

Communication on Progress
in implementing the principles of the United Nations
Global Compact
2010



This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.

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Management's statement of invariable support for the Ten Principles of the UN Global Compact

Conclav Capital Ltd. is an Investment and Finance Company specializing in providing consulting services and investment solutions for clients' objectives and project realization. The name «Conclave Capital» has been well known in the Russian market since 1996. From the moment of creation we have come a long way. While operating in the market we have managed to create an effective organizational and management structure capable of developing in the face of fierce competition. By bringing together the best intellectual and technological resources we can offer our customers new services and opportunities.

The «Conclav Capital» Group — is a dynamically developed finance-investment holding company, geared toward leadership, permanent development and perfection. Our main purpose is to assist our customers and partners in their business development by the engineering of innovative and tailor-made financial products, structuring of working capital, implementation of investment projects, funding attraction, etc.

From the very beginning we determined a few business principles, which we strive to uphold, such as customer orientation, professionalism and the development of corporate traditions and culture. Compliance with these principles has allowed us to move forward with confidence.

The company is very attentive to corporate culture - and for us it really is not simply a craze, and not just a "new trend" that reached our business environment with the east or west wind recently. This is a realized need to develop internal competitive advantages, create clear and understandable principles of cooperation, transparency and civilized rules of engagement with the external world and within our own company.

Additionally, there are results, which we consider no less important than financial indicators - knowledge and experience acquired over the years of successful work, a close-knit team of like-minded staff, and the trust of numerous clients and the respect of our partners.

Having surpassed a stage of formation and growth challenges, we continue to develop, test ourselves, search for new directions, and strive to offer our clients a comprehensive approach to solving problems.

In January 2010, Conclav Capital Ltd. joined the UN Global Compact.

We understand, share and fully support the Ten Principles of UN Global Compact. These Principles have become an integral part of policy relating to our customers, employees, citizens, communities, the environment and society as a whole. We understand the social responsibility of our offered services.

Our company does not go beyond declaring support for all Ten Global Compact Principles, but is guided by them in its daily activities. We understand that only active actions can make progress in protecting human rights, labor rights, environmental protection, combating corruption and bribery.

Our annual UN Global Compact participant report contains information progress in various activities' directions for 2010.



Roman O. Belousov
President

December 17, 2010
Moscow, Russia

Section I. Human Rights

Principe 1.	Businesses should support and respect the protection of internationally proclaimed human rights;
Principe 2.	Businesses should make sure that they are not complicit in human rights abuses.
Commitment and Company policies	<p>The management and employees of Conclav Capital Ltd. recognize and respect internationally proclaimed human rights.</p> <p>Conclav Capital Ltd. observes and respects the rights of employees, partners and customers.</p> <p>For successful implementation of the Principles of the UN Global Compact in the field of human rights Conclav Capital Ltd. is guided by the Constitution of the Russian Federation, the Universal Declaration of Human Rights adopted by UN General Assembly resolution, the UN Charter, the International Covenant on Economic, Social and Cultural Rights, the International convention banning all forms of Racial Discrimination, the Convention on the Elimination of All Forms of Discrimination against Women, the Convention on the Rights of the Child and other international and national laws and regulations aimed at human rights.</p> <p>The Company's policy is directed on the responsible and ethical management of business processes to ensure transparency and open functioning of the organization. As a commercial structure whose activity is not associated with the solution of social problems, Conclav Capital Ltd., however, makes its own contribution to protecting the rights and freedoms of all persons and citizens.</p>
Events	<p>The company has developed a Code of corporate ethics, which establishes the base values that are the basis of the organization's activity.</p> <p>Relationships within the collective and with the external world are constructed without any distinction concerning race, color, sex, language, religion, political or other opinion, social, property, birth or other status.</p> <p>All company employees are obliged to comply with the Conventional principles of human rights and standards defined in the Code of Ethics.</p>
Results	<ol style="list-style-type: none"> 1. All employees and partners are entitled to fair treatment regardless of race, ethnicity, gender, cultural and any other affiliation. 2. From the beginning the company has never been recorded in any incidents of violation of human rights. 3. Employees of the company have all rights under international and Russian legislation, including a work sphere that is fixed in individual employment contracts.

