Rjazan State Regional Power Station”	<a href="http://www.ryazgres.ru/ru/default.asp?chapter=6.4">http://www.ryazgres.ru/ru/default.asp?chapter=6.4</a>	ER	Annually	Annually since 2000 (4 reports)	Freely	no
11	JSC “Perm State Regional Power Station”	<a href="http://www.permgres.ru/man/report_manpower_2002.pdf">http://www.permgres.ru/man/report_manpower_2002.pdf</a> <a href="http://www.permgres.ru/man/kd_report_sept_2005.pdf">http://www.permgres.ru/man/kd_report_sept_2005.pdf</a>	HR reports	No information	2002 (2003) (2004) 2005	Freely	no
<b>Metallurgy and Mining Chemical</b>							
12	JSC “Magnitogorsk Iron and Steel Works”	Only in printed form	SR		2003-2004	Freely	
13	JSC RUSAL	<a href="http://www.rusal.ru/about/social/">http://www.rusal.ru/about/social/</a>	SR		2004 and earlier	Global Compact	no
14	JSC “Norilsk Nickel”	<a href="http://www.nornik.ru/about/social_policy/">http://www.nornik.ru/about/social_policy/</a>	SR		2004 and earlier	GRI	yes/ PWC
15	«EvrazHolding» West-Siberian Metallurgical	Only in printed form	Corporate SR		2005	Freely with GRI elements	no

	Plant						
16	«EvrazHolding» Kachkanarsk Mining&Process ing Plant «Vanadium »	Only in printed form	SR		2005	Freely	no
17	JSC ALROSA	<a href="http://www.alrosa.ru/reports/ars2004rus.pdf">http://www.alrosa.ru/reports/ars2004rus.pdf</a>	Chapter in the Annual Report	Annually	2004	Freely	no
18	Pipe Metallurgical Plant	<a href="http://www.tmkgroup.ru/rus/?id=4798">http://www.tmkgroup.ru/rus/?id=4798</a>	Chapter in the Annual Report		2004	Freely	no
19	«EvrazHolding» Niznetagilsk Metallurgical Plant	<a href="http://www.ntmk.ru/ru/">http://www.ntmk.ru/ru/</a> «Social programmes and Objects» E-mail: <a href="mailto:post@ntmk.ru">post@ntmk.ru</a> 622025 Russia, Niznij Tagil, Sverdlovsk oblast, tel.: (3435) 292-009	Chapter in the Annual Report and a brochure		2005	Freely	
<b>Chemical, Petrochemical, and Perfume Sectors</b>							
20	EuroChem Mineral and Chemical Company	<a href="http://www.eurochem.ru/section.php?id=118">http://www.eurochem.ru/section.php?id=118</a>	Chapter in the Annual Report		2004	Freely	no
21	Concern “Kalina”	<a href="http://www.kalina.org/etc/arep04rus.pdf">http://www.kalina.org/etc/arep04rus.pdf</a>	Chapter in the Annual Report	Annually	2004	Freely	no

22	JSC "Kazanorgsintez"	<a href="http://www.kazanorgsintez.ru/acti/oneram/year/">http://www.kazanorgsintez.ru/acti/oneram/year/</a>	Chapter in the Annual Report	Annually	2004	Freely	no
23	JSC "Nizhnekamskneftekhim"	<a href="http://www.nknk.ru/year_rep.asp">http://www.nknk.ru/year_rep.asp</a>	Chapter in the Annual Report	Annually	2004	Freely	no
<b>Forestry, Pulp and Paper Industry</b>							
24	Ilim Pulp	<a href="http://www.ilimpulp.ru/?p=society">http://www.ilimpulp.ru/?p=society</a>	SR		2004	GRI AA100	no
25	JSC "Arkhangelsk Pulp and Paper Mill"	<a href="http://www.appm.ru/ecology/">http://www.appm.ru/ecology/</a>	ER		2004	Freely	no
26	JSC "Northwest Timber Company"	<a href="http://www.szlk.ru/rus/ecol/reports.html">http://www.szlk.ru/rus/ecol/reports.html</a>	ER	Annually	2002, 2003, 2004	GRI ISO14001	
27	OJSC "Mondi Business Paper Syktyvkar"	<a href="http://www.mondibp.ru/social/reports/">http://www.mondibp.ru/social/reports/</a>	Report on results of socio-econ. analysis		2004	Socio-Economic Assessment Toolbox Report – SEAT (similar to AA1000 with some indicators)	no
<b>Transport</b>							
28	JSC Aeroflot	<a href="http://www.aeroflot.ru/company.asp?ob_no=3179">http://www.aeroflot.ru/company.asp?ob_no=3179</a>	Chapter in the Annual Report	Annually	2004	Freely	no

