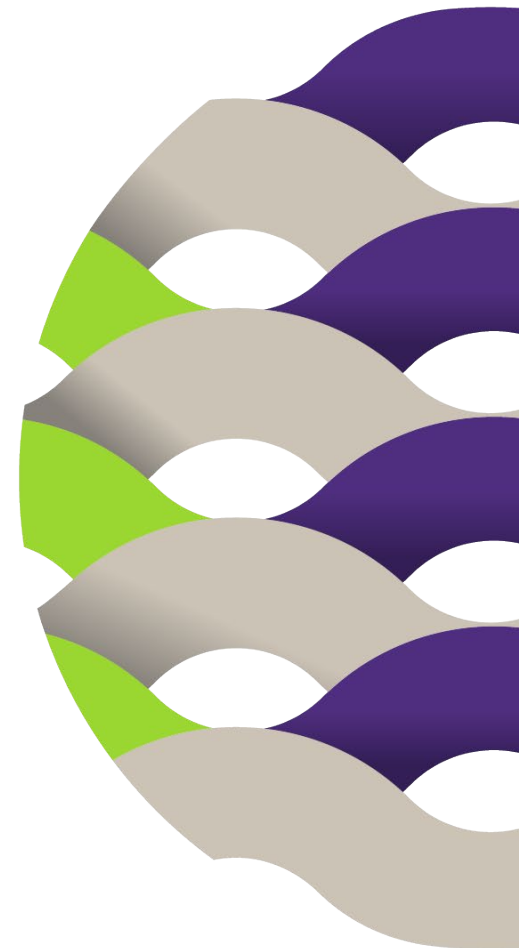


Communication on Progress on the UN Global Compact Principles

FBK Grant Thornton
Moscow | 2019



Statement of Continued Support by the Managing Partner

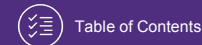


Table of Contents

FBK Grant Thornton, established in 1990, is one of the oldest audit firms in Russia. The firm has a strong professional team with impeccable business reputation that managed to earn customer loyalty and become a leading Russian audit and consulting group.

FBK GT is ranked among 10 largest audit firms by Expert RA. Leading Russian businesses and key government agencies are among its clients.

The firm delivers a wide range of audit, tax and legal, valuation, consulting and business process outsourcing services. The group consists of audit and consulting firms, as well as FBK Legal and FBK CyberSecurity.

Lawyers who work for FBK Legal, one of the best law firms in Russia, are regularly recognised by Russian and international rankings, such as Chambers Europe, The Legal 500 EMEA, Best Lawyers and Pravo-300.



RAEX 2018

top 10

FBK GT is listed in the TOP 10 largest audit firms in Russia and largest audit groups and networks

top 3

Listed in the TOP 3 in the following categories

Bank audit

Financial consulting

Legal consulting

Tax consulting



₽1.59bn
revenue 2018



23
partners



500
professionals

Best Lawyers[®] INTERNATIONAL TAX REVIEW

ПРАВО^{RU} 300

CHAMBERS AND PARTNERS

The LEGAL 500

2 Statement by the Managing Partner

2 • FBK Grant Thornton

3 • Grant Thornton International

4 • Support for the UN Global Compact

Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton

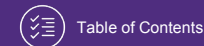
6 Human Rights

7 Labour

8 Environment

9 Anti-Corruption

Statement of Continued Support by the Managing Partner



Statement
by the Managing
Partner

- 2 [FBK Grant Thornton](#)
- 3 [Grant Thornton International](#)
- 4 [Support for the UN Global Compact](#)
- 5 [Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton](#)
- 6 [Human Rights](#)
- 7 [Labour](#)
- 8 [Environment](#)
- 9 [Anti-Corruption](#)

FBK GT is a member of Grant Thornton International Ltd (GTIL). Grant Thornton International Ltd has members in 135 countries and its annual revenue in 2018 amounted to \$5.45bn.

It unites independent accounting and consulting member firms and is regarded as a reliable network, and a leader in audit and consulting services.