Section II. Labor

Principe 3.	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principe 4.	Businesses should uphold the elimination of all forms of forced and compulsory labour;
Principe 5.	Businesses should uphold the effective abolition of child labour;
Principe 6.	Businesses should uphold the elimination of discrimination in respect of employment and occupation.
Commitment and Company policies	<p>Conclav Capital Ltd. supports freedom of association and recognizes the rights of employees to bargain collectively does not use child labor, or any form of forced labor.</p> <p>Conclav Capital Ltd. intends to follow the policy of respect and fair relation to personnel and partners and to ensure that the company has eliminated discrimination in employment and business.</p> <p>In the field of labor relations Conclav Capital Ltd. is guided by the norms of the Constitution and labor legislation of the Russian Federation.</p> <p>The company's policy in respect to employees is directed toward disclosing of the professional capacity of staff and creation of a favorable climate in the team. Basic Principles of Conclav Capital Ltd. Social Policy - increase security personnel, ensuring a safe working environment and opportunities for personal growth.</p>
Events	<p>Conclav Capital Ltd. is involved in various associations and unions whose activities are aimed at improving cooperation between business and government, the introduction and development of theory and practice of good governance, corporate social responsibility and also improving the investment climate and legal framework of business. Employees are members of the Russian Managers Association known as the Association of Independent Directors.</p> <p>Our company employs 20 people. A small staff allows us to provide a personalized approach to everyone, which contributes to the prevention of possible violations of labor rights. The company management is always open to new suggestions and wishes of employees.</p> <p>The company provides due level of protection for workers' rights at all stages of cooperation: recruitment, employment, and dismissal. All employees work in accordance with the positions of the employment contract and the Labor Code of the Russian Federation.</p> <p>When hiring new employees, only business, professional and other qualities associated with future work are taken into account, and there is no discrimination based on sex, age, nationality, religion or other characteristics. The company provides equal opportunities and equal relation in employment and work.</p> <p>By lining up labor relations with employees the main priorities are strengthening motivation, enhancement of and professional skills, career growth and the long-term development of each employee in the company.</p> <p>The company creates necessary conditions to enhance the knowledge, professional development and career growth of employees. The company has an effective system of training and staff development.</p> <p>The company cares about the health of employees:</p> <ul style="list-style-type: none"> ▪ Replacement of all CRT monitors with LCD ones; ▪ Workplaces are equipped with sufficient lighting;

- The office is equipped with energy-saving light bulbs of a new generation which exclude harmful effects on the eyesight of staff;
- In the office wet and dry cleaning is carried out every day;
- The office has a kitchen equipped with all necessary equipment so that employees have the opportunity to organize their own meals.

Activities aimed at improving the corporate spirit of the personnel are regularly carried out, among them: a joint celebration of public, corporate and professional events, and regular competitions in various sports.

Realizing the high level of social responsibility to society, Conclav Capital Ltd. does not remain aloof from charitable activities to help children and children's rights. Annually the company takes part in charity events and makes donations to the UN Children's Fund (UNICEF).

