

Communication on Progress on the UN Global Compact Principles

FBK Grant Thornton

Moscow | 2020



Statement of Continued Support by the Managing Partner

FBK Grant Thornton has a strong professional team with impeccable business reputation that managed to earn customer loyalty and become a leading Russian audit and consulting group

FBK Grant Thornton delivers a wide range of audit and assurance, tax and legal, valuation and consulting services. The group consists of audit and consulting firms, as well as FBK Legal and FBK CyberSecurity



since
1990

30 years
as a leader in assurance
and consulting services



Grant Thornton
International Ltd

Membership in one of
the world's largest
networks of
independent accounting
and consulting
organisations



RAEX 2019

Ranked 6th among the
largest audit groups and
networks

Ranked among the top 3
firms in key categories

Bank audit
Financial consulting
Legal consulting
Tax consulting

Lawyers of FBK Legal, one of the best law firms in Russia, are regularly recognised by Russian and international rankings



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Statement of Continued Support by the Managing Partner

One of the world's largest networks of independent assurance, tax and advisory firms

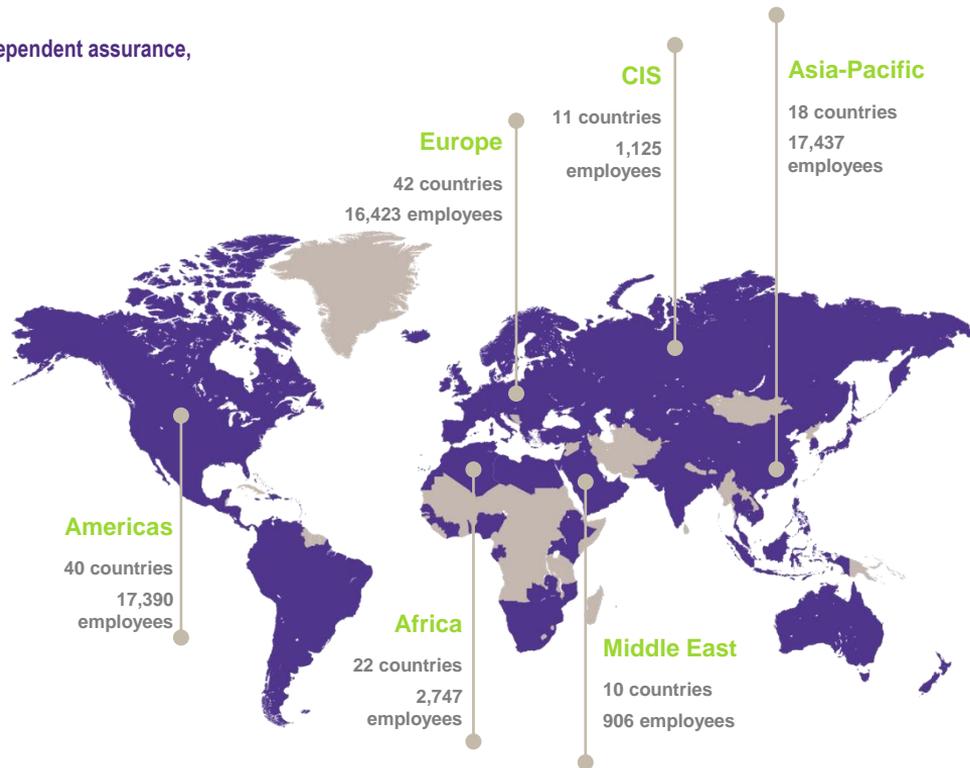


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Statement of Continued Support by the Managing Partner

FBK Grant Thornton became a participant of the UN Global Compact Local Network in Russia in August 2018, which affirms its commitment to the UN Global Compact principles and the UN Sustainable Development Goals. This means that FBK GT's strategy is aimed to integrate the firm in the global sustainability processes, to extend the potential of Russian business and society in contributing to the global agenda and to improve investment prospects of the Russian economy.

The firm is actively involved in the operation of the UN Global Compact Local Network. FBK Grant Thornton's Partner Vladimir Skobarev was elected to the governing board at the general meeting of the UN Global Compact Local Network Association.

It should be noted that FBK GT promotes the SDGs for them to be integrated into strategies of Russian companies. The firm provides more than 30% of all non-financial assurance services in Russia.

In addition, the firm is actively involved in the development of sustainability standards. In particular, Vladimir Skobarev participated in the development of the new revision of AA1000 AccountAbility Principles (AA1000AP) 2018, and regularly speaks at events organised by UNCTAD's Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting dedicated to companies' reporting on their contribution to the SDGs.

FBK GT's Partner Alexander Ermolenko participated in the UN Global Compact Conference on Business and Human Rights in Geneva where he presented an analysis of Russian legislation for compliance with the UN Global Compact requirements. The firm regularly participates in key sustainability conferences.



