

Corporate responsibility report 2010

Ernst & Young Ukraine

A group of people are kayaking on a calm lake. The kayakers are wearing dark clothing and are using paddles. The water is dark, and there are mountains in the background. A large yellow diagonal stripe runs across the lower right portion of the image. In the bottom left corner, there is a decorative graphic of vertical white lines of varying heights.

 **ERNST & YOUNG**
Quality In Everything We Do

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Corporate responsibility at Ernst & Young – stable development in a period of change

Alexei Kredisov, Managing Partner

Natalia Telenkova, Head of the Corporate Responsibility Committee

We are glad to present Ernst & Young's second Corporate Responsibility Report in Ukraine. It highlights our economic, environmental and social performance and activities during the period July 2009 – June 2010.

NT: A tough year of recovery from the financial crisis is behind us. Despite our apprehensions, activity in the field of corporate responsibility has not come to naught, and even gained greater importance. New projects have been launched and each year more and more volunteers are being involved in activities organized by the Corporate Responsibility Committee. According to a survey among Ernst & Young partners and employees, 87% of respondents assess Ernst & Young's social investments in education, environment and charity as significant and are proud of their involvement.

AK: The high level of support that respondents have given to the company's corporate responsibility initiatives is very important for us, as the keystone of our CR work is voluntary participation of our employees.

Just like Ernst & Young offices across the globe, Ernst & Young Ukraine is dedicated to doing business responsibly, and our employees devote their time and experience to projects which make the world better. That's a reflection of our strategic vision of the role we play in a community and of our responsible approach to the development of local communities and society as a whole. As you know, achieving a stable business is possible only in a socially developed community. At the project level, we are talking here about efforts to support public, educational, environmental and business initiatives. These pillars structurally support our social activities in the medium-term perspective. I am sure that our corporate responsibility projects in Ukraine will be successfully implemented over the next five years, because even in the most difficult cri-

sis years, we as an organization were able to increase our activity in these areas. And the most important thing is that our people have demonstrated their support for our values and projects. We're on the right path.

NT: In communicating with colleagues from other Ernst & Young offices – in Moscow, Paris, Almaty, New York – I realize that despite we have common trends in corporate responsibility, in many respects the priorities of the Ukrainian team are determined by the needs of the community in which we work. So the global social investment strategy is refracted through the appreciation of what business has to do in Ukraine today.

AK: Certainly. On the one hand we're part of a global organization, but on the other we work within the specific socio-economic conditions of Ukraine, which is a young country with little experience of entrepreneurial activity. And in Ukraine, we primarily work for the sake of Ukrainian business and society. During the last year a significant portion of our projects in the sphere of business support was focused on provision of information and explanation of future changes in the tax area. Tax reform was the project of the year for Ukrainian business, and we had to respond appropriately to the needs of the community in gaining direct access to the developers of the Tax Code and conducting public debates about the most difficult issues. We always try to follow the Ernst & Young global agenda, even while

responding to pressing issues that are of great interest to our Ukrainian community.

NT: We are preparing a social report for the second year now, and the first report provided very valuable experience. Preparing the report and analyzing feedback allow us to systematize information about the relationship between the company and its partners, employees and community. It helps us to identify areas in which we can work towards the future and hear the opinions of colleagues and partners. This year we compiled our report according to the requirements of the standard G3 of the GRI (Global Reporting Initiative), which pushed for more thorough preparation of the indexes and information.

AK: Indeed, working on social responsibility reports is a rewarding experience for all organizations. It gives the chance to look at the company's work from the stakeholder's viewpoint. How can the community benefit from the fact that our company is at work in Ukraine? When we say "community" here, of course, we mean specific stakeholders, including our employees, customers, partners and business associations colleagues. This year we decided to follow the requirements of GRI, which defines our approach to the list of indexes and topics that are to be covered. While preparing the report, we also put great weight on the feedback that we received in response to our prior period report.

NT: Analyzing the year that has passed since the first report, we realize that there has been a significant shift in awareness of corporate responsibility. Several innovations and the expanded range of activities in corporate responsibility has brought us to a new level.

AK: I'll start with the changes across the whole market arena: last year we launched a separate service offering in sustainable development. Within the scope of nonfinancial reporting and beyond it, this department provides consultancy on CR strategy and dealing with climate change and making sure that business processes stay steady. We launched this new direction in response to the needs of Ukrainian market. For us, it's first of all a recognition that the leading Ukrainian companies are finding these problems important.

NT: Last year we launched a range of important initiatives at Ernst & Young Ukraine. Those are meant to recognize, support, measure and stimulate employee involvement in corporate responsibility projects. We've added to the staff appraisal system matrix a criterion for employee engagement with community-related activities (providing free consultation to unprofitable organizations, giving lectures to students and children, participation in environmental events, etc). Employees who voluntarily take a leading role in a corporate responsibility project receive all the support they need from management. They get a working hours quota

for their voluntary activities; the company covers expenses for the necessary training and conferences. In addition, the spectrum of social projects that company takes part in has expanded. Our representatives have become members of the Verkhovna Rada committee on the development of a national corporate responsibility strategy and we have established partnerships with NGOs that promote and develop corporate responsibility in Ukraine. You will find more detailed information on these projects in the report.

AK: In releasing a corporate responsibility report for 2010, we are looking ahead. We will act in the future within the areas that we've defined. The world today is overcoming the crisis and we can see some instability in our

country. Governments of different countries are developing packages for changing regulatory standards and the political leadership of Ukraine has also expressed ambitious plans to reform the country. Under such circumstances, Ernst & Young will follow its corporate responsibility program, one that meets international standards and provides for the necessary public consultation about changes and reforms. It also supports entrepreneurship, driving the economy, and increases access to education. And most importantly, one more priority is a concern for the environment.

NT: CR committee's priority in the nearest future is to continue within chosen course, and to steadily and systematically implement responsibility principles at all levels. This

means fostering our relationships with existing partners and finding new ones, working to develop responsible leaders within the company, helping the community bring up a healthy and responsible generation, promoting volunteerism, maintaining a dialogue with stakeholders and encouraging feedback.

AK: These are the priorities that Ernst & Young in Ukraine has approved and we will follow them in all areas of our work: with clients, employees, partners, business associations and the society as a whole. I started the conversation by saying that our employees are the main driver of our responsibility work and our mission as an organization is to motivate and guide them ensuring progress in the four stated areas: Marketplace, Workplace, Environment and Community.

Key highlights for Ernst & Young Ukraine FY2010 in the area of corporate responsibility

Facts

- ▶ CR governance structure formalized
- ▶ People Board formed to give more attention to people matters
- ▶ Key performance indicators for corporate responsibility embedded into the annual assessment matrix
- ▶ New initiatives for working mothers proposed
- ▶ New projects for the community launched

Figures

- ▶ Average personnel turnover went down by 17%
- ▶ In 2010 employees spent 114 hours at an average on training and certification
- ▶ 27 roundtables for clients and the public on business issues organized
- ▶ 72 events on business and investment climate improvement organized or supported
- ▶ 11 roundtables and seminars on Tax Code organized
- ▶ 5 thousand students covered by vocational programs

About Ernst & Young

Ernst & Young in the world

Ernst & Young is a global leader in assurance, tax, transaction and advisory services, with offices in 700 cities in 140 countries, with the headquarters in London. Our revenues for the fiscal year ended 30 June 2010 were USD 21.3 billion. Worldwide, our 141,000 people are united by our shared values and unwavering commitment to quality. We continually invest in methodologies, training and technology to promote the delivery of seamless, consistent, high-quality client service worldwide. Our global industry centers draw upon teams of professionals from across the global organization with deep technical and industry experience. They help clients by anticipating trends, identifying their implications and developing points of view on relevant industry issues. Our cross-border management structure allows us to align our people and activities better to meet clients' demands for a con-

sistent quality of service worldwide, while respecting the legal and regulatory requirements in each country. We invest in leading-edge thought leadership to interpret business trends, which delivers valuable insights to our clients. In 2010, for the thirteenth consecutive year, Ernst & Young was recognized as a Most Admired Knowledge Enterprise (MAKE). Our networking events around the world - seminars, conferences, roundtables - provide clients with regular forums to discuss current and emerging issues relating to the business environment. Globally, Ernst & Young provides assurance and advisory services for many of the world's leading businesses. We audit 25% of the companies listed on the Standard & Poor's Global 1200 (publicly disclosed auditors as of November 2010). Our considerable resources to serve global businesses are clearly recognized by the market, and in the last several years we have won appointments as auditors for large global companies including Siemens, Apple, AES Corporation, Eni S.p.A., Danone and Allianz.



Ernst & Young in the CIS

With the opening of our Moscow office in 1989, we were the first professional services firm to establish operations in the Commonwealth of Independent States. Since then our presence in the CIS has expanded as demand for our services has continued to grow. We currently have 3,500 people working in 17 offices located in Moscow, St. Petersburg, Ekaterinburg, Novosibirsk, Togliatti, Kazan, Yuzhno-Sakhalinsk, Kyiv, Donetsk, Minsk, Almaty, Astana, Atyrau, Baku, Tashkent, Tbilisi and Yerevan.