<b>Food Industry</b>							
29	BAT Russia	<a href="http://www.batrussia.ru/">http://www.batrussia.ru/</a>	SR	Once in one and a half - two years	2001-2002, 2002-2003 2003-2004 2004 (for personnel)	AA1000	no/BVQ
30	Union of Russian Breweries	<a href="http://www.beerunion.ru/soc_otchet/">http://www.beerunion.ru/soc_otchet/</a>	SR	Annually	2004 and earlier	Freely	no
31	“Baltika” Brewery	<a href="http://corporate.baltika.ru/report">http://corporate.baltika.ru/report</a>	Chapter in the Annual Report	Annually	2004	Freely	no
32	JSC Wimm-Bill-Dann Foods	<a href="http://www.wbd.ru/wbd/yearcheck/wbd/">http://www.wbd.ru/wbd/yearcheck/wbd/</a>	Chapter in the Annual Report		2004	Freely	no
<b>Financial Sector</b>							
33	Alfa-bank	<a href="http://www.alfabank.ru/society/">http://www.alfabank.ru/society/</a>	SR	Annually	2003, 2004	Freely	no
34	FIA-bank	<a href="http://www.fiabank.ru/reports/social">http://www.fiabank.ru/reports/social</a>	SR	Annually	2003, 2004	Freely	no
35	Russian Federation Savings Bank	<a href="http://www.sbrf.ru/ruswin/YReports/2005/YR2004.htm">http://www.sbrf.ru/ruswin/YReports/2005/YR2004.htm</a>	Chapter in the Annual Report	Annually	2004	Freely	no
36	Vneshtorgbank	<a href="http://www.vtb.ru/rus/web.html?s1=406">http://www.vtb.ru/rus/web.html?s1=406</a>	Chapter in the Annual Report	Annually	2004	Freely	no

37	Rosbank	<a href="http://www.rosbank.ru/ru/ir/report/s/">http://www.rosbank.ru/ru/ir/report/s/</a>	Chapter in the Annual Report		2004	Freely	no
<b>Housing and Communal Services</b>							
38	JSC “Russian Communal Systems”	In paper form only	SR	No information	2003	AA1000	yes/BVQ
<b>Retail Trade</b>							
39	IKEA	<a href="http://www.ikea.com/ms/ru_RU/about_ikea/social_environmental/presidents_message.html">Brochure “Being Responsible to Society and Nature” http://www.ikea.com/ms/ru_RU/about_ikea/social_environmental/presidents_message.html</a>	Not identified, most likely SR	No information		Freely	no
40	“Seventh Continent” Retailing	<a href="http://www.7cont.ru/main.php?mainmenu=4227856&amp;submenu=169&amp;subsubmenu=34">http://www.7cont.ru/main.php?mainmenu=4227856&amp;submenu=169&amp;subsubmenu=34</a>	Chapter in the Annual Report		2004	Freely	no

Source: Non-Financial Reporting of the Companies, Working in the Russian Federation: Practice of Social Reporting. Analytical Survey. General edition by A.N. Shokhin – RUIE, Moscow, 2006 – pp. 82-86.