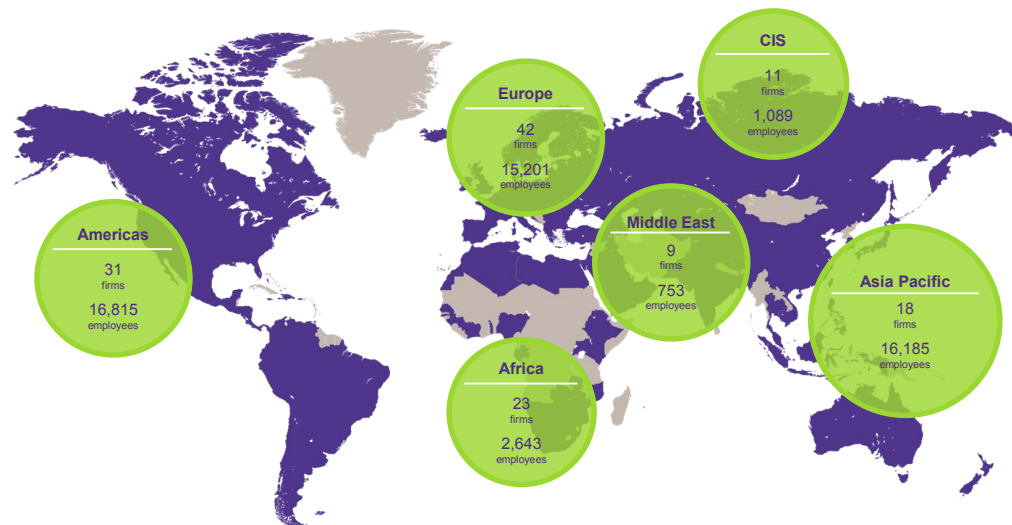


\$5.45bn
global revenue 2018

53,000
employees

700+
offices

135
countries



Statement of Continued Support by the Managing Partner

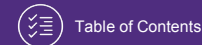


Table of Contents

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

The firm is actively involved in the operation of the UN Global Compact Local Network. In October 2018, FBK Grant Thornton's Partner Vladimir Skobarev was elected to the governing board at the general meeting of the UN Global Compact Local Network Association.

Leading Russian companies engage FBK GT to assist them in achieving the UN SDGs



FBK Grant Thornton, the Russian Union of Industrialists and Entrepreneurs, and Agency SGM were engaged by the UN Global Compact Local Network to conduct a survey of top Russian companies about their current and potential involvement in the implementation of the UN Sustainable Development Goals (SDGs). The survey results will be used to identify business priorities and develop an agenda for the UN Global Compact Local Network.

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

In addition, the firm is actively involved in the development of sustainability standards. In particular, Vladimir Skobarev participated in the development of the new revision of AA1000 AccountAbility Principles Standard (2018). FBK GT's Partner Alexander Ermolenko participated in the UN Global Compact Conference on Business and Human Rights in Geneva where he presented an analysis of Russian legislation for compliance with the UN Global Compact requirements. The firm regularly participates in key sustainability conferences.



Sergey Shapiguzov

President, FBK Grant Thornton

2 [Statement by the Managing Partner](#)

2 • [FBK Grant Thornton](#)

3 • [Grant Thornton International](#)

4 • [Support for the UN Global Compact](#)

5 [Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton](#)

6 [Human Rights](#)

7 [Labour](#)

8 [Environment](#)

9 [Anti-Corruption](#)

Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton

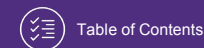


Table of Contents

Sustainability services

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



Vladimir Skobarev

FBK GT's Partner, Director of Corporate Governance and Sustainability

The only specialist in Russia with international qualification LCSAP. Certified General and Bank Auditor, Certified Internal Auditor (CIA) Extensive experience in non-financial reporting and assurance for big companies.



GRI Gold Community Member



GRI Certified Training Partner in the Russian Federation



Licensed sustainability assurance provider

FBK GT's experience in non-financial reporting and assurance, including in accordance with AA1000 AS and ISAE 3000, for 2009—2019:

- **GRI Standards:** Preparation (6 reports); assurance (40+ reports)
- **International Integrated Reporting Framework:** Assurance (15 reports)
- Over 20 GRI certified training courses for over 250 employees of the major companies in Russia and Kazakhstan in 2011—2019
- Review of non-financial reports of the major Russian companies as a member of the Council for Non-Financial Reporting of the Russian Union of Industrialists and Entrepreneurs

2 Statement by the Managing Partner

2 • [FBK Grant Thornton](#)

3 • [Grant Thornton International](#)

4 • [Support for the UN Global Compact](#)

5 [Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton](#)

6 [Human Rights](#)

7 [Labour](#)

8 [Environment](#)

9 [Anti-Corruption](#)

Human Rights

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

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

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

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

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

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

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



Table of Contents

2	Statement by the Managing Partner
2	• FBK Grant Thornton
3	• Grant Thornton International
4	• Support for the UN Global Compact
5	Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton
6	Human Rights
7	Labour
8	Environment
9	Anti-Corruption

Labour

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

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

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

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

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

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

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

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

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



Grant Thornton is one of the 50 “world’s most attractive global employers” and “distinguished as an ideal employer in the professional services sector”

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

Since 2011, the firm has held 20 GRI certified training courses for over 250 employees of the major companies in Russia and Kazakhstan, including 10 employees of FBK Grant Thornton.

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

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



Table of Contents

2	Statement by the Managing Partner
2	• <u>FBK Grant Thornton</u>
3	• <u>Grant Thornton International</u>
4	• <u>Support for the UN Global Compact</u>
5	Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton
6	Human Rights
7	Labour
8	Environment
9	Anti-Corruption

Environment



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

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

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

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

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

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

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

In 2018, we presented a branded bag made of natural materials that anybody could buy. All proceeds from the sale of these bags were donated to the Centre for Humanitarian Programmes, which is an example of our progress towards Goal 17: Partnerships for the Goals.



Table of Contents

2	Statement by the Managing Partner
2	<ul style="list-style-type: none">• FBK Grant Thornton
3	<ul style="list-style-type: none">• Grant Thornton International
4	<ul style="list-style-type: none">• Support for the UN Global Compact
5	Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton
6	Human Rights
7	Labour
8	Environment
9	Anti-Corruption

Anti-Corruption

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

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

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

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

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

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

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

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



Financial investigation services

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



Table of Contents

2	Statement by the Managing Partner
2	• FBK Grant Thornton
3	• Grant Thornton International
4	• Support for the UN Global Compact
5	Sustainable Development of Russian Companies Through Services Provided by FBK Grant Thornton
6	Human Rights
7	Labour
8	Environment
9	Anti-Corruption



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