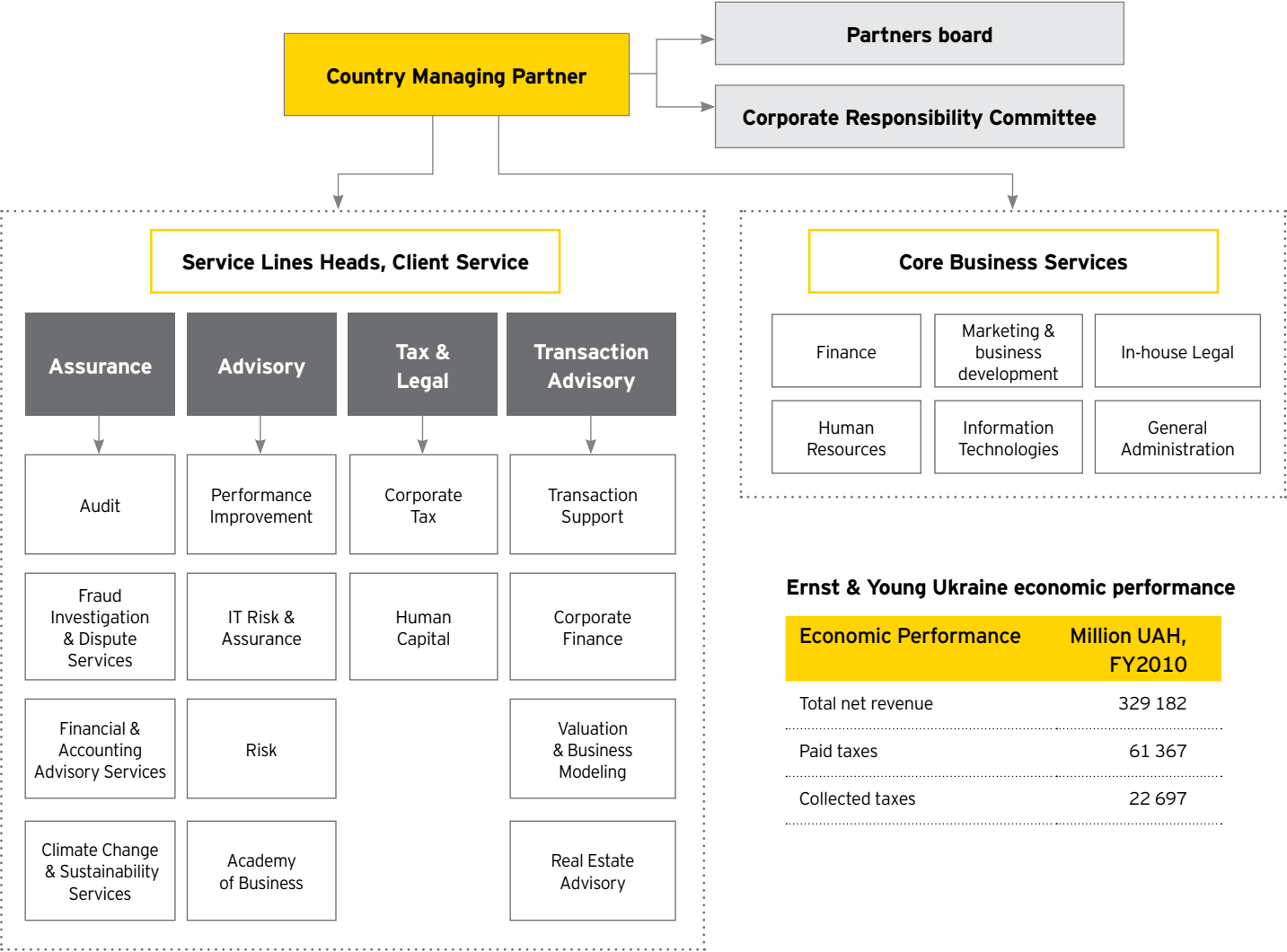
We are organized by functional business units and industry business units. Our service lines include Assurance, Advisory, Tax and Transactions. Our industry specialization in the CIS covers the following key sectors: Automotive, Financial Services, Consumer Products, Diversified Industrial Products, Government & Public Sector, Life Sciences, Media & Entertainment, Mining & Metals, Oil & Gas, Power & Utilities, Private Equity, Real Estate, Retail & Wholesale, Technology, Telecommunications and Transportation.



Ernst & Young in Ukraine

Ernst & Young was among the first international professional services firms to establish its practice in Ukraine, in 1991. Ernst & Young in Ukraine provides high quality services to a number of world-famous multinational corporations and influential Ukrainian enterprises. In September 2006, we were the first among the Big Four to open a branch office in Donetsk. In the period covered by this Report Ernst & Young employed 505 professional staff, 42 of them in Donetsk. Ernst & Young provides services in the area of Assurance, Advisory, Tax & Legal and Transaction advisory. Ernst & Young is a private limited liability company. The main executive officer in Ernst & Young Ukraine is the Country Managing Partner, alias the Chair of Partners Board. Partners Boards is a group of partners working in Ukrainian offices, including Service Lines Heads.

Ernst & Young Ukraine organisational structure



Ernst & Young Ukraine economic performance

Economic Performance	Million UAH, FY2010
Total net revenue	329 182
Paid taxes	61 367
Collected taxes	22 697

Our commitment to corporate responsibility

Building a better future – how can we make a difference?



Natalia Telenkova,
*Head of the Corporate
Responsibility Committee*

Corporate responsibility is integral to Ernst & Young's business strategy. Our community engagement is mostly focused on education, entrepreneurship and environmental sustainability. It's our role in creating a sustainable context – in other words, a thriving community able to protect its environment, educate its children and become prosperous by fostering innovation and generating new businesses. The communities around us have a profound impact on the future of Ernst & Young and our clients, and we invest in them through these 3 key areas of corporate responsibility. As a talent-driven organization, our people and their skills are the best asset we can offer a community. As a responsible employer, we encourage our people to apply their skills to create positive change

in communities close to home and around the world. Volunteering is an important part of our culture. We contribute more to our communities and give our people more meaningful experiences by tapping into our professional skills and capabilities. Our people serve on not-for-profit boards, support schools, mentor students and strive to reduce our environmental footprint. In 2010 in Ukraine we introduced a set of Key Performance Indicators (KPIs) that reflect our people's involvement in corporate responsibility activities and serve as additional points that are included in the annual assessment. In doing so, we declare that time spent on voluntary corporate responsibility initiatives is valuable from the business standpoint.



3E strategy

► Education

We work to broaden access to education so that the next generation has the skills it needs to make a positive contribution to society. In our knowledge-based global economy, children need an education to secure their future. At the same time, organizations like Ernst & Young need to recruit a talented workforce in every country where they do business. Yet a quality education is out of reach of many young men and women. As one of the world's great global training organizations, we help our people realize their full potential. And through educational programs and outreach, we are able to help young people in the communities around us realize their full potential as well. We build links between academic education and business reality for future specialists; we also support deprived children, ensuring they get their chance for a proper education.

► Entrepreneurship

We support entrepreneurs because they create jobs, build communities and contribute to macro-economic growth. Entrepreneurs transform communities as well as industries. And entrepreneurs are extremely resourceful in both good times and bad. Working with and supporting entrepreneurs has given us a profound understanding of the value of entrepreneurship. The Entrepreneur of the Year contest held by Ernst & Young Ukraine draws public attention to the importance of entrepreneurship in the modern economy.

► Environmental sustainability

We reduce our impact on the environment wherever we can. Because we believe that any commitment to a greener world has to start at home, we're also challenging ourselves to work in an environmentally responsible manner and to find new ways to improve our impact on the environment. A healthy environment is important to our people and to our business. Ernst & Young's Climate Change and Sustainability Services practice helps our clients and our communities move to a low-carbon way of operating and lower their costs.

Stakeholder engagement

The chart of our stakeholders has taken shape over many years of work in Ukraine. Employees have always been the core of our business. Relationships with clients are the key to success for any company. Being more and more engaged with the community, we have established relationships with governmental bodies, business associations and NGOs. The chart below shows how we see our stakeholders today, through the prism of our corporate responsibility strategy.

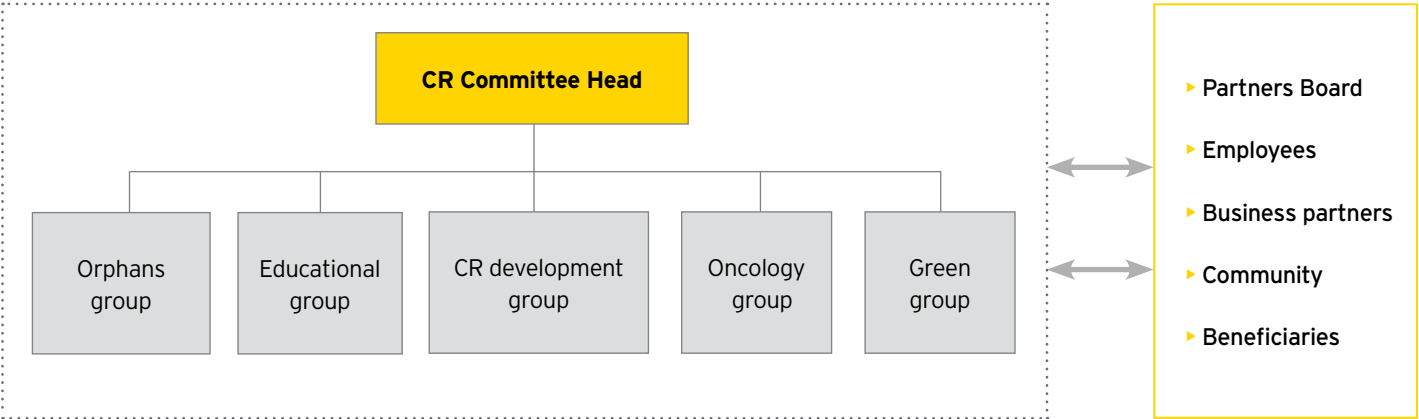
Corporate responsibility area	Stakeholders	Means and channels for engagement
Workplace	partners, employees, retirees	job terms, professional development, employee surveys, people board, people advisory council, corporate events
	recruits	open doors events, vocational guidance
	alumni	alumni club
Marketplace	clients	service quality assessment tool, infrastructure for quality control and risk management, public events
	legislators, government	active involvement, advocacy
	business and professional associations	lead role, participation
Environment	procurement team, suppliers, employees, local community, NGOs	community events, green office program, educational programs
Community	universities, academics, students	educational programs, lectures
	NGOs, deprived children	volunteer initiatives, charity programs

Corporate responsibility management in Ukraine

In our previous CR report we discussed the work of our Charity Committee (established in 2004) and its responsibilities. In 2010 Ernst & Young's Charity Committee transformed into the Corporate Responsibility Committee. The committee now consists of 10 people, including the head of the committee, the Managing Partner in Ukraine, the Head of the Climate Change and Sustainability Services practice and the leaders of the corporate responsibility projects: the

Green Group head, the Human Resources department/Educational projects head and the heads of the Orphans and Oncology Groups. The mission of the committee is to implement a global corporate responsibility strategy with respect to local specifics; to implant corporate responsibility values and principles throughout all the company's operations; and to manage community engagements projects. Fundamental decisions in corporate responsibility are

discussed during quarterly committee meetings. Project details are elaborated via workgroup meetings and online discussions. The committee aligns its activities taking into account an ongoing dialog with the global corporate responsibility team and colleagues in other Ernst & Young offices, the partners and employees of Ernst & Young Ukraine and the partners and beneficiaries on the Corporate Responsibility Committee.



Workplace

Our people culture

We aspire to maintain a leading people culture everywhere in the world. To achieve this aspiration we invest in including, developing and engaging all of our people.

Our increasingly complex and interconnected world requires businesses to be more global, more accepting and understanding of diverse points of view and

more focused on what really matters in the post-financial crisis world.

The following was on our agenda in terms of people culture in the past year:

- ▶ our leading people culture, which ensures that we attract and retain the best;
- ▶ attracting and retaining the best people to deliver the best results for our clients, resulting in a competitive advantage;

- ▶ we want our people to feel that Ernst & Young is the best organization for them; we want them to be excited and proud to work here; and we want them to achieve their potential while helping others and our clients to succeed;
- ▶ we pride ourselves on our teamwork.



«We are fostering a corporate culture that conforms to our people's expectations and helps them succeed professionally and personally; a culture in which each individual is valued and respected; a culture that fosters teamwork, integrity and the courage to lead».

Marina Zakharina, HR Manager

Ernst & Young People

This chapter of the Report represents statistics pertaining to the Ernst & Young workforce.

