

INTRODUCTION

The Interstate Corporation for Development, ICD, a holding company established in 2011, carries out varied production, investment, research and management activities in Russia as well as in member states of the Eurasian Economic Union (EAEU), the BRICS grouping, and the Association of Southeast Asian Nations (ASEAN). The ICD is also involved in mass media, advocacy and socio-cultural projects.

The main mission of the ICD is to contribute to industrial, high-tech and research cooperation among business organizations at the national, sub-regional and regional level. It also seeks to engage with other stakeholders including governments - aimed at promoting sustainability, furthering a post-pandemic economic recovery and mutual understanding in times of geopolitical shifts.

The Corporation's innovation portfolio is \$2,5 billion. Its Representative Office in Moscow is responsible for coordinating the strategic and legal aspects of ongoing operations.

The ICD is an active member of the Russian National Network of the UN Global Compact.

HUMAN RIGHTS

Assessment

Within the Russian National Network, the ICD has been playing a leading role in 2022 in the context of the current multifaceted project "Creating a community of experts in the area of business and human rights". Internally, our focus has shifted towards ensuring full employment for ICD staffers as well as maintaining work places. Also, we put an emphasis on preventing any business-related abuse arising in the context of new technologies advancement, securing accountability and gender equality.

Implementation

The ICD was the only member of the UN GC Russian National Network to take part in the multi-stakeholder meeting held by the Working Group on human rights and translational corporations in the framework of its 32d session on 5 May, 2022. In addition, it attended on-line the 11-th OHCHR annual Forum on business and human rights in November, 2022.

Internally, at the time of employment, staff members continue to be provided with an overview of the company's guidelines and procedures which include a Code of conduct as well as a manual setting out their rights and obligations.

Elements of the UN Guiding Principles on Business and Human Rights have been incorporated across our company's operations including measures in response to the COVID-19 pandemic. Currently, work on a human rights policy is being finalized that will be part of the ICD corporate strategy.

Measurement of results

Over the last few months, during the recovery from the COVID-19 pandemic, there have been no claims that the ICD was not meeting relevant duties and responsibilities towards its personnel. Equally, there has not been a single case when problems with access to remedy were raised in the context of the company's operations.

LABOUR

Assessment

The Interstate Corporation for Development complies with the existing hiring standards and non-discriminatory access to work spelled out in the Civil Code of the Russian Federation. Equally, it respects the national minimum wage standards and assists its employees whenever problems arise with retirement pensions. Aware of the consequences of current economic fragility for human capital, we are focused on the provision of decent living wages.

In 2022, as in previous years, the company conducted a regular health check for its personnel. We offer maternity leave with pay for a period of 2 months and 10 days during which time social insurance benefits in the amount of average earnings are guaranteed (in line with standards enshrined in the model Russian collective labour agreement).

On an ongoing basis, the company supports its employees in building skills and expertise, vocational training and professional development.

Implementation

To give due weight to commitments in the labour area company-wide, the ICD has incorporated them into key policies concentrated today on preserving the company's team. There are concrete procedures the company applies to put the corporate citizenship into practice, in particular, through job-sharing, social investment in the areas of the company's presence, etc.

For us, in 2022, ensuring a living wage for all ICD personnel became an even more essential aspect of decent work package. We believe it is both a business imperative and a contribution to the achievement of the ESG agenda which has been evolving in Russia since the beginning of the year.

Evaluation of results

The company's top management has concentrated on utilizing available tools and resources to reduce the risks affecting our current work strategy. In addition to refining action plans, a two-way communication with workers and employees has been updated – which allows them to express views and concerns that become lessons learned.

Since the beginning of 2022, a certain re-prioritization has taken place, that mainly affected the "S" and "G" aspects of the ESG triad. Apart from a focus on preserving the number of work places, a high priority has been given to securing reliable supply chains and maintaining strong links with main stakeholders.

ENVIRONMENT

Assessment

In line with the Global Compact Strategy 2021-2023, the ICD top management considers responsible business practices as a choice for climate and energy action – primarily, through greening the technologies in use. Over the past two years, we have increasingly concentrated on how to minimize the impact of the company's activities on the environment seeing this process in a long-term perspective.

Implementation

In the period under review, the Russian private sector has pivoted from seeing green transition as essentially an environmental issue to a more security-oriented view. This is what the ICD have in mind while addressing key topics, such as energy efficiency, resources conservation, waste management. We are assisted in this endeavour by a set of criteria assessing topical environmental characteristics (rational use of water, pollution prevention and control, etc.), study of best corporate practices, and systemic materiality analysis.

Evaluation of results

The ICD senior management is fully aware that, under the ESG umbrella, there are a set of non-financial motivations including stakeholder attitudes and community concerns. We continue to be of the view that down-to earth solutions - resource conservation, plastics recycling, switching to paperless work during internal meetings –are sensible moves. However, additional factors made their appearance in 2022 which impact corporate behavior: the declining role of external motivators (ratings, exchanges...), a lesser emphasis on ESG tenets on the part of national regulators.

The management board, while acknowledging the risk of “greenwashing”, recommended in mid-2022 a conservative approach fully taking into account the above factors. It was stressed that solutions to the interlocked issues should be rational and be considered in the context of changing realities in the Russian economy.

ANTI-CORRUPTION

Assessment

The latest developments have only confirmed that an anti-corruption agenda is everyone's business in today's Russia. Given new challenges and ongoing shifts in the national economic and social landscape, our internal anti-corruption policy and procedures have been strengthened lately. We are fully aware that ethical and consistent behavior is an increasingly important aspect of the responsible business practices. The overall situation at the national level still remains a concern, and our company seeks to align its activities with established norms in order to be fully accountable.