Sergey Shapiguzov

President, FBK Grant Thornton



FBK Grant Thornton provides sustainability services to leading Russian companies



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Sustainable Development of Russian Companies Through a Range of Green Services

FBK Grant Thornton is committed to sustainability and focuses on the following aspects:

1. We implement sustainability and social responsibility initiatives
2. We are willing to assist Russian companies in sustainable development by providing a range of sustainability services



Vladimir Skobarev

Partner, Director of the Corporate Governance and Sustainability Department

The only specialist in Russia with international qualification LCSAP

Memberships in committees, councils and working groups:

- Member of the Committee on Corporate Social Responsibility and Demographic Policies of the Russian Union of Industrialists and Entrepreneurs
- Member of the Council for Non-Financial Reporting of the Russian Union of Industrialists and Entrepreneurs
- Member of interdepartmental working groups on preparation and implementation of the Concept for Development of Public Non-Financial Reporting in the Russian Federation
- Member of global working groups on development of AA1000 standards
- Board member of the National Network of the Global Compact

Experience of FBK Grant Thornton's experts in non-financial reporting and assurance, including in accordance with AA1000AS and ISAE 3000, for 2008—2020:

- **GRI Standards:**
Preparation and Assurance (over 50 reports)
- **International Integrated Reporting Framework:**
Assurance (over 20 reports)
- Over 25 GRI certified training courses for over 300 employees of the major companies in Russia and Kazakhstan
- Review of non-financial reports of the major Russian companies as a member of the Council for Non-Financial Reporting of the Russian Union of Industrialists and Entrepreneurs

Sustainability services

- Elaboration of sustainability strategy (CSR)
- Elaboration of sustainability management system
- ISO 26000 self-assessment
- Analysis and evaluation of social programs efficiency
- Establishment of sustainability reporting system (SR), regulation, automation
- Sustainability reporting trainings, including GRI certified trainings
- Arrangement and coordination of cooperation with stakeholders during sustainability reporting process
- Sustainability reporting (sustainability reports, integrated reports, combined annual and non-financial reports)
- Assurance of sustainability reports
- Social and environmental audit for IFC and the EBRD (environmental and social sustainability standards)



Global Reporting Initiative (GRI Community Member)



GRI Certified Training Partner in Russia



Licensed Provider of Sustainability Assurance Services



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Together Against COVID-19

FBK Grant Thornton continues to make efforts to improve financial and legal literacy. During the spread of the new coronavirus infection (COVID-19), the firm started publishing the [Quarantine Review](#), where FBK Legal's lawyers gathered all anti-crisis changes in business regulations.

Useful information for businesses is also available in the [Together Against COVID-19](#) section of the firm's website.

In particular, there are recommendations and guidelines on labour, lease and corporate relations during the period of force majeure, [a collection of manuals, videos of free 'anti-virus' webinars](#), and [recommendations of our experts](#) on reporting during the quarantine period.

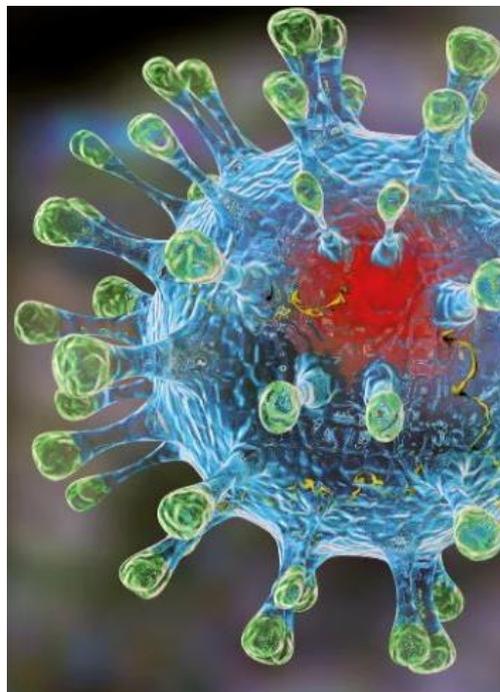


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Human Rights

FBK Grant Thornton respects, protects and upholds internationally accepted human rights, and is governed by the Russian Labour and Civil Codes, Constitution of the Russian Federation, and other laws and regulations that comply with international human rights and freedoms standards.

The Corporate Code of Conduct and other internal documents adopted by the firm contain fundamental provisions intended to protect the dignity and freedom of each and every person.

The Corporate Code is binding for the management and all employees of FBK Grant Thornton, who undertake to abide by its provisions while interacting with colleagues, clients, business partners, public officials and the society on the whole.

The firm has zero tolerance for any discrimination and is committed to providing equal opportunities for employees to realise their full potential irrespective of their race, skin colour, gender, religion, political belief, nationality or social background.



Employees can communicate labour rights violations to the HR Department and directly to the President of FBK Grant Thornton using the President Post, an internal communication channel through which the President receives and personally deals with inquiries and complaints.

