



**Investor Relations Online
Reporting on CSR
PFS Program Surveys: 2001 – 2009
www.pfsprogram.org**

Accountability and Transparency of Listed Companies in SEE

**Summer Seminar for Young Public Servants from SEE
Varna, Bulgaria**

May 31 – June 4, 2010

**Geoffrey Mazullo
Adjunct Professor – School of American Law (SAL) – Poland
Principal – Emerging Markets ESG
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Agenda

**Environmental, Social and Governance (ESG)
Reporting in Central and Eastern Europe
(CEE) as well as South Eastern Europe (SEE)**

PFS Program Surveys

Investor Relations Online: 2001 - 2009

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Survey of Reporting on CSR: 2003 – 2009

Conclusions

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ESG Reporting in CEE and SEE

From 2000-2009 ongoing, incremental improvements in financial disclosure, in response to national legislation and efforts to harmonize with European Union (EU) legal requirements related to accounting, audit, corporate governance and financial disclosure

Despite the presence of international institutional investors in the large markets, a (perceived) lack of demand for disclosure in English in many markets, at least until EU accession

Until very recently (2008-2009), a (perceived) lack of urgency for benchmarking with best practice and international standards in extra-financial disclosure

(Perceived) lack of appreciation of the benefits (internal and external) of an effective investor relations/environmental, social and governance (ESG) reporting program

(Perceived) lack of appreciation of the company website as a low-cost platform to market the company, its products/services and its bonds/shares

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PFS Program Surveys

Investor Relations Online: 2001 - 2009

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Survey of Reporting on CSR: 2003 – 2009

Conclusions

Background

PFS Program Regional Surveys – Investor Relations Online

Timetable and Universe

August 2001, February 2002, August 2002,

February 2003, August 2003 and February 2004

Eight CEE Candidate Countries for European Union (EU) Membership

August 2004 and February 2005

Eight New Member States of the EU, Bulgaria, Croatia and Romania

August 2005

Eight New Member States of the EU, Bulgaria, Croatia and Romania

Greece and Turkey

February 2006

Eight New Member States of the EU, Bulgaria, Croatia and Romania

Portugal and Spain

August 2006, February 2007, August 2007, February 2008, August 2008, February 2009 and

August 2009

Eight New Member States of the EU, Bulgaria, Croatia and Romania

Brazil, Russia, India and China (BRIC) as well as Ukraine



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Investor Relations Online:

Survey of Websites

**of the Ten Largest Listed Companies
in 11 Central and Eastern European
(CEE) Countries**

Seventh Comparison with Peers in BRIC and Ukraine

August 2009



Investor Relations Online: Survey of Websites of the Ten Largest Listed Companies in 11 CEE Countries

August 2009

Executive Summary

In this edition of the survey, disclosure of detailed governance information increased in all categories surveyed, except in local-language website category, where a slight decrease was recorded.

91% of the companies surveyed provide a list of management online. This is the largest percentage recorded since the surveys began in 2001 and represents a slight increase vis-a-vis 84% in February 2009, 88% in August 2008 and 90% in February 2008. 68% of the companies surveyed provide additional information about management online; this is also the largest percentage recorded since the first survey, representing an increase vis-a-vis 61% in February 2009, 64% in August 2008 and 63% in February 2008. 89% of the companies surveyed provide a list of board members online, compared with 85% in February 2009, 91% in August 2008 and 87% in February 2008. 64% of the companies surveyed provide additional information about board members online; this is also a record high percentage, compared with 56% in February 2009, 61% in August 2008 and 52% in February 2008.

The survey and this presentation contain the following information:

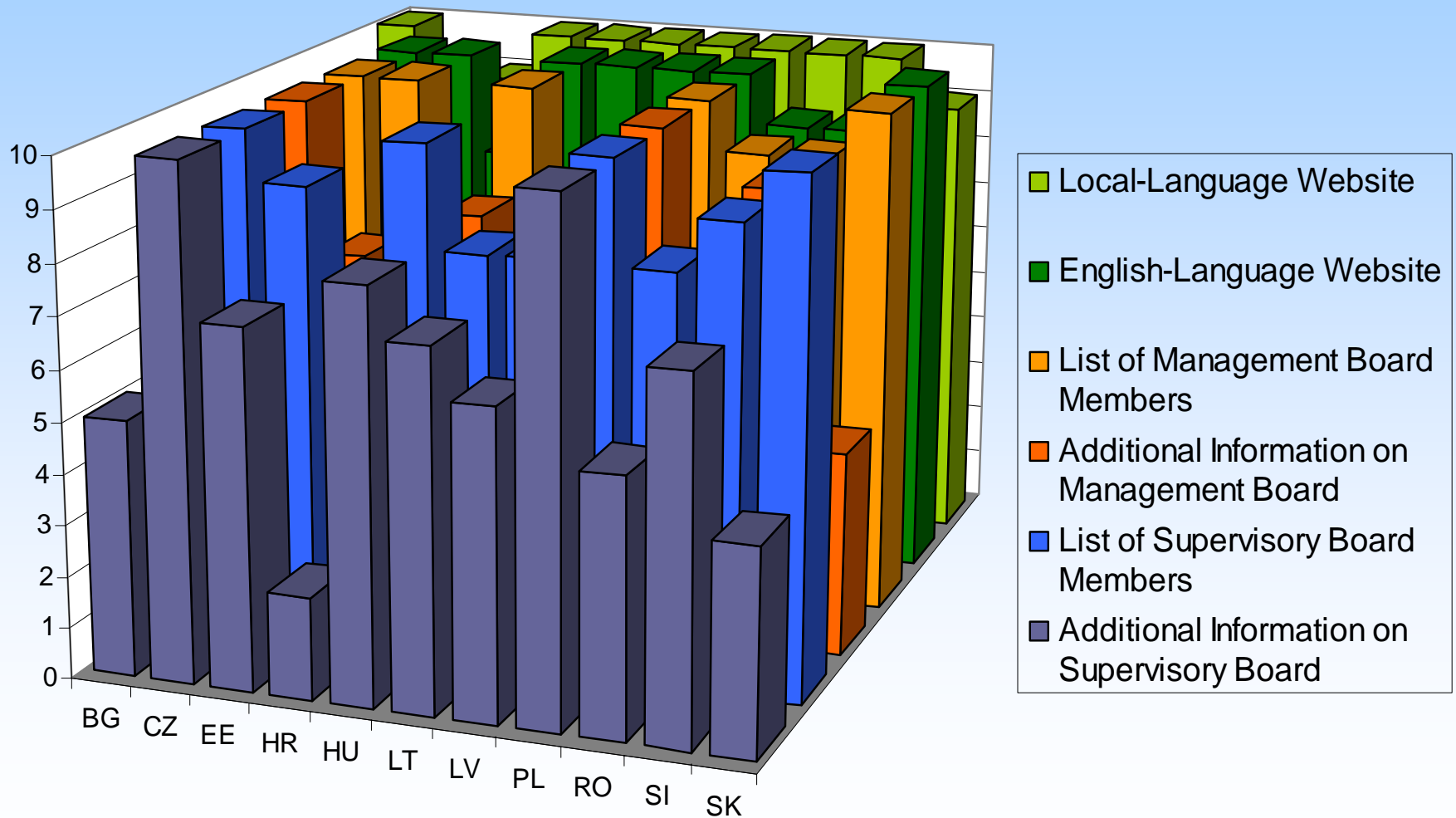
- Current data on 110 companies in 11 CEE countries;**
- Separate data on 80 companies in eight CEE countries that joined the European Union (EU) on May 1, 2004;**
- Separate data on 30 companies in Bulgaria, Croatia and Romania;**
- Comparisons of the data from this current survey with data from the previous 16 surveys conducted every August and February since August 2001; and**
- Separate data on 40 companies in Brazil, Russia, India and China (BRIC) as well as 10 companies in Ukraine.**