Type of Agreement/ Contract	Nº of Employees	
Permanent labor agreements	462	91%
Fixed labor agreements*	1	0%
Outsourced personnel	23	5%
Contractors**	19	4%

* Fixed labor agreement includes an expiry date

**Contractors are services providers that are not eligible for paid vacation, sick leave days or medical and life insurance.

99% of Ernst & Young employees work full-time.

Ernst & Young Ukraine FY2010 turnover

Gender	%	Age	%	Region	%
Male	20%	age 20-29	17%	Kyiv	15%
Female	11%	age 30-49	10%	Donetsk	12%
		age over 50	0%		

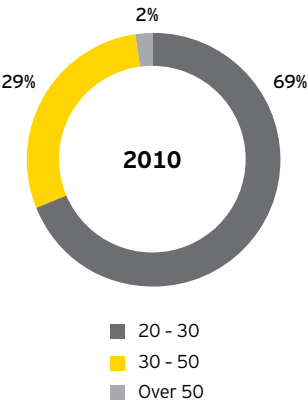
The average turnover rate in 2010 decreased to 14% from 31% in 2009, a sign of reversion to stability. Turnover is calculated as the ratio of employees who left the company to the total number of employees at the end of the reporting period.

Diversity and inclusiveness

We view multiculturalism and diversity as strengths of our global organization. A sustainable and inclusive culture enables Ernst & Young to deliver high quality service to our clients, create a competitive advantage and drive market leadership. Diversity and inclusiveness have become a part of the way we operate.

69% of our employees are 30 or younger. Young people traditionally prevail in the assurance profession, where availability for frequent business trips is a major job requirement. The turnover percentage downfall correlates with the increase in middle-aged personnel (29% versus 21% in FY2009).

Ernst & Young Ukraine FY2010 by age





Ernst & Young Ukraine by gender, FYs 2009, 2010



Our firm's culture and environment provide leadership opportunities to both men and women. There is no gender differentiation made when pay or career advancement issues are considered. Female employees prevail at the junior and middle management levels. The majority of partners and directors are men; however, the number of female partners increased since 2009. In overall 62% of our employees are women.

In 2010 Ernst & Young was recognized at the Equal Opportunities competition, which was jointly organized by the EU-funded project "Women and children's rights in Ukraine – communication component" and the Ministry of Ukraine for Family, Youth and Sports. We were ranked second among companies employing 101 to 1000 employees that provide for gender equality at work.

Employee surveys, FY2010 results

Regular and ad hoc surveys conducted among employees help the management to understand and measure employee satisfaction and engagement.

People Pulse Survey

In August 2010 approximately 55% of our people responded to the People Pulse Survey, an internal Ernst & Young survey which serves as an important “pulse check” supplement to the Global People Survey (GPS) and is conducted every two years. The People Pulse was a short survey with 10 questions taken from the GPS 2009. The results of the Survey have given us a valuable opportunity to measure our progress against the actions initiated in response to our employees’ feedback in the GPS 2009. The answers showed that our employees (80%) share Ernst & Young values. Some 70% of our employees believe that the leadership of the company considers the impact on people when making important decisions and 67% indicated that Ernst & Young provides a work environment in which they feel free to be themselves. However, we had less favorable responses about career development and recognition. The score for “meaningful conversation regarding your career development” remains

the lowest (57%). Still, a 6% increase since 2009 shows that this indicator is improving.

As a result of the People Pulse survey, we identified counseling and coaching as key areas on which to focus in our people policies in the future.

Hewitt Best Employers Survey

In June 2010 we received the results of the Hewitt Best Employers 2010 Survey, in which 47% of our employees and 73% of our top management participated. According to this survey, our highest scores are in the area of company reputation (92% of the responses were positive), work environment (72%) and education and development (67%). The lowest scores traditionally are for work-life balance and reward and recognition. As part of this survey, employees’ answers were compared with those of our top management so that the “opinion gap” could be kept and an “alignment score” calculated. That score was 68%, which indicates that there was a high amount of alignment between employees and top-management responses.

The survey results were brought to the attention of the Human Resources department, the Partners Board and the People Board for review and further actions. The next chapter discusses some of these actions.

Bodies for people matters

People Board

In January 2010 we established the People Board aimed at developing and refining our overall people strategy. The People Board is a group of partners and managers from different service lines, who are dedicated to and ready to develop different people initiatives and resolve current people issues. It cooperates closely with the Human Resources department and Service Line Leaders as well as with the Managing Partner. Through it, people-related innovations can be promptly implemented.

People Board 2010

Marina Zakharina,
Human Resources department

Olesya Melnyk, Assurance

Dmitry Litvak, TAS

Nadiya Konovalenko, Advisory

Olga Gorbanovska, TAX

The following initiatives and projects, among others, were developed by People Board:

- ▶ Global People Survey; results analysis and action plan;
- ▶ salary survey; results interpretation and methods of communication with employees;
- ▶ plan of activities to improve quality of counseling and communication in the company, including the Thomas International Personal Profile Analysis tool, used for testing and adjusting behavioral styles at work;
- ▶ new work-life balance solutions, including flexible time for working mothers

People Advisory Council (PAC)

The People Advisory Council (PAC) is a tool for communication between employees and management of the Firm. It serves as an internal "labor union" where employees of all grades and service lines raise and discuss issues and provide suggestions to improve work-related matters and processes. During the 2010 financial year the PAC gathered four times and discussed the following topics: training opportunities and access to training materials; criteria for annual assessment; drawbacks to the work of the medical insurance company and taxi service; comfort in the office; amendments to travel policy; reducing impact on the environment; options for feedback exchange; and corporate discount options. A separate meeting was held for the assurance team in December 2009 to respond to widespread worries about business turbulence.

Some of the PAC solutions that were put into practice:

- ▶ MS Excel 2007 training materials were developed by the IT team;
- ▶ the KPI assessment matrix in the Assurance service line was amended;
- ▶ training materials log and storage were established;
- ▶ fast reading courses organized;
- ▶ additional tool for feedback exchange within the company launched;
- ▶ corporate credit card limits expanded

Some of the issues raised at the PAC found immediate solutions; more complicated issues needed time to be reconciled at different levels; some got negative responses from either the PAC or from the management as being contradictory to internal policies or financially non-viable. The PAC has become a trusted platform where all sort of issues, from the most critical to the most minor, can be raised openly and find resolution.



Learning and development

We are passionate about helping our employees reach their goals and achieve their potential. A unique global career development framework has been designed called EYU. EYU stands for «Ernst & Young and You,» reflecting the mutual commitment we have to supporting our people and that each employee has to owning his or her career. It provides the right mix of learning, experience and coaching to make a difference to our employees, our clients, our business and our communities.

Ernst & Young Ukraine FY2010:

- ▶ 100% of Ernst & Young Ukraine employees are entitled to have a counselor from the first day of employment;
- ▶ 100% of Ernst & Young employees undergo the Performance Management and Development Process and receive annual feedback and assessment of their performance;
- ▶ 100% of counselors undergo training in counseling and coaching

Mentoring – each employee has a Mentor from the Partners group as an additional option for personal and professional support within Ernst & Young Ukraine. Mentoring focuses on providing guidance, direction and career advice. Through mostly informal communication, partners help their mentees to manage their own learning so that the mentees can maximize their potential, develop skills, improve performance and achieve targets.



EYU diagram

Experiences – putting knowledge into practice and developing new skills to stretch and grow as an Ernst & Young professional.

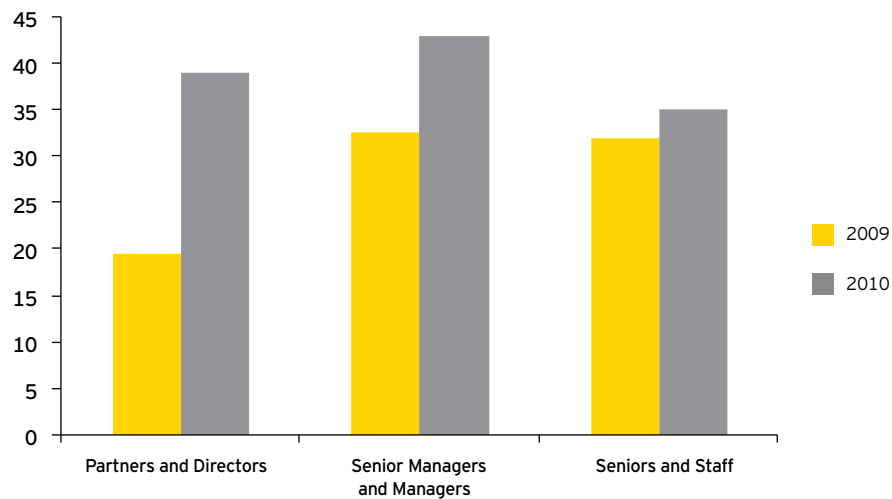
Learning – all employees have access to high-quality learning through a tailored, structured curriculum that is both service-line specific and enterprise-wide. The learning curriculum is designed

to help employees develop their knowledge and insights and become successful Ernst & Young professionals.

Coaching is a meaningful conversation that, when applied to day-to-day feedback, counseling and mentoring, helps you transform learning and experience into practice. EYU provides consistent coaching capability as an essential part of Ernst & Young culture.

Professional Education and Certification

Ernst & Young Ukraine annual training hours on average, FY2009, 2010



Professional education is an essential part of career development at Ernst & Young. It ensures that employees are continuously enhancing their professional skills and that they receive professional certification adequate to their roles and responsibilities as their career progresses. Ernst & Young provides a significant amount of support, including sponsoring, to employees in their professional education and certification programs. This enables Ernst & Young professionals to propose services in accordance with world best practices, international standards and local requirements and to continuously improve their skills and the quality of their performance.

As the result of our focus on education, our client-serving personnel spent 114 hours (including hours for professional certification) on average on their studies during FY2010.