Results

- 1. In the company there are no forms of forced and bonded labor.**
- 2. In the company it child labor is not used and is not applicable to this kind of business.**
- 3. Commercial activity based on the principles of equal opportunity and transparency of relations within the company and with partners, customers, suppliers.**

Section III. Environment

Principe 7.	Businesses should support a precautionary approach to environmental challenges;
Principe 8.	Businesses should undertake initiatives to promote greater environmental responsibility;
Principe 9.	Businesses should encourage the development and diffusion of environmentally friendly technologies.
Commitment and Company policies	<p>Activity Conclav Capital Ltd. is not of a production nature, so the impact on the environment is negligible.</p> <p>Being a socially responsible company, which is not indifferent to the world in which we live and work, Conclav Capital Ltd. aims to take all necessary measures to minimize negative impacts to the environment on its own level.</p> <p>Corporate policies of Conclav Capital Ltd. aim to raise environmental awareness among employees and the introduction of environmental aspects into corporate culture.</p>
Events	<p>In the office energy-saving light bulbs of a new generation are used exclusively, and more fuel-efficient in consumption of electricity are the LCD monitors. Copiers run on cartridge refilling. Implementation of the electronic document circulation system has practically minimized consumption of paper. The use of "green" lines in the electronic signature of employees is a contribution to the promotion of economical use of paper.</p> <p>In an effort to make its business more responsible towards nature, the company management focuses on environmental risk management in work with its clients. A special place in the client's portfolio with the company has projects related to the introduction of energy efficient technologies and use of renewable energy resources in the Russian Federation.</p> <p>Currently, Conclav Capital Ltd. is the organizer and financial advisor to a number of projects on construction of wind energy systems (wind farms) in territory of the Russian Federation on the basis of large industrial enterprises.</p> <p>Specificity of the company allows it to support and implement projects aimed at improving the environment or the production of environmentally friendly products, which is certainly a manifestation of the social position of the company in addressing the problems of the world.</p> <p>Conclav Capital Ltd. also provides help to environmental organizations in protecting the environment, is a supporter of World Wildlife Fund (WWF) in Russia, and annually carries out charitable donations to the fund.</p>
Results	<ol style="list-style-type: none"> 1. In the company are the necessary conditions for the use of clean technologies and reduce the harmful effects of economic activities on the environment. 2. For successful implementation of the Principles of the UN Global Compact in the field of environmental protection, Conclav Capital Ltd. intends to continue to undertake initiatives aimed at preventing negative impacts on the environment and increasing the responsibility for its condition among the company's employees, partners and customers.

Section IV. Anti-Corruption

Principe 10.	Businesses should work against corruption in all its forms, including extortion and bribery.
Commitment and Company policies	<p>Conclav Capital Ltd. supports the fight against all forms of corruption, extortion and bribery in all its manifestations.</p> <p>The company stands for transparent business practices and strict compliance with national legislation in the field of corruption counteraction.</p> <p>The company's management adheres to a policy of ethical conduct of business and pays great attention to compliance with the 10th Principle of the UN Global Compact, as part of a series of measures to protect its reputation and interests of employees and shareholders.</p> <p>The company seeks to establish and maintain a corporate culture based on trust, and assumes all manifestations of intolerance of corruption, including extortion and bribery.</p>
Events	<p>Conclav Capital Ltd. organizes interaction with customers, partners, suppliers, competitors and employees, based on the principles of fairness and openness.</p> <p>Employees are acquainted with the policies and regulations in the field of combating corruption and are regularly briefed on the prevention of corruption and malpractice.</p> <p>Every employee has the opportunity to report suspected corruption to company management.</p> <p>Behavior of representatives of the company is based on the principles of honesty and conscientiousness. Customer information is confidential except where disclosure of this type of information is required by law or approved by the client.</p>
Results	<ol style="list-style-type: none"> 1. Compliance with the Code of Conduct and the principles of fair business, the 10th Principle of the UN Global Compact, and such recommendations as the Principles for Countering Bribery in business (Transparency International), ensures compliance of Conclav Capital Ltd. employees in standard-legal requirements in this area on a daily basis. 2. The company Conclav Capital Ltd. has never been involved in any case of corruption. 3. In order to implement the 10th Principle of the UN Global Compact the company plans to participate in developing and implementing anti-corruption projects under the auspices of the interregional public organization "Committee for the Fighting Corruption", which coordinates the activities of UN Global Compact Network in Russia according to the 10th Principle.

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