**Investor Relations Online: Survey of Websites
of the Ten Largest Listed Companies in 11 CEE Countries
August 2009**

Legend

Country	Symbol	Country	Symbol
Bulgaria	BG	Brazil	BR
Croatia	HR	Russia	RU
Czech Republic	CZ	India	IN
Estonia	EE	China	CN
Hungary	HU	BRIC	Brazil, Russia, India and China
Latvia	LV		
Lithuania	LT		
Poland	PL	Ukraine	UA
Romania	RO		
Slovakia	SK		
Slovenia	SI		

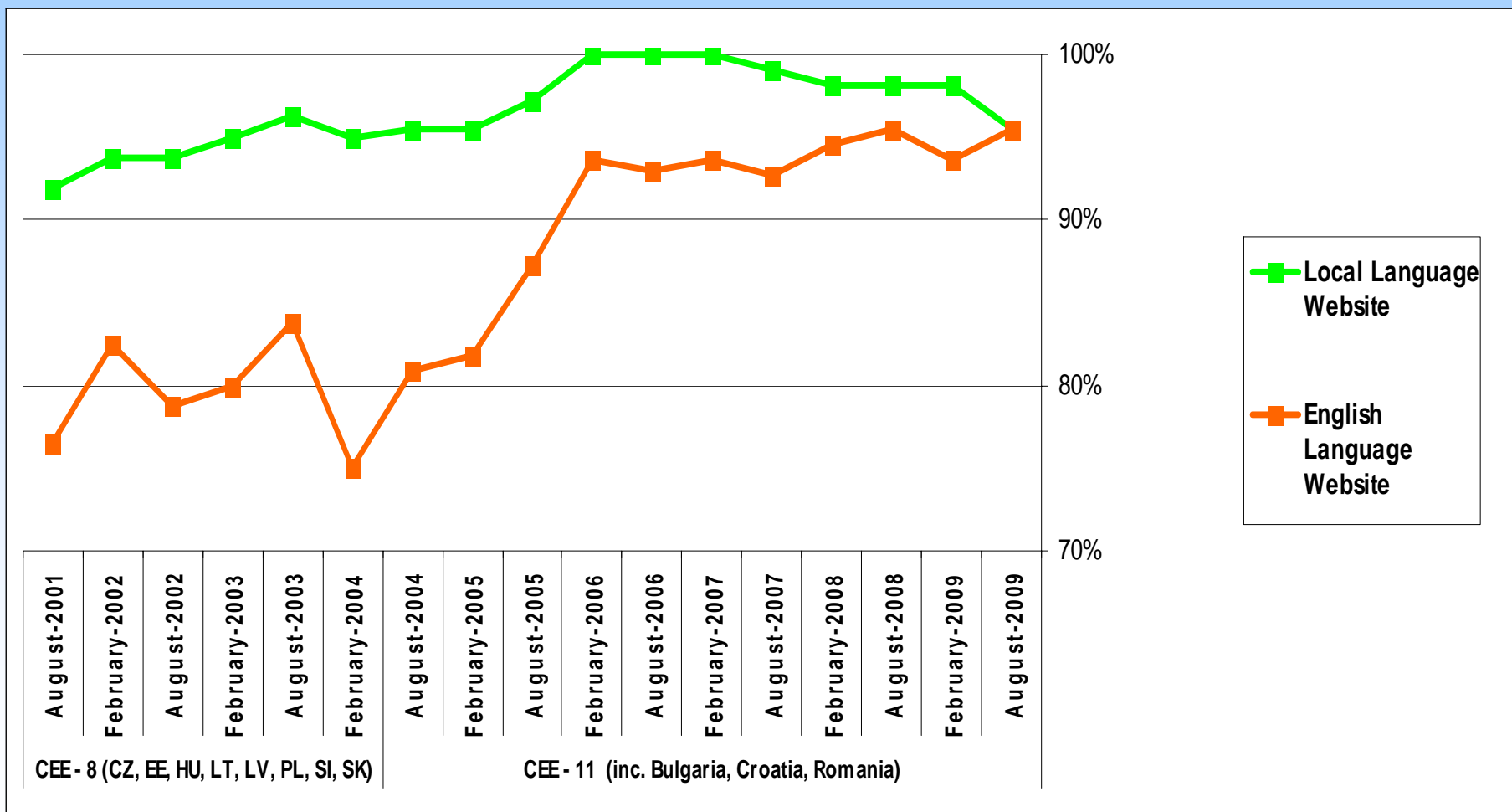
Investor Relations Online: Survey of Websites of the Ten Largest Listed Companies in 11 CEE Countries August 2009