Ernst & Young Ukraine professional certification, data as of FY2010 year-end

Certification Program	Ernst & Young employees, certificate holders	Ernst & Young employees, students of a certification program
ACCA	33	212
CPA	7	
Ukrainian National auditor and NBU certificates	23	8
CIMA, CFA	3	6
PMP	1	1
CISSP, CISM, CISA	9	
CIA	2	1
Valuation certificates	16	

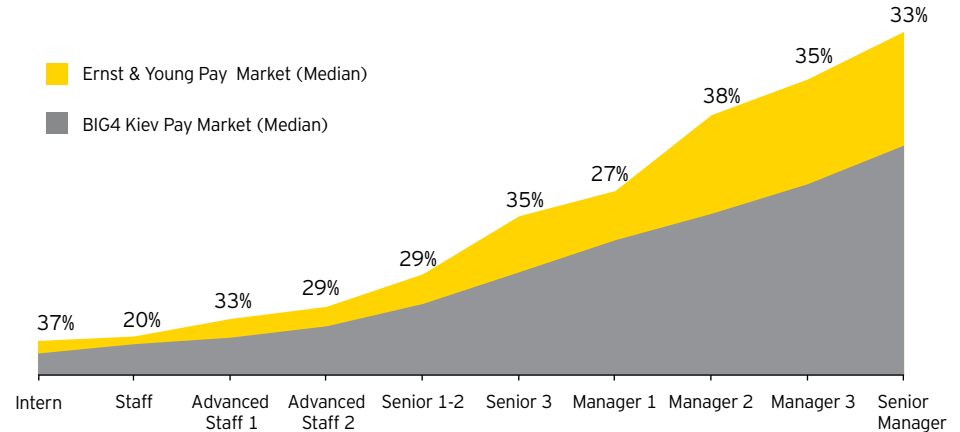
Employees rights and benefits

We maintain strict compliance with the Ukraine Labor Code and all requirements for social protection, and ensure payment of all social charges, including pension and social insurance funds, unemployment compensation and work accident insurance. We constantly monitor the level of wages on the Ukrainian market and ensure appropriate rewards for our employees. The firm provides competitive salary to employees; our aim is to be at the higher end of the market. We participate in surveys on remuneration conducted by an independent surveyor annually; employees receive the results.

The range of existing benefits for our employees, in excess of legal requirements, includes:

- ▶ medical insurance to an employee and one family member;
- ▶ life and accident insurance;
- ▶ vacation allowance above statutory norms;
- ▶ additional pay for sick and maternity leave.

Remuneration comparison by grade, October 2009



The company provides a range of benefits to support mothers. Ernst & Young encourages women to continue their professional careers with the firm after childbirth and offers:

- ▶ additional payments to ensure that an employee's aggregate income (Social Insurance Fund payment + additional payment at the Firm's expense) amounts to 80% of her base pay during the first 12 weeks of maternity leave;

- ▶ flexible work schedules for mothers;
- ▶ possibility for women who have children under 14 have to use an hour per day (five hours per week) at their own discretion;
- ▶ 100% payment for five days on which an employee's children are sick (beyond existing additional payments for sick leave for all employees)

«The «mothers hours» option helps to reduce the pressure on me as I try to combine my work and my personal life. I appreciate the company's recognition of working mothers in introducing such a good initiative».

Tatiana Iarygina, auditor

In addition:

- ▶ three working days' paid paternity leave for the new fathers upon the birth of their child;
- ▶ a gift from the company to all employees who have a new-born baby

Service anniversary awards – in recognition of long, successful years of work with Ernst & Young, the company has a tradition: employees who work 5 years for the company receive golden Ernst & Young pins, those working 10, 15 etc years receive golden pins with diamonds.

Induction to new employees

The company makes continuous efforts to make the first days at the company for new-comers as smooth and fruitful as possible. Each new employee undergoes an induction training course covering Ernst & Young's history, values, company structure, policies and procedures and so on. The new-comer is appointed a counselor since the first day in the company.

A special Intranet tool is at hand to answer topical questions about life at Ernst and Young. In 2010 general induction sessions led by the Human Resources department became more regular, so that the time lag between the first day and the induction day is kept to a minimum; an executive assistant in each service line has been appointed to handle administrative issues a new employee might face during the accommodation process.

Work-life balance

Balancing between work and life is a serious issue for most consulting and auditing firms. The prosperity of business often depends on people's readiness to sacrifice their personal time in favor of clients interests, i.e. work overtime to achieve high business and career targets. One of the key priorities for the Human Resources department at Ernst & Young is to find solutions for this issue. Twenty-five working days of vacation, which is seven days more than the legislation suggests, are meant to overcome busy-season fatigue. The whole range of benefits for working mothers, initiatives for kids, out-of-office corporate activities, corporate discounts for fitness etc. is proposed to employees in order to support their health and emotions at a proper level. Courses on time management skills help employees to rethink their priorities and elaborate their own methods of navigating between work and leisure, between professionalism and exhaustion.



Life outside the office

We maintain a tradition of regular entertainment and sport activities outside the office.



The New Year Party 2009/2010 turned into a real talent show. For one night employees who are generally known as serious consultants, auditors and administrators became singers, dancers, rock musicians and showbiz stars, and enjoyed stunning success.



Ernst & Young's achievements in sports are a traditional story. Ernst & Young teams are regular participants in EBA and AmCham football and basketball tournaments. In 2010 new sports were included in Ernst & Young's profile – paintball and beach volleyball.



One of the most joyful events of the year is the summer picnic, dedicated to the fiscal year's end. In July 2010 employees gathered on Trukhaniv Island to enjoy a variety of entertainments, one of them being a film festival. Everybody was involved in shooting brief movies in different genres. The team led by audit partner Olesya Melnyk was the winner, thanks to a bunch of talented actors (all EY employees) and their excellent performing of scenes from an Odessa restaurant.

Initiatives for kids

More traditions for Ernst & Young's kids evolved in FY2010.



All Ernst & Young kids get gifts from the company before Christmas; since FY2010 they have also had an option of participating in a marvelous kids' party instead. Master classes on Christmas tree decorations, fun contests, a quiz for elder children, body art, oil painting, a disco - the party program was put together to delight everyone.



Another nice option for giving kids the taste of Christmas is for them to participate in a picture contest; the winners get memorable gifts and fill their parents' hearts with pride.

Outdoors events and parties for kids strengthen links between people and create a family-like atmosphere among employees.

WORKPLACE - targets for 2011: stay committed to values and principles stated; develop new initiatives for employees.

Forthcoming steps:

- ▶ the Employer Brand strategy is to be up-dated and implemented;
- ▶ new tools for communication with personnel are to be introduced;

- ▶ a cycle of surveys is to be conducted to gather feedback from our employees on various aspects of the company's life and improve our workplace environment;
- ▶ more work-life balance solutions are to be introduced, including extended medical insurance package, more activities for the employees' children, etc.;
- ▶ new comers induction activities are to be enhanced in order to facilitate their adaptation period in the company.

Marketplace

Our clients

We perform a wide range of professional services for clients of our Ukrainian practice. We are particularly proud of the fact that we provide assurance and advisory services for many of the leading local and international companies with operations in Ukraine. Our clients are large domestic and international companies including Ukrzaliznytsja (Ukrainian Railways), EastOne, the Industrial Union of Donbass, the State Export-Import Bank of Ukraine, Naftogaz of Ukraine, Ferrexpo-Poltava Mining, System Capital Management, the Donbass Fuel and Energy Company (DTEK), Konti and Roshen.

Our commitment to quality and risk management

Quality is the foundation of our organization and is reflected on every Ernst & Young document: Quality in Everything We Do.

Ernst & Young's reputation for providing high-quality professional services in an independent, objective and ethical manner is

crucial to its member firms' success as independent auditors and advisors. We continually strive to improve quality and risk management processes across member firms, with the goal of achieving consistently high-quality client service worldwide. Ernst & Young recognizes that in today's environment – characterized by continuing globalization and the rapid movement of capital – the quality of the member firms' services has never been more important.

Ernst & Young has designed a comprehensive set of global quality control policies and practices that meet the requirements of the IAASB (*International Standards on Quality Control issued by the International Auditing and Assurance Standards Board*) and IFAC (*International Federation of Accountants*). Each member firm is individually responsible to its clients and is required to adopt these global policies and procedures, supplementing them as necessary to comply with local laws and professional guidelines and to address specific business needs. The **Code of Conduct** provides a clear set of standards and behaviors that guide the member firms' actions and business conduct. The **global ethics hotline** is an external and, if so desired, anonymous hotline reporting service

that provides Ernst & Young's people and clients and others outside the organization with confidential means for reporting activity that may involve unethical or improper behavior that may be in violation of professional standards. The **client acceptance and continuance policy** sets out principles to determine whether to accept a new client or a new engagement or to continue a relationship with an existing client. We have restrictions on accepting as a client an entity in the gaming and pornography industry or companies that are involved in illegal or unethical activities. These principles are fundamental to maintaining quality, managing risk, protecting Ernst & Young personnel and meeting regulatory requirements. Our global culture strongly supports **collaboration and consultation** and places special emphasis on the importance of consultation in dealing with complex or subjective accounting, auditing, reporting, regulatory and independence matters. A comprehensive **hierarchy of responsible partners** is developed to ensure that each and every aspect of quality risk is insured. Each member firm is also required to execute the Ernst & Young global **Quality Review programs** and annually evaluates whether its system of quality control has operated effectively.

Results of the global Quality Review program and external practice-monitoring and inspection activities are evaluated and communicated so that quality improvement actions can be taken at the appropriate level.

Independence practices

Independence is a concept fundamental to the audit profession and is pervasive in all dealings between audit firms and their audit assurance clients. Maintaining Ernst & Young's independence is pivotal for achieving audit quality. We consider and evaluate independence from several relevant perspectives. Annually, all Ernst & Young professional personnel are required to confirm compliance with Ernst & Young independence policies and procedures. The Global Independence Compliance Team (GICT) conducts an array of testing and member firm visits to assess compliance with several independence matters. Compliance with professional standards governing the provision of non-audit services to audit clients is designed to be achieved through a variety of mechanisms, including the use of the Ernst & Young portfolio of service reference tools, training and business relationship evaluation tools.

Ernst & Young Ukraine		FY2010
Assurance	Audit quality review	v
Advisory	Advisory quality review	v
TAX	TAX quality review	v
TAS	GICT review	v

Ernst & Young Ukraine		FY2010
Independence policy training update to client serving personnel		100%
Independence confirmation for client serving personnel		100%
Anti-bribery policy compliance confirmation		100%
Insider trading policy compliance confirmation		100%

Client satisfaction surveys

Our unwavering commitment to quality and risk management is supported by a variety of policies, procedures and tools. This means our clients can be confident of high-quality work. We measure our clients' satisfaction through our Assessment of Service Quality (ASQ) and seek to continuously improve our service delivery based on the feedback we receive.

Assessment Service Quality*

* Ernst & Young Global online monitoring tool, which allows for monitoring the quality of our services. Survey requests are sent to clients chosen according to certain criteria.

Application to large client engagements. Annual survey.

FY2010: 80% favorable feedback; 94% of respondents would recommend Ernst & Young as a service provider.

All unfavorable comments have been passed on to engagement partners for follow-up.

Data privacy and information security

We are proactive in securing and properly managing confidential and personal information through our ISO 27002-based information security program.

The Ernst & Young Global Information Security Policy, known as the Code of Connection, defines the security rules, roles and responsibilities protecting information and information systems and is reviewed annually. Information security policy statements span nearly a dozen information security areas including but not limited to:

- ▶ access control;
- ▶ asset management classification and control;
- ▶ communication and operations management;
- ▶ human resources security;
- ▶ physical and environmental security.