Implementation

According to the ICD board, the task of enhancing integrity first and foremost means a modern management system. This includes, among other things, building adequate risk assessment and mitigation, workable processes and controls at the level of supply chains. Transparency in dealings with business counterparts – agents, consultants, and intermediaries - serves to ensure that ongoing projects do not endanger compliance with the current legislation and authorized practices. Also, one of the board's priorities is a zero-tolerance attitude towards management corruption.

Assessment

Economic crime remains an important factor, when it comes to improving the business climate in Russia. A changing context in 2022 has made relevant tasks even more sensitive and substantial.

To maintain business sustainability, we intend to go beyond straight baseline and build anti-corruptive activities as a persistent and tightly coordinated programme. We continue encouraging and promoting an anti-graft line of conduct targeting both corporate culture and ongoing compliance routine. A recent assessment confirmed that fresh control measures have reduced the company's exposure to internal fraud.

NEW STEPS FORWARD

In 2022, the Interstate Corporation for Development significantly diversified its contribution to the activities of the Russian Local Network of the UN Global Compact.

In addition to imbedding the Global Compact Strategy 2021-2023 in the internal policies, we have perused the SME Engagement Strategy with a view to fully use its potential. The ICD has contributed to the drafting of the Russian National Network's Action Plan 2022-2023. By so doing, we clearly sought to position sustainability at the center of our business operations.

Assessment

While the looming economic damage to the Russian economy is a fact of life today, building the capacity of our company to absorb shocks and increase resilience is a paramount task (cf. the SDG16 of promoting just, peaceful and inclusive societies). Over the last 2-3 years, the "Business and Human Rights" has been the main thematic area for our involvement with the Russian National Network and the UN GC New York Office.

Implementation

Thus, we have been supporting in a very meaningful way the project on "Creating a community of experts in the area of business and human rights" (2021-2023) launched by the Russian National Network and UNHCHR. In 2022, the ICD also continued to actively contribute to the "UNGPs 10+" campaign spearheaded by the UN Working Group on Business and Human Rights. In addition, we proactively participated, in the online format, in the 11th annual UN Forum on Business and Human Rights held in November, 2022.

Evaluation of results

Against the background of “UNGPs 10+” the ICD has joined the Business & Human Rights Accelerator unveiled by the UN GC in October, 2022. At the same time, the company is being increasingly recognized as an expert voice representing the Russian National Network: we are receiving invitations to discussion forums from organizations other than UN bodies (for instance, the International Organization of Employers).

Our focus in 2023 will be on moving from commitment to action at the ICD level while assisting peer medium-sized and small enterprises in their onboarding efforts.

ICD’s CONTRIBUTION to the ATTAINMENT OF SDG 17 on PARTNERSHIPS for the GOALS

Assessment

It will not be possible for responsible businesses to uphold the Ten Principles without engaging with key stakeholders. To support achievement of the SDGs, they must work alongside “allies” - and among them, we particularly single out governments and international organizations. Despite current challenges and problems linked to abrupt shifts in the geopolitical and geo-economic environment, the ICD remains committed to this journey. Most importantly, Goal 17 is cross-cutting, and can help in the realization of other SDGs.

Implementation

We have been proactively exploring opportunities to partner with government bodies, industry peers and other stakeholders along the above lines. One impactful way of advocating for collective action is, for us, to act through the “TV BRICS” project run by our subsidiary, the ICD Media.

TV BRICS has been evolving as a multimedia platform intended to promote international cooperation, causes, campaigns, global events. In the period under review, it has continued its involvement with the UN-run communications programs around Sustainable Development Goals and has strengthened working ties with the UN News Centre. Also, the media platform broadly covered the BRICS summit-2022.

Evaluation of results

Initiating and supporting bilateral and multilateral initiatives (involving peers from China, Brazil, South Africa, and India) or global campaigns has become the core part of the ICD Media activities around the 2030 Agenda for Sustainable Development. Specific stories produced or disseminated by the TV BRICS help the outlet to transform a complex and somewhat abstract global agenda into personal and emotional narratives. According to the UN Information Center in Moscow, this is in line with the current communications strategy that the UN is pursuing.

COOPERATION WITH UN AGENCIES

Assessment

We fully take into account the Global Compact Strategy's stress on five major shifts in 2021-2023. The fifth element, "Strong and Active Engagement with the UN", calls for deeper collaboration at the global and national levels. Such an invitation matches our constant commitment to a continuous interaction with different UN bodies to advance corporate sustainability.

Implementation

In 2022, apart from the "Business and Human Rights" activities and the TV BRICS programming, the Interstate Corporation for Development undertook a number of steps – jointly with members of the UN System – to advance the SDGs.

Among other things, our company took part in the UN Global Compact Leaders' Summit in June, and the 2022 Forum on Business and Human Rights in November. Activities on the Asia-Pacific front have become more salient: the ICD Director General in his capacity as Chairman of the Russia-ASEAN Business Council actively participated in the B20 forum in Bali (Indonesia) in November, while our company also contributed to the Asia-Pacific Business Forum "The Green Deal for Business" in August.

Evaluation of results

An emphasis on improving collaboration with UN agencies in the context of the Agenda 2030 is being supported by the top management of the Interstate Corporation for Development. The new triannual UN Global Compact Strategy's focus on mutual engagement allows us to better advance responsible business practices. In practical terms, we continue to cultivate close working relationship with the UN Information Center in Moscow, and strengthen already tight collaboration with the Moscow Offices of the UNHCHR and the FAO.