Survey of Websites

of the Ten Largest Listed Companies in 11 CEE Countries

Local Language and English-Language Websites: 2001 - 2009



**Investor Relations Online: Survey of Websites
of the Ten Largest Listed Companies in the BRIC Countries
(Brazil, Russia, India and China) and Ukraine
August 2009**

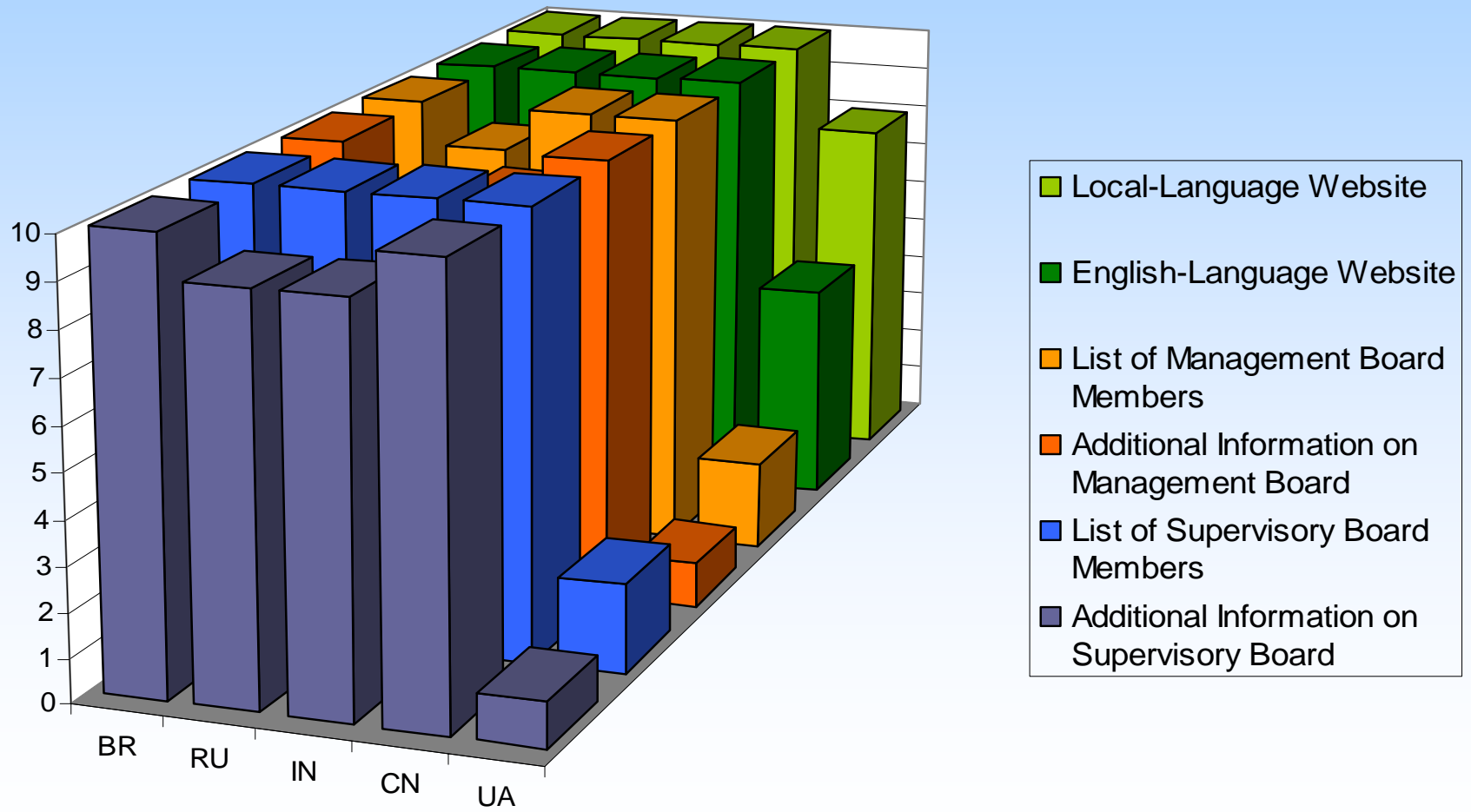
In August 2006 the PFS Program conducted an inaugural survey of the websites of the ten largest listed companies (by market capitalization) in the BRIC countries - Brazil (BR), Russia (RU), India (IN) and China (CH) – as well as Ukraine (UA).

The survey was conducted a second time in February 2007, a third time in August 2007, a fourth time in February 2008, a fifth time in August 2008, a sixth time in February 2009 and a seventh time in August 2009.

The purpose of this component of the survey is to compare the disclosure practices of listed companies in 11 CEE countries with those of peers in other emerging markets.



Investor Relations Online: Survey of Websites of the Ten Largest Listed Companies in BRIC and Ukraine August 2009



**Investor Relations Online
The Ideal Website - Recommendations
August 2009**

The Ideal Website - Recommendations

Best practice in the European Union (EU) and internationally suggests that the ideal website contains the following information:

- **a list of members of management / management board;**
- **a list of members of the board of directors / supervisory board;**
- **a brief description of the educational and professional background of each person;**
- **the scope of responsibilities of each person;**
- **a brief description of functions held by each person in other companies/institutions;**
- **a description on the shares in the company held by each person; and,**
- **a photograph of each person.**

Some of these information is available on the websites of many companies surveyed, but all of this information is available on the websites of very few companies.

**Investor Relations Online
The Ideal Website – Best Practice in CEE
August 2009**

The Ideal Website – Best Practice in CEE

On August 17, 2009 64 of the 110 companies surveyed in CEE (58%) disclose information in all of the categories analyzed in the basic PFS Program survey: local-language website; local-language website; list of management; list of board members; additional information on management; list of board members; and additional information on board members. These 64 companies in CEE were analyzed further regarding the above-mentioned ideal website recommendations.