We also maintain the confidentiality, integrity and availability of information through the protection of our technology resources and assets, using proven technological means including but not limited to:

- ▶ full disk laptop/desktop encryption;
- ▶ removable media encryption;
- ▶ personal firewall;
- ▶ anti-virus and anti-malware software;
- ▶ multi-factor authentication solutions;
- ▶ automated patching and security vulnerability assessments;
- ▶ strong physical, environmental security;
- ▶ intrusion detection and prevention technologies.

Ernst & Young has not experienced any breach of network security resulting in the exposure of data.

Launch of new services in 2010: CCaSS and FIDS

Two new subservice lines were introduced in Ukraine in 2010: Fraud Investigation and Dispute Services (FIDS) and Climate Change and Sustainability Services (CCaSS). These two sub-services are gaining their momentum as businesses are recovering from the economic crisis.

In today's environment, managing risk for global organizations is more important than ever. Generally prevalent perceptions of fraud can vary from country to country. In Ukraine fraud is perceived differently than in developed economies, and it is extremely important to provide fraud-related services that take into account local specifics. FIDS department assists clients with the following solutions:

- ▶ fraud detection and investigations;
- ▶ anti-fraud solutions such as assessment of fraud risks and anti-fraud controls in different business processes;
- ▶ corporate compliance;
- ▶ forensic Technology & Discovery Services;
- ▶ transaction risk services ("forensic due diligence");
- ▶ dispute services;
- ▶ fraud and corruption awareness trainings on various topics.

Companies in Ukraine these days are also giving increasing attention to business reputation – and larger companies are looking to be transparent and green. Building up social capital and a proactive approach to corporate responsibility not only promote a company's image, but also strengthen trust of shareholders, investors, authorities and other stakeholders. The CCaSS practice provides the following services to our clients:

- ▶ strategic advisory on corporate social responsibility issues, including CSR strategy and program development;
- ▶ assistance in the development and improvement of non-financial reporting systems and processes, as well as in the preparation of non-financial reports;
- ▶ audit of non-financial reporting in accordance to international standards;
- ▶ advisory on climate change, including strategy development and the introduction of relevant tools and controls, as well as the carbon emission verification;
- ▶ assessment of the company's environmental, health and safety (EHS) risks and liabilities.

Strengthening FIDS and CCaSS helped us capitalize on these offerings in Ukraine, bringing benefits to our clients.

Public events and intellectual leadership

Ernst & Young Ukraine is an active organizer of workshops on various business issues. In 2010 we conducted 27 roundtables and seminars for clients and the general public. The aim was to discuss current and emerging business issues and share views and knowledge in order to maintain business in the economic downturn. The themes covered during this period were tax code adoption, human capital management, technology security, real estate and others. The year 2010 was marked by increased Ernst & Young public activity on the market. We organized or supported 72 events devoted to improvement of the business and investment environment in Ukraine. We strategically support leading business events.

Examples of our intellectual leadership:

- ▶ To support and promote Ukraine as an investment destination, Ernst & Young has served as a co-organizer or sponsor of a number of leading business events, in particular the Adam Smith Ukrainian Investment Summit, the Zaporozhie Investment Summit, the Lugansk Investment Summit and the Ukraine-Poland Economic Forum.

- ▶ We are serving as a strategic partner for the Donetsk Investment Summit for the third year in a row. In 2010 the Donetsk event was planned as a year-long project that comprised the Donetsk Restructuring Forum and the Donetsk Private Public Partnership Forum, attended by the President of Ukraine, top government officials and leading international investors. We see our involvement in these events as a contribution to the improvement and development of the investment climate of the region.
- ▶ A number of special public projects were launched, among which were an Expatriate Survey in cooperation with Delo Newspaper and the American Chamber of Commerce. The survey was held to see how expatriates feel about infrastructure and social standards in Ukraine and about the tax and regulatory regime, and to see how the crisis impacted the cost of living and compensation package. The results of the survey were of great interest to foreign investors and the Ukrainian business community in general: the survey indicated the level of satisfaction with living in Ukraine and addressed hot issues hindering the flow of investments into Ukraine. The results of the survey were presented in the Delo newspaper and at a number of public events.

Professional and business associations

We are committed to serving not only our clients, but also the community in which we operate. This is underlined by our involvement in the Foreign and Local Investors Advisory Council under the auspices of the President of Ukraine. Karl Johansson, Ernst & Young CIS Managing Partner, is a participant in the body.

Ernst & Young has also demonstrated its leadership in the Ukrainian business environment through its extensive work with the European Business Association, the American Chamber of Commerce in Ukraine, the US-Ukraine Business Council and the Ukrainian Union of Industrialists and Entrepreneurs, and through interaction with Ukrainian legislative and ministerial processes affecting business. Our employees are ac-

tively involved in contributing to the success of these associations. This means that our people are not only knowledgeable about the political and economic drivers of our clients' businesses, but also have insight into developing matters and key influencers on events. Ernst & Young members take active part in various European Business Association debates. Alexei Kredisov, Ukraine Country Managing Partner of Ernst & Young, is Vice President of the European Business Association (for the third year). Jorge Intriago and Tom Cradock-Watson are Advisors to the EBA Board. Vladimir Kotenko is the chair of the EBA Tax Committee for the fourth year in a row. One of the aims of participation in the EBA and Amcham events is to discuss and resolve problems faced by the private sector in Ukraine. Another aim is collective advocacy of members' interests with the central and local authorities of Ukraine and with foreign and international organizations. The Ukrainian

Union of Industrialists and Entrepreneurs, meanwhile, enables a systematic dialog with authorities, in order to maintain a mutually responsible relationship between business and government and foster country priorities.

The year 2010 was marked by the adoption of the new Tax Code, which influenced every business in Ukraine. Vladimir Kotenko, a member of the Advisory Council at the Ministry of Finance, played an important role in drafting the tax principles and facilitating dialog between businesses and government on improvements to the new tax system. In addition, series of roundtables and seminars on the Tax Code (11 in total) were held by Ernst & Young with the participation of top government officials and the top managers of the leading businesses in Ukraine.

Engagement with the government and NGOs – corporate responsibility development

Community engagement is one of the priorities for our company's corporate responsibility agenda. At Ernst & Young Ukraine we understand the importance of building momentum for the development of corporate responsibility traditions in the country.



We see raising the level of business involvement; we understand the historical context that may hinder further progress. We are ready to share our expertise and give our support to facilitate advancement of corporate responsibility best practices in the community. That's why:

- ▶ we have been part of the United Nations Global Compact (UNGC) network in Ukraine since 2008 and are actively involved in network's initiatives;
- ▶ we have been members of the Multi-stakeholder Advisory Council (MAC) on the development of CSR National strategy under the Parliamentary Committee on Regulatory Policy and Entrepreneurship since its establishment in February 2010. We have shared with MAC's colleagues European experience in sustainability concept development and will be more involved in the future;
- ▶ for two years we have supported the CSR case contest organized by the CSR Development Center. About 70 companies and NGOs have used the contest to present their corporate responsibility practices in the "problem-solution-results" format for public acknowledgement. Printed practices will be used in the future as study materials for CSR academic courses at Ukrainian institutions;

Ernst & Young specialists took part in the following corporate responsibility events:

Adlai Goldberg, advisory partner, Kyiv, spoke at the Verkhovna Rada Committee on Industrial and Regulatory Policy and Entrepreneurship hearings on "Developing Corporate Social Responsibility: the Ukrainian Perspective," November 2009

Julien Perez, an expert from the Climate Change group, France, spoke at the Climate Change conference organized by the United Nations in Kyiv in March 2010

Ksenia Leschinskaya, CCaSS leader in CIS, spoke at the IV international conference on corporate responsibility organized by Expert magazine in April 2010

- ▶ in June 2010 we supported the publication on non-financial reporting (NFR) that was prepared by the CSR Ukraine Community with the support of UNGC; the publication gives an overview of non-financial reporting in the world and a detailed picture for Ukraine; it also functions as a manual on NFR preparation;
- ▶ we have supported the summer school of the Ukrainian Association for Management Development and Business Education and its study program for CSR academic course instructors

Ernst & Young Entrepreneur Of The Year Program – www.eoy-ua.com



The Ernst & Young Entrepreneur of the Year® (EOY) is the world's most prestigious business award for entrepreneurs. As the first and only truly global award of its kind, EOY honors those who are building and leading successful, growing and dynamic businesses, recognizing them through national and global awards programs. The participants in the contest are middle and large businesses, and the winners in each participating country are announced by a national jury consisting of independent experts who are well-known members of the business community. In 2010 EOY

celebrated its 24th anniversary. In those years, the Entrepreneur of the Year program has expanded to more than 140 cities in more than 50 countries, with awards presented annually to over 900 of the world's most successful and innovative entrepreneurs. Ukraine joined the program in 2006 and within these years had honored four outstanding Ukrainian entrepreneurs: Mikhail Levchenko, Millenium Capital (2006), Nikolay Lagun, Delta Bank (2007), Boris Lozhkin, United Media Holding (2008) and Sergiy Grygorovych, GSC Game World (2010). In June 2011 Mr. Grygorovych will represent Ukraine and compete with the world's best entrepreneurs at the World Entrepreneur of the Year Award final in Monte Carlo, Monaco.

Awards For Ernst & Young Ukraine

While our work is rewarding, we're always delighted and honored when respected organizations recognize our achievements.

- ▶ The Kyiv Post's Best of Kyiv poll recognized Ernst & Young Ukraine as the country's Best Audit, Tax and Consulting Services Firm for 2009. Ernst & Young Ukraine won this honor for the second year in a row.

- ▶ In 2010 the International Tax Review's annual European Tax Awards recognized Ernst & Young Ukraine as Transfer Pricing Firm of the Year in Ukraine.
- ▶ Marketing Media Review has recognized Ernst & Young Ukraine as one of the most PR professional and friendly companies in the country. According to Ukraine's Best Corporate Press Service survey, Ernst & Young Ukraine is in the Top 10.
- ▶ Equal Opportunities competition jointly organized by the EU-funded project "Women and children's rights in Ukraine - communication component" and the Ministry of Ukraine for Family, Youth and Sports ranked us second among companies employing 101 to 1000 employees that provide for gender equality at work.

MARKETPLACE – targets for 2011:

stay committed to quality, enhance quality control and information security tools; stay active participants of the business community; encourage entrepreneurs, continue traditional programs and develop new ways to invest into community's benefit and development.

Among future plans:

- implementation of global CRM program
- support of Adam Smith Ukrainian Banking Forum, Adam Smith Ukrainian Investment Summit

Environment

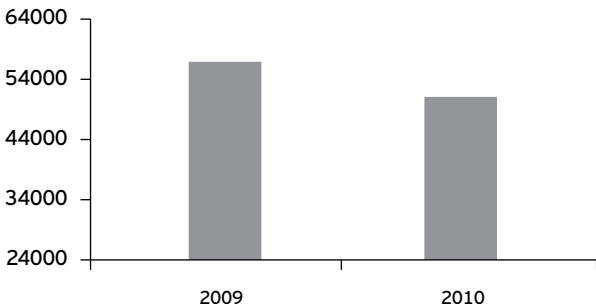
As our Climate Change and Sustainability Services (CCaSS) enable clients to become more environmentally sustainable, we are looking at every aspect of our own organization. We are taking a closer look at environmental sustainability and continuously working on initiatives designed to reduce our impact on the environment. For the Ukrainian offices of Ernst & Young, a commitment to environmental sustainability means well-thought-out procurement in combination with voluntary initiatives organized by the Green Group.