There have been no discrimination or human rights violation cases registered for almost 30 years of operation.

FBK Grant Thornton traditionally balances professionalism and integrity, tact and high internal communication standards.



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Labour

FBK Grant Thornton is widely known in Russia and abroad for high quality audit, effective consulting and top-rated legal defence services, as well as commitment to social responsibility.

Our employees are our most valuable assets. FBK Grant Thornton has created the work environment that allows employees to realise their full potential and feel that everybody in the firm shares a common goal.

The firm does not restrict the employees' right to organise unions or initiate collective bargaining, does not use child labour, forced or compulsory labour and has zero tolerance for any discrimination.

FBK Grant Thornton has made a great progress towards Goal 5: Gender Equality as about a half of management positions, including top management positions, are held by women.

To achieve Goal 3: Good Health and Well-being, the firm abides by labour and environmental protection requirements, complies with environmental and fire safety regulations, creates comfortable working conditions and provides health coverage in accordance with its quality management system and corporate culture.

Employees benefit from voluntary medical insurance and can consult with a general practitioner who regularly visits the office. FBK GT has corporate guarantee and bonus plans in place.

The firm assists in building the centralised market economy to achieve Goal 8: Decent Work and Economic Growth.

Our employees are guaranteed to have competitive salaries and adequate benefits. Unversum's ranking confirms that this strategy is effective.

To achieve Goal 4: Quality Education, the firm places high emphasis on employees' professional growth and arranges sustainability training for specialists of other entities.



Grant Thornton is one of the 50 World's Most Attractive Global Employers and distinguished as an Ideal Employer in the Professional Services Sector

FBK Grant Thornton is the only GRI training partner in Russia.

Since 2008, the firm has held 25 GRI certified training courses for over 300 employees of the major companies in Russia and Kazakhstan, including 15 employees of FBK Grant Thornton.

In 2019, the firm arranged its first free of charge sustainability webinar.

FBK Grant Thornton meets market requirements and applies quality and performance standards, provides further training opportunities and organises good working conditions for employees, and contributes to the sustainable development of the society.



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Environment

FBK Grant Thornton is not engaged in any industrial production, so its operation is not harmful for the environment.

However, the firm understands that it is important to improve processes and apply state-of-the-art technologies that help to decrease the burden on ecosystems, align services to customer needs and ensure comfortable working and social conditions for employees.

To ensure that the environment in the firm is adequate, the firm complies with effective sanitary, noise, temperature, humidity, lighting and cleanness norms, security standards, fire safety requirements, building regulations and safety procedures. The firm abides by legislative and other mandatory labour protection, fire safety and environmental protection requirements.

FBK Grant Thornton has integrated environmental protection into its quality management system and corporate culture.

To move to more responsible consumption and production, we introduce eco-friendly and energy-efficient technologies, promote and encourage environmental protection.

All FBK Grant Thornton's offices are equipped with water purification systems, waste bins for separate collection of batteries, plastic and paper, and energy efficient appliances. Lightbulbs and car tyres are disposed through specialised companies.

We pay attention to the problem of plastic bags at corporate sustainability seminars and encourage choosing reusable eco-friendly bags.

In 2019, FBK Grant Thornton joined the environmental and charitable project 'Kind Caps'. By participating in the campaign to collect plastic caps, the company's employees make the world cleaner and more beautiful, as well as help orphans with special developmental needs.



In 2019, in order to promote responsible consumption, FBK Grant Thornton almost completely shifted to eco-friendly souvenir products for partners and employees.

In particular, in order to reduce the global consumption of disposable tableware that causes serious harm to the environment, FBK Grant Thornton gives all coffee lovers a stylish and eco-friendly alternative to disposable cups.



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Anti-Corruption

Customer and partner loyalty is FBK Grant Thornton's main competitive advantage.

To achieve that, the firm ensures strict compliance with the requirements and restrictions provided for by the Russian legislation and international auditing standards, the standards established by professional associations and internal bylaws.

The firm follows professional ethical principles and ensures that employees maintain independence when providing services, and applies an unbiased approach when considering any issues, making judgements and conclusions.

FBK Grant Thornton has been delivering high quality services for many years.

We take measures to prevent and fight corruption inside the firm and regard financial forensic investigations as one of the key consulting services.

FBK GT's financial investigation experts have financial accounting, forensic and criminal law expertise.

We work not only with open sources, but also with physical evidence, including those obtained using digital forensics methods, which allows us to go beyond ordinary analytical procedures and solve non-routine tasks.

Internal departments interact efficiently and can quickly solve specific tasks, pursue investigations for business owners and provide various services, even represent clients in criminal cases.



Financial investigation services

- Financial investigations, financial and economic examination, and compliance control
- Corporate and business intelligence
- Analysis of digital evidence
- Forensics
- Compliance, internal audit and corporate governance efficiency assessment
- Prevention and identification of corporate espionage
- Services for credit institutions



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