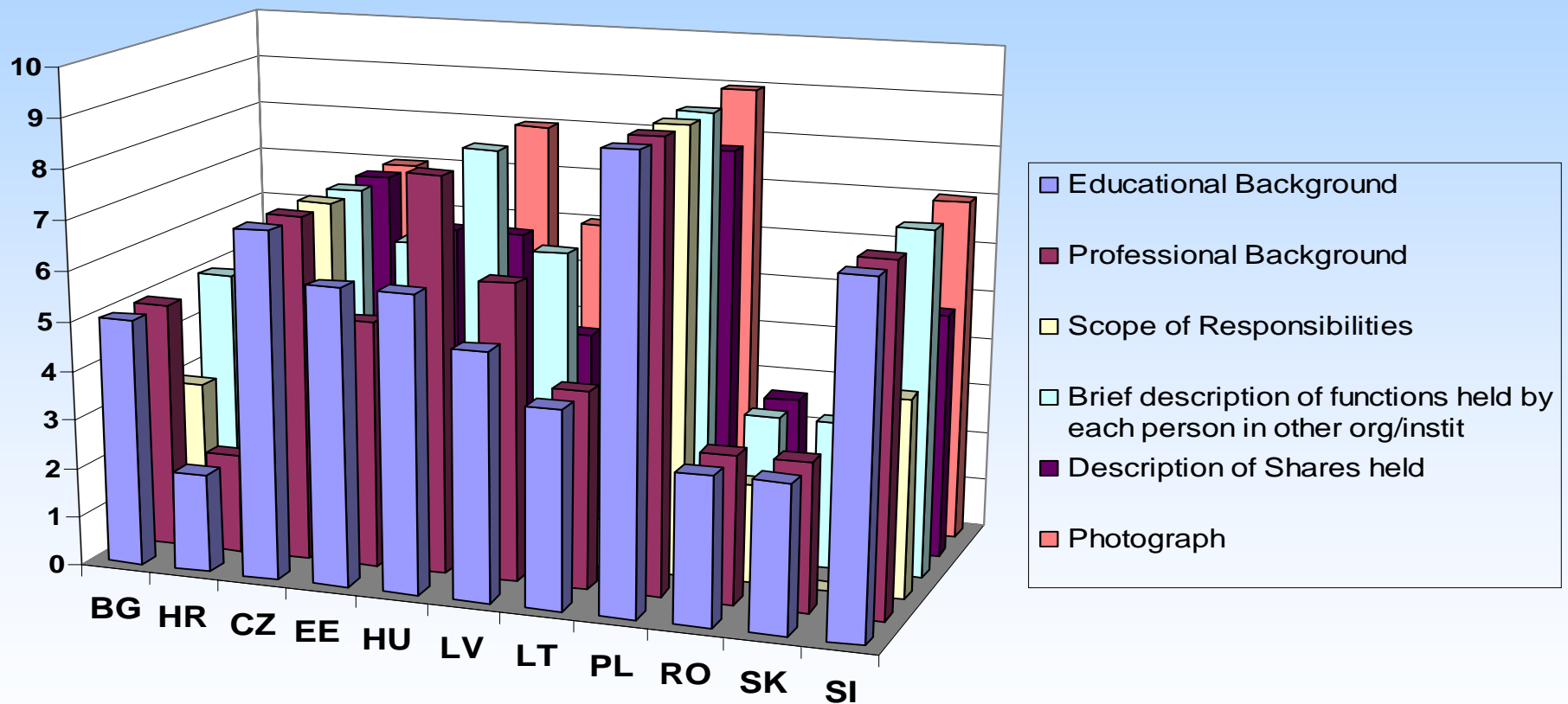
This percentage is an increase in comparison with February 15, 2009 when 52 of the 110 companies surveyed in CEE (47%) disclosed this basic information.

On August 15, 2008 56 of the 110 companies surveyed in CEE (51%) disclosed this basic information, compared with 51 of the 110 companies surveyed in CEE (46 %) on February 15, 2008.

Investor Relations Online

The Ideal Website – Best Practice in CEE

64 of 110 Companies in CEE – August 2009



Investor Relations Online
The Ideal Website – Best Practice in CEE
64 of 110 Companies in CEE – August 2009

The Ideal Website – Best Practice in CEE

On August 17, 2009 29 of the 110 companies surveyed in CEE (26%) provide all of the “ideal” recommended information:

- **Five companies provide information directly on their company website; and**
- **24 companies provide information indirectly through an annual report available online.**

Furthermore 25 companies surveyed provide all of the information except one element:

- **Two companies provides all information except for the photographs online;**
- **Two companies provide all information except for a brief description of functions held by each person in other institutions;**
- **Five companies provide all information except for a description of shares held by board members; and**
- **Sixteen companies provide all information except for a scope of responsibilities.**

**Investor Relations Online
The Ideal Website – Best Practice in BRIC and Ukraine
August 2009**

The Ideal Website – Best Practice in BRIC and Ukraine

On August 17, 2009 36 of the 40 companies surveyed in BRIC (90%) disclose information in all of the categories surveyed in the PFS Program survey: local-language website; local-language website; list of management; list of board members; additional information on management; and additional information on board members. One company in Ukraine (10%) discloses information in all of the categories surveyed in the PFS Program survey.

These 37 companies in BRIC and Ukraine (74%) were analyzed further regarding the above-mentioned ideal website recommendations.

Please note:

On February 16, 2009 33 of the 40 companies surveyed in BRIC (82.5%) and one of the companies surveyed in Ukraine (10%) disclosed this basic information.

On August 15, 2008 35 of the 40 companies surveyed in BRIC (87.5%) and one of the companies surveyed in Ukraine (10%) disclosed this basic information.