«We understand that we need to be open to new ways of managing our business so that the business targets are met and our impact is less. In many cases, solutions can have a double advantage».

Tatiana Yatsenko, administrative director

Our principles, results and targets in terms of procurement and materials consumption

Item	Our approach and results, FY2010							
Suppliers	We consider eco-criteria when choosing suppliers to work with.							
Office equipment	Our procurement policy defines a list of manufacturers that are eco-labelled. We reduced the number of printers in 2009 and did not increase it in 2010.							
Energy	<p><i>In FY2010 energy consumption fell by 10% compared to the prior period.</i></p> <p>We are taking measures to consume energy economically</p> <ul style="list-style-type: none">▶ all PCs switch to energy saving mode after a few minutes being unattended as the default setting;▶ no light is left unattended; security and cleaning staff control electricity usage during non-working hours;▶ corporate desktop background suggest steps to take towards saving energy;▶ energy-saving bulbs are used <p>Re-use options: 100% of day-light bulbs are given to a specialized company for further use.</p>	<p>Ernst & Young Ukraine monthly energy consumption, FYs 2009, 2010, kw/h</p>  <table><thead><tr><th>Fiscal Year</th><th>Monthly Energy Consumption (kw/h)</th></tr></thead><tbody><tr><td>2009</td><td>~54,000</td></tr><tr><td>2010</td><td>~49,000</td></tr></tbody></table>	Fiscal Year	Monthly Energy Consumption (kw/h)	2009	~54,000	2010	~49,000
Fiscal Year	Monthly Energy Consumption (kw/h)							
2009	~54,000							
2010	~49,000							

Item	Our approach and results, FY2010
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Paper We use eco-labelled paper (FSC).

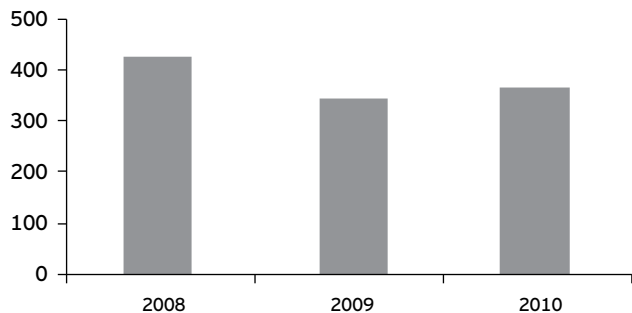
Compared to the prior period, consumption of paper has increased by 6% due to growth in business activity.

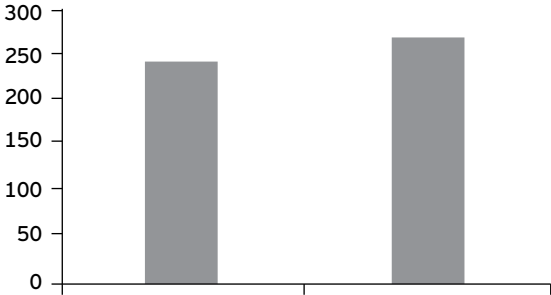
We continue our initiatives and propose new steps to reduce paper consumption:

- ▶ double-side printing is used as the default setting for all PCs;
- ▶ intelligent printing options are being promoted using various internal communication tools;
- ▶ electronic solutions have been elaborated to replace a number of paper-based internal procedures;
- ▶ resealable envelopes are being proposed for interoffice correspondence;
- ▶ on-screen presentations are used instead of printed materials at our meetings wherever appropriate;
- ▶ training materials exchange among employees is organized to reduce the number of printed copies

Re-use options: across all our offices in Ukraine confidential papers are collected in boxes that are sent to a supplier for confidential shredding and further recycling. *Up to 64% of paper waste is thus re-used.*

Ernst & Young Ukraine monthly paper consumption, FYs 2008-2010; packs



Item	Our approach and results, FY2010							
Cartridges	<p><i>Compared to the prior period, consumption of toner has increased by 10% due to increase in business activity.</i></p> <p>A clarification on data measurement: we have changed our approach to measuring our impact in regard to cartridges use. As different models of printers and copy machines are used in our offices, we have defined the toner's weight and expense for each model. Units of measurements are thus kilos.</p> <p>Re-use options: 100% of cartridges go to a specialized company for further use.</p>	<p>Ernst & Young Ukraine toner consumption, FYs 2009, 2010; kg</p>  <table><thead><tr><th>Fiscal Year</th><th>Toner Consumption (kg)</th></tr></thead><tbody><tr><td>2009</td><td>240</td></tr><tr><td>2010</td><td>270</td></tr></tbody></table>	Fiscal Year	Toner Consumption (kg)	2009	240	2010	270
Fiscal Year	Toner Consumption (kg)							
2009	240							
2010	270							
Travel	<p>An increase in business activity has led to an increase in travel. Promoting responsible travel has thus become more critical.</p> <p>We suggest that our employees:</p> <ul style="list-style-type: none">▶ video-conference instead of travel;▶ take the train instead of fly.							
Kitchen	<p>We promote reusable tableware instead of plastics among our employees.</p>							

Green group

In 2009 a Green Group was established under the auspices of the Corporate Responsibility Committee. Employees from different departments of the company volunteered to join.

The targets for the Group:

- ▶ educational campaign on environmental issues for employees;
- ▶ leading change while implementing "green" behavior;
- ▶ active involvement in nationwide environmental initiatives and ecological programs.

During FY2010 the Green Group developed and supported the following initiatives:

Climate Week

In September 2009 Ernst & Young's Green Group took an active stance in promoting Climate Week, a worldwide United Nations initiative, among employees of the company. Tuesday of that week was "Refuse a car" day for many employees. On Wednesday volunteers joined "Seal the Deal" campaign and signed an online global petition on the part of civil society to governments of the world before the global summit on climate change in Copenhagen. Friday was Green Casual Friday, when all employees were encouraged to wear green clothes to show their support for protecting the environment.



«Although our business does not have a significant impact on the environment, we will continue drawing attention of our employees to environmental issues, as we realize their significance for every human being on the planet».

Yulia Byba, Head of the Green Group, 2010

«We did a good job! I'm pleased that there are people who are not indifferent to the troubles of our country. I'm grateful to everyone who spent a weekend for the benefit of the worldwide climate week in Ukraine. We planted 6 trees and 12 bushes in Poznyaky park. If each of us plants at least one tree a year, our future generations will live in a greener world».

Victoria Starynets, auditor

On Saturday volunteers went to Poznyaki Park to participate in the "Plant a tree and save the planet" initiative. An internal newspaper on Climate Week highlights was distributed among employees.

Green principles

In February 2010 the Green Group announced a kind of contest for employees – a list of Green Principles, rules to be followed in the workplace and at home, was proposed, and employees could sign up for them and add new ideas. Those who signed up for the most positions and shared their own principles for "green" behavior were announced Green Champions and received gifts. An interview with them was distributed via internal



mail. That list of Green Principles formed the basis for the Ernst & Young Green bookmark, which was used to disseminate the principles during various ecological events.

Earth Hour

In March 2010, a global action initiated by the World Wildlife Fund (WWF), Earth Hour, was supported by Ernst & Young employees. Many joined in the initiative.

Zelena Toloka

In April 2010 Ernst & Young traditionally supported a UN Global Compact initiative in Ukraine - Zelena Toloka. This time the Ernst & Young Green team joined 300 volunteers in Syretsky Gai to clean up the park; about eight tons of garbage was collected. Participants were entertained by Oleg Skrypka, ate some delicious kulish and took part in a lottery.



Green Rush

In 2010 Ernst & Young became a partner in the Green Rush project, organized by the AIESEC Kyiv Youth Organization. The project's aim is to implement theoretical knowledge about environmental responsibility in the everyday life of youths in Ukraine. Young people from 20 schools and 5 universities from different Ukrainian cities participated in an educational campaign (100 academic hours), an ecological seminar and an eco-poster contest.

The winners of the contest were invited to the Ernst & Young office, company's certificates and memorable gifts were handed by the Managing Partner in Ukraine, Alexei Kredisov.

«For the Earth Hour, in my family we had a dinner with candles and spoke about the damage people make to nature and how we can use fewer resources. I appreciate that it was my child's decision to start separating paper and plastic garbage to practice recycling».

Irina Levadnaya, finance

Trypilske Kolo

The Third International Eco-Cultural Festival “Trypilske Kolo 2010: Fire” took place this summer in Rzhyschiv, Kyiv region, under the slogan “We Light Up Hearts.” The festival takes place annually and is devoted to one of the four elements: Water, Fire, Air and Earth. Ernst & Young was a partner to this year festival and was invited to the ECO-ground to present green principles and inform the visitors about the steps the company is taking towards the full-scale development of its Green Office program, as well as about the rules its employees observe in everyday life.

ENVIRONMENT – targets for 2011:

continue considering every possibility to reduce the negative environmental impact of our business.

The primary focus will be on:

- ▶ developing and implementing a supplier code of conduct;
- ▶ reviewing opportunities for online subscriptions to reduce paper consumption;
- ▶ continuing to develop electronic solutions for paperless internal procedures;

- ▶ taking additional steps to increase the percentage of paper waste that is re-used;
- ▶ continuing an educational campaign to keep the amount of plastic tableware to a minimum
- ▶ supporting national projects in environmental education.



Community

As a responsible employer, we encourage our people to apply their workplace skills to create positive change in communities close to home and around the world. This chapter of the Report describes the investments the company makes in the future of the country by supporting projects targeted at the students and children of Ukraine.

Projects for students

We often hear from students today that the education they obtain has a wholly theoretical character, detached from the realities of business and from the knowledge requirements of potential employers. While discussion of the educational system reform is ongoing, we developed and supported programs that aimed to help students get practical knowledge in the chosen profession. In total, about 5,000 students were involved in these during FY2010.

Educational projects		2009	2010
Kyiv	sponsoring fees, UAH	42,063	312,042
	Ernst & Young people value, UAH	112,055	324,825
Donetsk	sponsoring fees, UAH	–	6,000
	Ernst & Young people value, UAH	32,977	47,164
Ukraine	fees general, UAH	187,094	690,031

Step Into the Future program

In 2010 Ernst & Young started the Step Into the Future program for students at the Kyiv and Donetsk universities that provide the company with the largest number of successful job candidates. “Ernst & Young University” is one of the initiatives from this program, representing a suite of meetings in Ernst & Young office for Kyiv universities students. Here they can get a foretaste of such professions as auditor, tax consultant and IT risk and informational security

consultant; get acquainted with the basic requirements for entry level positions in various departments and discuss key tendencies in professional development and possible career growth directions with Ernst & Young employees. “Coffee with a Partner” is another initiative that foresees meetings with the company’s Partners to discuss secrets of a successful career and to find out what is evaluated during testing and interviews at Ernst & Young.