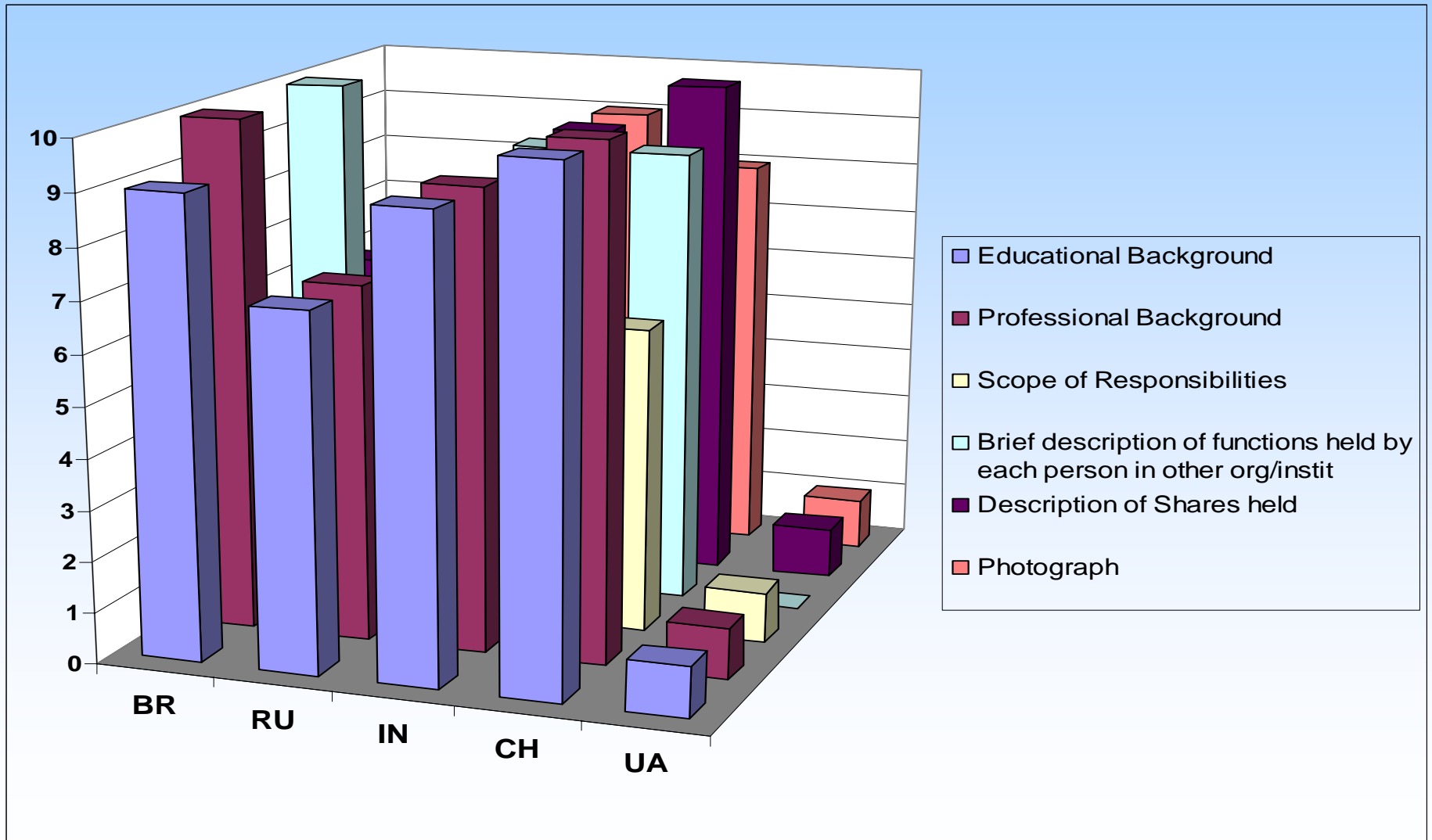
On February 15, 2008 – 33 of the 40 companies surveyed in BRIC (82.5%) and one of the companies surveyed in Ukraine (10%) disclosed this basic information.

On August 15, 2007 36 of the 40 companies surveyed in BRIC (90%) and two of the companies surveyed in Ukraine (20%) disclosed this basic information.

Investor Relations Online

The Ideal Website – Best Practice in BRIC and Ukraine

37 of 50 Companies in BRIC and Ukraine – August 2009



Investor Relations Online
The Ideal Website – Best Practice in BRIC and Ukraine
August 2009

The Ideal Website – Best Practice in BRIC and Ukraine

On August 17, 2009 12 of the 50 companies surveyed in BRIC and Ukraine (24%) provide all of the “ideal” recommended information:

- **Six companies provide information directly on their company website; and**
- **Six companies provide information indirectly through an annual report available online.**

Furthermore 15 companies surveyed provide all of the information except one element:

- **Two companies provides all information except for a brief description of functions held by each person in other institutions;**
- **Two companies provide all information except for description of shares held by board members;**
- **Two companies provide all information except for the photographs; and**
- **Nine companies provides all information except for a scope of responsibilities.**

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PFS Program Survey – Reporting on CSR

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Greece and Turkey

April 2006

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Eight New Member States of the EU, Bulgaria, Croatia and Romania

Brazil, Russia, India and China (BRIC) as well as Ukraine



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Survey of Reporting on Corporate Social Responsibility (CSR) by the Largest Listed Companies in Eleven Central and Eastern European (CEE) Countries

**Warsaw, Poland
September 2009**



Executive Summary

This is the PFS Program's twelfth semi-annual Survey of Reporting on Corporate Social Responsibility (CSR) by the 10 Largest Listed Companies (by market capitalization) in eleven Central and Eastern European (CEE) Countries. PFS Program Research Assistant Igor Solodovnik and PFS Program Intern Rafal Nagadowski (Poland) conducted the survey from February 16 through April 30, 2009.

Companies in Czech Republic, Estonia, Latvia, Lithuania, Slovakia and Slovenia were surveyed for the twelfth time; companies in Hungary and Poland were surveyed for the eleventh time; and companies in Bulgaria, Croatia and Romania were surveyed for the tenth time. Moreover, the analysis of peer companies (the ten largest listed companies by market capitalization) in Brazil, Russia, India and China (BRIC) as well as in Ukraine allows for benchmarking with these emerging market peers for the sixth time.

PFS Program surveys analyze the English-language annual reports and websites of the ten largest listed companies in the above-mentioned 11 CEE countries in order to document the current disclosure practices of this "blue-chip" peer group and identify best practices among the peer group. Whereas the universe of companies surveyed may change over time due to changes in a company's market capitalization, the semi-annual surveys of reporting on CSR represent a snapshot of this peer group's CSR disclosure practices on a given day twice a year. Furthermore, by analyzing disclosures in both annual reports and websites, the surveys track the timing of the publication of the annual report and the related yet separate issue of periodic disclosure, namely, how blue-chip companies keep their websites data-rich and up-to-date. The surveys enable companies to benchmark their disclosure practices against peers on a national, industry and regional basis.

On April 15, 2009 all 10 companies surveyed in all CEE countries except Bulgaria, Croatia and Romania have an English-language website. 92% of the 110 CEE companies surveyed have a 2007 or 2008 English-language annual report online on the same record date.

This edition of the survey documents a higher level of online disclosure of environmental and social information. Both annual reports and companies' websites in CEE countries witnessed significant increase in reporting on environmental consideration with supply chain management; compliance with labor standards; listed health and safety policy; much more companies' websites disclosed information about listed employment policy. More information is also disclosed in other areas of social policy, compared with the previous survey published in September 2008. Disclosure of information about environmental performance and environmental standards as well as energy and water use increased, albeit from still low levels; significant progress remains to be made by most companies in disclosing detailed environmental data.

Overall, companies in BRIC outperform CEE peers in terms of the availability of English-language websites and annual reports as well as specific disclosures in all three areas. For example, 85% of the BRIC companies surveyed disclose employee benefit or development policies in the annual report, compared with 69% in CEE. 80% of the BRIC companies surveyed disclose community patronage and/or sponsorship in the annual report, compared with 50% in CEE. 21 BRIC companies surveyed (52.5%) and 49 of the 110 CEE companies surveyed (44%) list their employment policy on their website, 50% of the Ukrainian companies surveyed disclose this information on their website. The number of Ukrainian companies with English-language websites reached 90%.

CSR Standard Profile

Survey of Reporting on Corporate Social Responsibility (CSR) by the Largest Listed Companies in _____		
COMPANY :		
Website:		
Industry Specification:		
Financial Statements prepared in accordance with:		
Primary Countries of Operation:		
Does the company have a stand alone English-language ESG report?		
Standards used for ESG report		
Year of publication of ESG report		
Does the ESG report include an assurance statement		
Source:	Annual Report	Website
Corporate Governance and Reporting		
Does the company disclose details on its corporate governance structure?		
Does the company report on compliance with a Corporate Governance Code?		
Does the Company disclose audit relation information?		
Does the company disclose its policy on shareholder rights?		
Does the company disclose and report on its internal Code of Business Conduct/ Code of Ethics?		
Environmental Policy		
Does the company state whether it complies with industry-specific, national and/or international regulations regarding environmental standards?		
Does the company disclose the names of individuals (management and/or board members) or the department responsible for environmental management and compliance?		
Does the Company report on energy and water use?		
Does the company report on its environmental performance, including efficient use of resources, emissions and waste?		
Does the company integrate environmental aspects into its supply chain management policy?		
Social Policy		
Does the company disclose compliance with industry-specific, national and/or international regulations regarding human rights and/or labor standards?		
Does the company report any community patronage/ sponsorship programs?		
Does the company disclose its employee development or employee benefits policies?		
Does the company list its health and safety policy?		
Does the company disclose its employment policy?		

Legend

BG	Bulgaria
CZ	Czech Republic
EE	Estonia
HR	Croatia
HU	Hungary
LT	Lithuania
LV	Latvia
PL	Poland
RO	Romania
SI	Slovenia
SK	Slovakia
BR	Brazil
RU	Russia
CN	China
IN	India
UA	Ukraine

No

No information disclosed by the company about this issue.

Yes

Information disclosed by the company. A hyperlink to the relevant source (page of the annual report or page of the company website) is provided.

N/A

Not applicable. The relevant source does not exist (English-language website) or is not yet available (annual report for 200X).