List of universities that participate in the program:

- ▶ Kyiv National Economic University named after V. Hetman
- ▶ Kyiv National Trade and Economic University
- ▶ National University «Kyiv Mohyla Academy»
- ▶ National University "Kyiv Polytechnic Institute"
- ▶ Taras Shevchenko National University of Kyiv
- ▶ Donetsk National University
- ▶ Donetsk National Technical University
- ▶ Donetsk National University of Economics and Trade named after Tugan-Baranovsky
- ▶ Donetsk National University of Management
- ▶ Donetsk Institute for Artificial Intelligence

We are thankful to those Ernst & Young colleagues who took part in the **"Step Into the Future" program:**

- ▶ **Olesya Melnyk, Oleksandr Berchiy, Kateryna Rabtsun, Volodymyr Zabrodskiy, Ganna Kurylenko, Olga Makara, Oleksandr Dermanets, Natalia Deryzemlia and Svitlana Suponina** from Assurance department, Kyiv
- ▶ **Yuliya Boietska, Olexander Chausovsky, Maryna Kostina, Viktor Nikolov, Viktoria Turska and Darya Zhuravska** from Assurance department, Donetsk
- ▶ **Aaron Johnson and Rostyslav Grygorenko** from Transaction Advisory Services group, Kyiv
- ▶ **Tetyana Mykolenko and Iryna Kalyta** from Tax & Law department, Kyiv
- ▶ **Kateryna Gorbunova, Dmytro Lazuchenkov and Oksana Hontar** from Information Technology and Risk Services department, Kyiv
- ▶ **Natalia Krivtsova and Yelizaveta Babych** from Human Resources department, Kyiv
- ▶ **Kateryna Kayda and Natalia Vyshnevetska** from Administration, Donetsk

Ernst & Young and Students in Free Enterprise program 2010

In June 2010 Alexei Kredisov, the Managing Partner of Ernst & Young, became the co-chairman of the advisory business council of the Students in Free Enterprise, or SIFE, organization in Ukraine. The council's main goal is to develop a strategy and budget for SIFE Ukraine activities. The group includes representatives of Ukrainian businesses and education sphere who make a considerable contribution to the development of talented young people in Ukraine. SIFE is an international organization that unites together students, teachers and business representatives in 40 countries. Working in a team under the guidance of a mentor-teacher, SIFE students use knowledge they gained at university to educate others in market economics, entrepreneurial skills, financial competence, principles of environmental protection and business ethics. This year, seven teams from universities in Kyiv, Lviv, Odesa, Chernivtsi and Kharkiv competed for the national championship on 1 June. The SIFE teams put their outreach programs into a presentation format and communicated it to the jury. Lviv National University named after Ivan Franko won the national competition for the second time in a row. The winners presented five projects: "Hlynchyky," "Job Co," "New Farm," "Sashko-Meta" and "Discount Boom."

- ▶ **“Hlynchyky”** was aimed at providing people with Down’s syndrome with economic opportunities to increase their personal income and foster inclusion in the communities where they live. The team organized a club where disabled people could make special souvenir pottery and distribute it through a chain of souvenir shops. The project helped the disabled people to conclude long-term agreements with five shops in Lviv region.
- ▶ The **“Job Co”** project consisted in conducting a Career Forum that gathered around 300 participants, who also had the opportunity to attend training seminars on how to write a CV and search for a job. The team also developed a career site for university students where they can find up-to-date information about vacancies in different Ukrainian and international companies.
- ▶ In the **“New Farm”** project, the LNU SIFE team organized training seminars on 1C for 15 farmers to raise farming efficiency and profit margins. In collaboration with the Swedish SIFE team they also created a hotline call center where farmers could receive professional advice.
- ▶ **“Sashko-Meta”** helped a Ukrainian painter drive consumer awareness of his brand, make it well-known in the community and start his own business. The team organized several promo-actions for him and ensured his participation in the Open International Festival of Modern Art in Lviv. As a result, artist Sashko turned his hobby into a profitable business and increased his monthly income by 39%.
- ▶ The winners tried to encourage students and university staff to recycle paper. In the framework of the **“Discount Boom”** project they collected paper for recycling in exchange for discount cards for 16 stores and 14 restaurants. Some 485 students participated in the project and brought in around three tons of waste paper.

Ernst & Young supports Students’ Global Management Challenge Championship (GMC Junior)

In 2008 Ernst & Young supported the GMC Junior competition in Ukraine for the first time. Today we are a strategic partner of the initiative, which involves students in their third to fifth years of study at Ukrainian universities. Teams of students in the contest perform the roles of key decision leaders in a virtual company: CEO, Finance Director, Marketing Director, Human Resources Department Director, Sales Director, etc. They have to analyze the financial status of the company, its production capacity, market share and potential for development. On the basis of the conclusions they develop and implement their teams’ strategies in order to achieve maximum stock value. Only eight teams reached the final 2010, and the Crimean branch of the Kyiv National Economic University in Simferopol has become the winner.

«During GMC junior we observed both the joy of victory and the bitter taste of the defeat. However, despite the fact that some participants were less lucky than the others, all of the teams are united in striving for new knowledge. They are the future leaders and elite of our country. Our company is looking ahead and would like to invite talented young experts on board».

Alexei Kredisov, Managing Partner of Ernst & Young, Ukraine

Incentive Scholarship Fund for KMA

In 2008 jointly with the National University Kyiv Mohyla Academy Ernst & Young created a special fund to present an annual award to the institution's best teachers and students. We contribute to the university's endowment, which will guarantee the realization of its statutory objectives, its self-government and its independence. The fund also supports scientific researches and the latest projects in technology development.

Scholars for the 2009-2010 school year:

- ▶ **Iryna Grygorivna Luk'yanenko**, head of the finance platform, Associate Professor of Economic Science
- ▶ **Victoria Dobrynska**, fifth year student of the law faculty

Ernst & Young Ambassadors

In October 2010 Ernst & Young introduced a new initiative in cooperation with the AIESEC in Ukraine Youth international organization. The objective of the program is the

professional education and development of Ukrainian university students. The program includes five cities: Donetsk, Lviv, Kharkiv, Odesa and Dnipropetrovsk.

From October 2010 till May 2011 Ernst & Young and AIESEC will conduct educational seminars and presentations for students who want to know more about the auditor's profession. The program gives future specialists the unique opportunity to understand better what skills and knowledge the labor market demands. Students will meet with Ernst & Young professionals and recruitment specialists.

Universities participating in the program:

- ▶ Odesa National University named after I.I. Mechnikov
- ▶ Odesa State Economic University
- ▶ Odessa National Polytechnic University
- ▶ Dnipropetrovsk National University named after Oles Gonchar
- ▶ Dnipropetrovsk National Financial Academy
- ▶ Dnipropetrovsk University of Economics and Law named after Alfred Nobel
- ▶ Prydniprov'sk State Academy of Civil Engineering and Architecture
- ▶ Ivan Franko National University Lviv National University
- ▶ National University Lviv Politechnika
- ▶ V.N. Karazin Kharkiv National University
- ▶ Kharkiv National Economic University
- ▶ Donetsk National University
- ▶ Donetsk National Technical University
- ▶ Donetsk National University of Economics and Trade named after Tugan-Baranovsky
- ▶ Donetsk National University of Management
- ▶ Donetsk Institute for Artificial Intelligence

Open Door Days at Ernst & Young

In spring 2010 we held several Open Door Days for graduates of the Kyiv National University of Trade and Economics, the Kyiv National Economic University named after V. Hetman, the Kyiv School of Economics and the National University "Kyiv Mohyla Academy." The participants were told about career opportunities for graduates at our firm and introduced to the Ernst & Young structure and corporate culture. The guests asked questions about the daily work routine of the audit, transactions and advisory teams and learned the specifics of different departments. The event was followed by a Human Resources department presentation with focus on how to take the first steps towards a successful career. The presentation was supported by personal examples and valuable tips.

In Donetsk we also organize meetings between students and employees. During these meetings students get useful information about auditor's profession and employment details and can ask questions on how to prepare a solid CV and go through the interview process successfully. They can also meet successful Ernst & Young employees and ask questions about the requirements international companies have towards potential staff.

«I never thought such big companies as Ernst & Young could be so close to students. Now it doesn't seem so scary to start looking for a job there».

One of the participants of the Open Door Day event



Meetings with accounting and audit professors in Donetsk

In 2010 we started a new initiative for Donetsk universities. The Donetsk office of Ernst & Young opened its doors to professors of accounting and audit from leading local universities. The first event was an introductory meeting, while the second one had the B2Universities format - Olena Lyakh, Senior of Audit department, prepared a presentation about hot points in auditing. We consider it important that academics who are responsible for the new generation's development should be updated about changes in audit standards and procedures. We hope these meetings between practitioners and teachers will become regular ones.

Charity work

Ernst & Young Ukraine's charity program took shape back in 2006 and its main trends have remained unchanged since then. Volunteering is an important part of our culture, and we don't only provide an extra pair of hands. We contribute more to our communities and give our people more meaningful experiences by tapping into our professional skills and capabilities.

FY 2010 strengthened the Ernst & Young volunteers team. The scope of volunteers engagement has expanded and the relationship with the beneficiaries of charity programs – kids in orphanages, kids with cancer who undergo long, costly treatment – has deepened; the charity foundations that work in these same areas have become our true partners.

Charity donations	FY2009	FY2010
Orphanages and projects for orphans	76,782	117,917
Help to children with cancer and projects in healthcare	134,607	209,265
Charity, other*	54,000	125,900
Totally charity donations	265,389	453,086



Christmas gifts for orphans

The 2010 New Year holidays were especially warm for participants in the charity program. The charity committee proposed a detailed template for a child's letter to St. Nicholas for kids in the three orphanages: Ivaniv, Boyarka and Snizhne. The children told St. Nicholas about their achievements, confessed their sins and shared their dreams. How surprised the children were when they saw their cherished wishes had come true! Here's how St. Nicholas worked: the children's letters were sent to the attention of Ernst & Young Ukraine employees, many of whose hearts melted. Ernst & Young mothers and fathers had one more task on their pre-Christmas "to do" lists. Some joined visiting teams and went to hand their gifts to the children in person.

More initiatives for orphans

In 2010 the **Best Pupil contest** was re-launched at the three orphanages. Though in lot of cases good marks in school are only subject of a self-belief to be rebuilt in a child. Good marks in school, however, can rebuild a child's self-esteem. The rewards that this Ernst & Young contest brings provide stimulus towards academic achievements.