IFRS

International Financial Reporting Standards

GAAP

Generally Accepted Accounting Principles

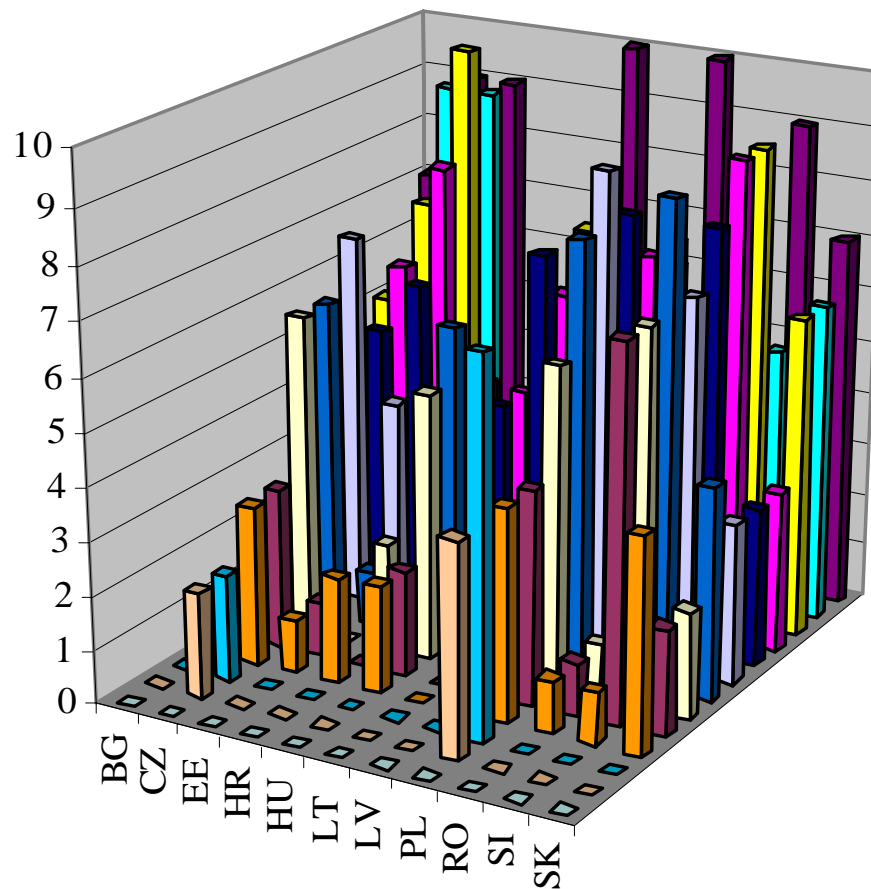
GRI

Global Reporting Initiative

Corporate Governance

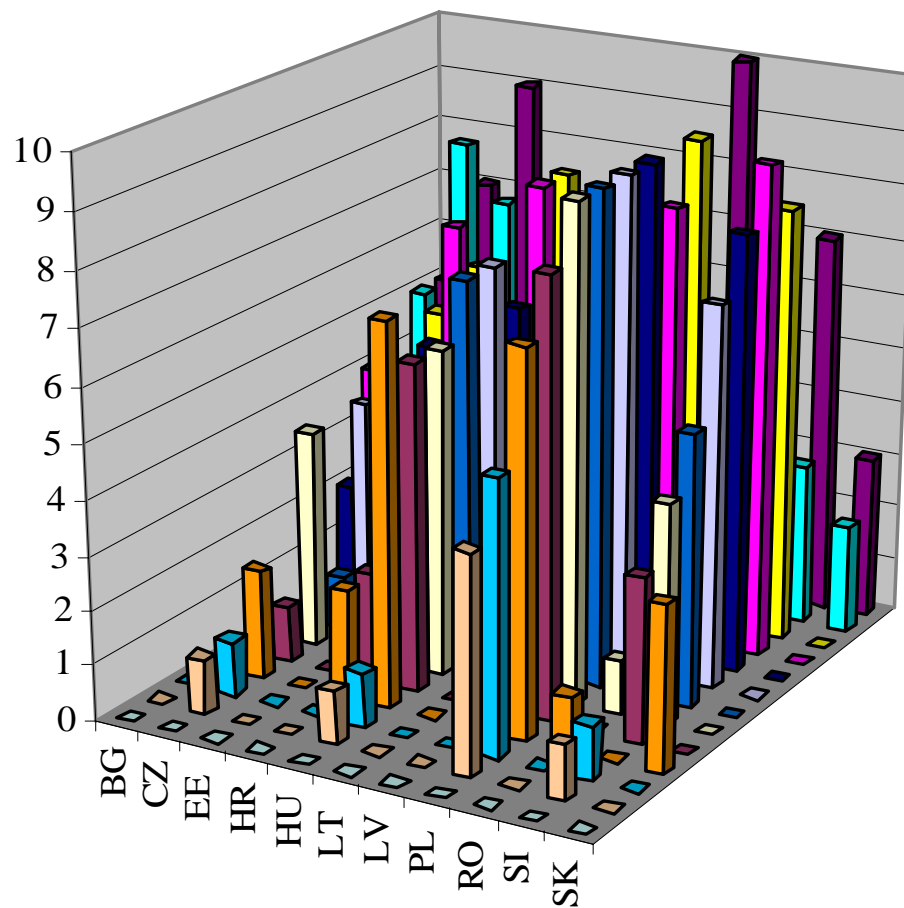
- **Disclosure of audit information**
- **Disclosure of details concerning governance structure - specifically, management and supervisory board/board of directors**
- **Disclosure of the company's shareholder rights policy**
- **Disclosure of compliance with a Corporate Governance Code**
- **Disclosure of company's internal Code of Business Conduct / Code of Ethics**

Annual Report - Corporate Governance Code



- Corporate Governance Code - August 2003
- Corporate Governance Code - April 2004
- Corporate Governance Code - August 2004
- Corporate Governance Code - April 2005
- Corporate Governance Code - September 2005
- Corporate Governance Code - April 2006
- Corporate Governance Code - September 2006
- Corporate Governance Code - April 2007
- Corporate Governance Code - September 2007
- Corporate Governance Code - April 2008
- Corporate Governance Code - September 2008
- Corporate Governance Code - April 2009
- Corporate Governance Code - September 2009

Website - Corporate Governance Code



- Corporate Governance Code - August 2003
- Corporate Governance Code - April 2004
- Corporate Governance Code - August 2004
- Corporate Governance Code - April 2005
- Corporate Governance Code - September 2005
- Corporate Governance Code - April 2006
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- Corporate Governance Code - April 2007
- Corporate Governance Code - September 2007
- Corporate Governance Code - April 2008
- Corporate Governance Code - September 2008
- Corporate Governance Code - April 2009
- Corporate Governance Code - September 2009

Corporate Governance – September 2009

Annual Report

77 of the 110 CEE companies surveyed (70%) disclose implementation of a corporate governance code in the (2007 or 2008) annual report available online as of September 16, 2009, compared with 57 companies (52%) in April 2009, 60 companies (54.5%) in September 2008, 53 companies (48%) in April 2008, 47 companies (43%) in September 2007, 43 companies (39%) in April 2007, 36 companies (33%) in September 2006, 30 companies (27%) in April 2006 and 20 companies (18%) in September 2005.