Here are the winners for 2009/2010 and their prizes:

- ▶ **Natalia Rudenko**, Boyarka, 15: a shopping tour to Kyiv; she chose a nice dress and shoes for her graduation party along with her Ernst & Young friends;
- ▶ **Zhenya Gerasimenko**, Boyarka, 10: a new school suit and a set of toy cars;
- ▶ **Kristina Bekher**, Snizhne, 10: nice clothing of Kristina's choice;
- ▶ **Margarita Gavrilyuk**, Ivaniv, 15: a mobile phone;
- ▶ **Sergiy Buts**, Ivaniv, 14: a mobile phone

We usually visit kids at the end of the school year and organize various **entertaining and educational activities**. In 2010 a master class on tissue painting, where each participant produced an original t-shirt, was organized at the Boyarka orphanage, while children in Snizhne played pirates with their friends from Ernst & Young and enjoyed shashlyk.

A monthly **birthday celebration** was organized this year by Ernst & Young's Donetsk employees for the children at the Snizhne orphanage. Kids got gifts of their choice, plus sweets, music and a party with real guests – their friends from Ernst & Young.

This year Ernst & Young employees have announced a **books drive** for Snizhne kids. Dozens of encyclopedias, scholarly and fiction books were gathered and enlarged the orphanage's library.

The **amateur movie** "5 years of friendship" was produced by Ernst & Young volunteers and shown at the Ivaniv orphanage during the Christmas visit. Picnics, concerts, excursions, master classes, contests, journeys, subbotniks – unforgettable moments from these and other events from the friendship between Ernst & Young and the Ivaniv kids were on display and made a great impression.

Support to graduates

For three years we have been providing input into the Pryiateli Ditey Fund program, which is aimed at supporting orphanage graduates during their student years. This year we sponsored 10 students to participate in the program. The monthly stipend allows students to pay for extra classes and purchase books, clothes and food. The

meetings and training courses the Fund organizes are of great value for program participants. At one such meeting in April 2010, Ernst & Young presented PCs to the students who were recommended by the program's coordinator as most deserving for their engagement with Fund projects and excellent academic results. At the same meeting Natalia Krivtsova of the Human Resources department gave an interesting and important for all students training session on CV writing and employment hints.

Way to Success summer camp for orphans

In 2010 Ernst & Young supported the Way to Success summer camp for orphans in Skadovsk. The camp was organized by the charity fund of Edinstvennaya magazine.



Ernst & Young has been supporting the program since it was launched in 2007. The goal is to teach the children to plan their future, believe in success, work in teams and resolve conflicts in a healthy manner. The camp's curriculum included psychological training aimed at overcoming communication barriers, computer literacy training, artistic molding activities, hairdressing and master classes in photography, journalism, cinematography, make-up and other subjects. This year the program included over 100 boys and girls from orphanages in Kyiv, Chernigiv and Cherkasy regions. Leaders who showed their worth in 11 nominations defined by Ernst & Young received special prizes. The young person who won the Actor's Talent category, for example, received a book of biographies of popular modern actors; the Paparazzi winner received an mp3 player with a voice recorder. We hope that the children, having tasted success during those unforgettable summer days, keep on striving throughout their challenging lives, and that the prizes they won help them cultivate their favorite pursuits.

New developments of the oncology group

Targeted help to children with cancer is on one of the main support channels for Ernst & Young Ukraine charity group. This year the number of Salary Deduction Program participants grew to 80, which is twice as many as before. This means that more children got our



help in their cruel fight for life. The funds are being spent on medication, diagnostics, treatment costs, surgeries and sometimes food and toys for children staying in onco centers in Ukraine. Apart from targeted financial support to children, we also provided assistance to hospitals and charity funds implementing projects in the oncology sphere. We have established regular deliveries of consumables (disposable syringes, gloves, detergents) to the transplant department at Okhmatdet. We are also continuing to support the Krona foundation with the Tochka Zhyttya project. In 2009 we have given our support for a laboratory for bone marrow donor diagnostics to be open. In 2010 we made our input into providing chemical reagents for the laboratory.

In December 2009 the oncology group volunteers held a charity sale for Vadym Greben, who had undergone an auto bone marrow transplantation and needed medicine for his rehabilitation period. Employees had

the opportunity to demonstrate their artistic talents and offer their handmade masterpieces for purchase by colleagues. The amazing photos, paintings, knitted goods and stationary decorated in decoupage style sold out in one day. Some 3,000 hryvnia were raised for Vadym.

COMMUNITY – targets for 2011: we plan to stay committed to the targets set in our corporate responsibility program, develop existing and new partnerships that will add efficiency to our community-related programs. Ongoing surveys on community needs and Ernst & Young people engagement will help us pursue our priorities.

Report parameters

This is the second Corporate Responsibility Report prepared for Ernst & Young practice in Ukraine.

It covers the activities of the three offices located in Kyiv and Donetsk during the financial year 2010, i.e. the period from July 1, 2009 to June 30, 2010.

Prior report was issued in March 2010 and covered the period from July 1, 2008 to June 30, 2009.

Lead Committee has been established to:

- ▶ define the format of the report and report preparation schedule

- ▶ agree on approach to scope for the Report with regard to GRI criteria
- ▶ evaluate results of feedback survey for the Report 2009
- ▶ ensure accuracy, completeness, and reliability of the information collected.

Representatives from corporate responsibility committee, Human Resources department division, procurement team, marketing/PR department have entered the Lead Committee.

The structure of the report corresponds to Ernst & Young overall approach to corporate responsibility and represents information

in four chapters: : Workplace, Marketplace, Environment and Community. The Report presents company's performance in economic, social and environmental areas wherever the effect may be considered as significant. It is prepared in accordance with GRI (Global Reporting Initiative) G3 sustainability guideline.

The Report was reviewed by company's specialists in the area of non-financial reporting and sustainable development.

Our intention is to continue reporting on corporate responsibility on a yearly basis.

Contact information

Your feedback on the Report is important for us.

We look forward receiving your comments and will be ready to answer your questions at the following address: **cr@ua.ey.com**

GRI G3 disclosures and performance indicators, UNGC principles table

GRI disclosures and indicators	Short description	Page, comments	UNGC principle
1.1	Statement on corporate responsibility strategy from the chief executive	2-4	I, II
2.1	Name of the organisation	5	
2.2	Primary brands, services	6	
2.3	Operational structure	7	
2.4	Location of organization's headquarters	5	
2.5	Number of countries where the organization operates	5	
2.6	Nature of ownership and legal form	6	
2.7	Markets served	6	
2.8	Scale of the reporting organization	6,7	
2.9	Significant changes during the reporting period regarding size, structure, or ownership	There were no significant changes apart from partners number changed from 15 to 16	
2.10	Awards received in the reporting period	30	
3.1	Report period	48	
3.2	Date of most recent previous report	48	
3.3	Reporting cycle	48	
3.4	Contact point for questions regarding the report or its contents	48	
3.5	Process for defining report content	48	
3.6	Boundary of the report	48	
3.7	Specific limitations on the scope or boundary of the report	No limitations	
3.8	Basis for reporting on other entities that can significantly affect comparability from period to period	No other entities	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	34	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods	No significant changes	
3.12	Table identifying the location of the standards disclosures	49,50	
4.1	Governance structure of the organization	7, 11	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	6	

GRI disclosures and indicators	Short description	Page, comments	UNGC principle
4.3	The number of members of the highest governance body that are independent and/or non-executive members	No independent or non-executive members of governance body	
4.4	Mechanism for shareholders and employees to provide recommendations or direction to the highest governance body	15, 16	I, II, III
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance	3,4,11,12,24,31,39	
4.13	Membership in associations and (inter)national advocacy organizations	28,29	
4.14	List of stakeholder groups engaged by the organisation	10	
4.15	Basis for identification and selection of stakeholders with whom to engage	10	
EC1	Economic performance	7	
EC5	Relevant comparison of wages	19	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement	39,45	
EN1	Materials used	33,34	
EN 4	Energy used	32	
EN5	Energy saved	32	VII, VIII, IX
EN26	Initiatives to mitigate environmental impacts of services	32-38	VII, VIII, IX
EN27	Percentage of materials collected for recycling	32-34	VII, VIII, IX
LA1	Total workforce by employment type, employment contract, and region	13	
LA2	Total number and rate of employee turnover by age group, gender and region	13	V
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees	13,19,20	IV
LA10	Average hours of training per year per employee by employee category	18	
LA12	Percentage of employees receiving regular performance and career development reviews	17	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	14	I, II
LA14	Ratio of basic salary of men to women by employee category	14	VI
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	25	X
SO5	Public policy positions and participation in public policy development and lobbying	27-29	
PR5	Practice related to customer satisfaction, including results of surveys measuring customer satisfaction	25	

GRI application level

		C	C+	B	B+	A	A+
Mandatory	Self declared	√					
Optional	Third party checked						
	GRI checked						

List of abbreviations used in the Report

ACCA	Association of Chartered Certified Accountants	GICT	Global Independence Compliance Team
AmCham	American Chamber of Commerce	GMC	Global Management Challenge
ASQ	Assessment Service Quality	GPS	Global People Survey
CCaSS	Climate Change and Sustainability Services	GRI	Global Reporting Initiative
CEO	Chief Executive Officer	HR	Human Resources
CFA	Chartered Financial Analyst	IAASB	International Auditing and Assurance Standards Board
CIA	Certified Internal Auditor	IFAC	International Federation of Accountants
CIMA	Chartered Institute of Management Accountants	ISO	International Organization for Standardization
CISA	Certified Information Systems Auditor	IT	Informational Technologies
CISM	Certified Information Security Manager	KMA	Kyiv Mohyla Academy
CISSP	Certified Information Systems Security Professional	KPI	Key Performance Indicator
CPA	Certified Public Accountant	LNU	Lviv National University
CR	Corporate Responsibility	MAC	Multi-stakeholder Advisory Council
CSR	Corporate Social Responsibility	MAKE	Most Admired Knowledge Enterprise
EBA	European Business Association	NFR	Non-financial reporting
EHS	Environment, Health and Safety	NGO	Non-governmental Organization
EOY	Entrepreneur of the Year	PAC	People Advisory Council
EU	European Union	PC	Personal computer
EYU	Ernst & Young and You	PMP	Project Management Professional
FIDS	Fraud Investigation and Dispute Services	SIFE	Students in Free Enterprise
FSC	Forest Stewardship Council	TAS	Transaction Advisory Services
FY	Fiscal year	UNGC	United Nations Global Compact

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About Ernst & Young

Ernst & Young is a global leader in assurance, tax, transactions and advisory services. Worldwide, our 141 000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients, and our wider communities achieve potential.

For more information, please visit: www.ey.com/ua.

In Ukraine Ernst & Young established its practice in 1991. Ernst & Young Ukraine now employs about 500 professionals providing a full range of services to a number of multinational corporations and Ukrainian enterprises.

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