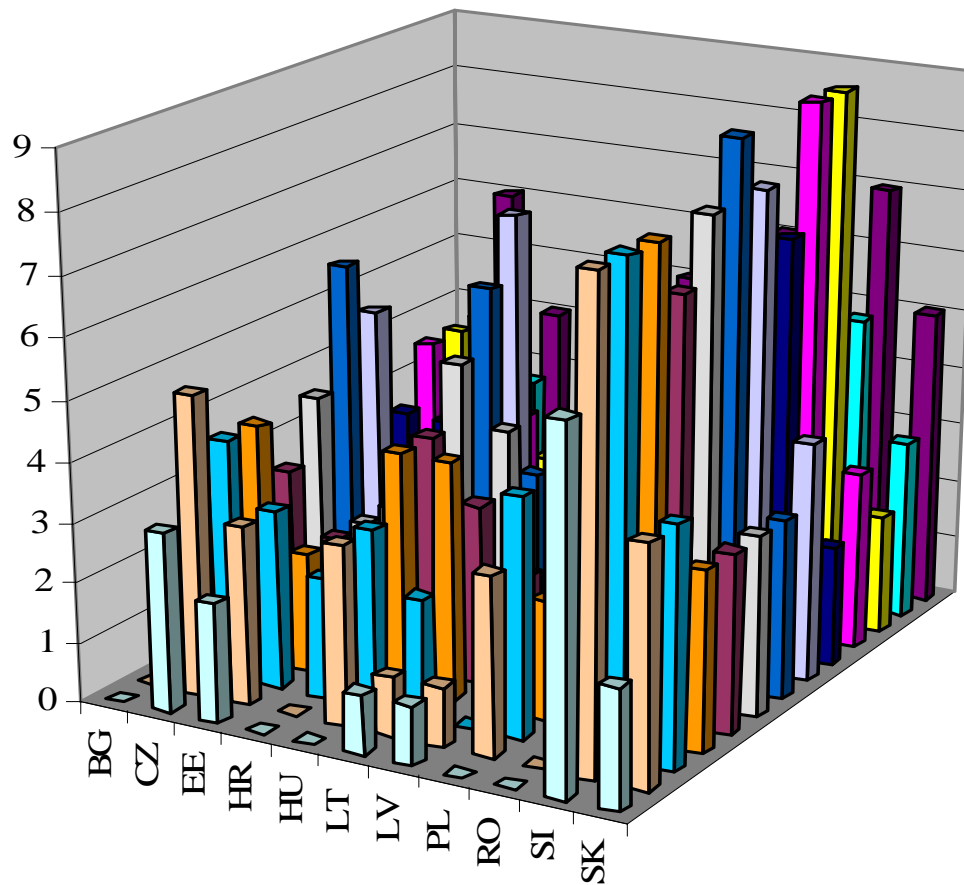
Website

55% of the companies surveyed disclose information about compliance with a corporate governance code on their website, compared with 41% in April 2009, 42% in September 2008, 43% in April 2008, 38% in September 2007, 34% in April 2007 and 24% in September 2006, 28 companies (25%) in April 2006 and 20 companies (18%) in September 2005.

Environmental Policy

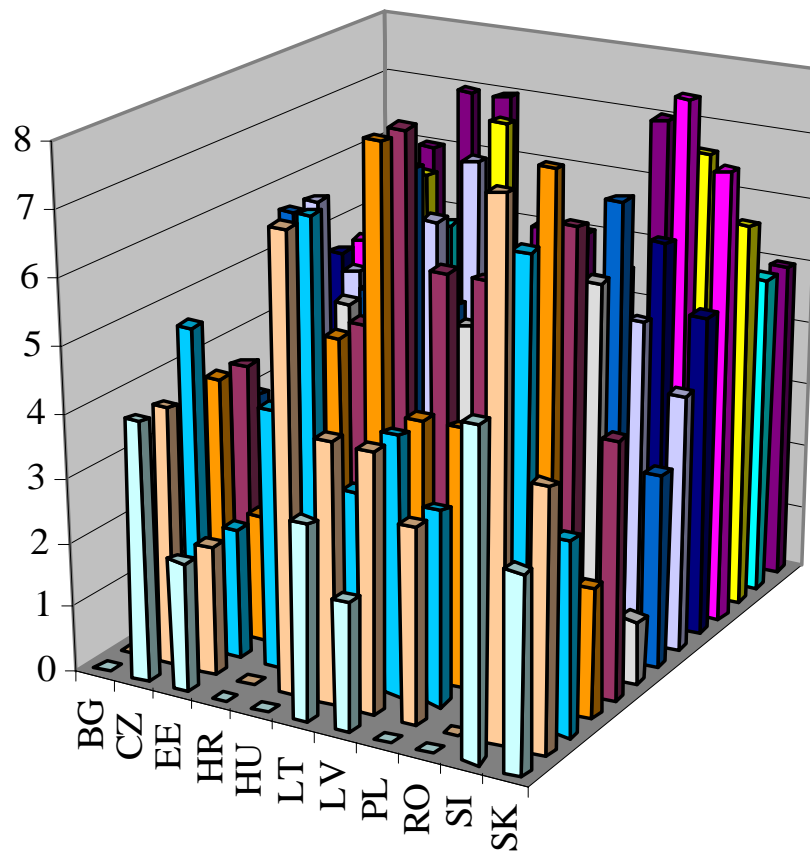
- **Compliance with environmental standards (either national or international)**
- **A department or executive in charge of environmental policy**
- **Environmental considerations concerning supply-chain management**
- **Data concerning environmental performance**
- **Data concerning water and energy use**

Annual Report - Compliance with Environmental Standards



- Compliance w/ Environ. Standards - August 2003
- Compliance w/ Environ. Standards - April 2004
- Compliance w/ Environ. Standards - August 2004
- Compliance w/ Environ. Standards - April 2005
- Compliance w/ Environ. Standards - September 2005
- Compliance w/ Environ. Standards - April 2006
- Compliance w/ Environ. Standards - September 2006
- Compliance w/ Environ. Standards - April 2007
- Compliance w/ Environ. Standards - September 2007
- Compliance w/ Environ. Standards - April 2008
- Compliance w/ Environ. Standards - September 2008
- Compliance w/ Environ. Standards - April 2009
- Compliance w/ Environ. Standards - September 2009

Website - Compliance with Environmental Standards



- Compliance w/ Environ. Standards - August 2003
- Compliance w/ Environ. Standards - April 2004
- Compliance w/ Environ. Standards - August 2004
- Compliance w/ Environ. Standards - April 2005
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- Compliance w/ Environ. Standards - September 2008
- Compliance w/ Environ. Standards - April 2009
- Compliance w/ Environ. Standards - September 2009

Environmental Policy – September 2009

Annual Report

48% of the 110 CEE companies surveyed disclose compliance with environmental standards in the (2007 or 2008) annual report available online on September 16, 2009, in comparison to 27% in April 2009, 34% in September 2008, 33% in April 2008, 25% in September 2007, 38% in April 2007, 35% in September 2006, 30% in April 2006 and 27% in September 2005.

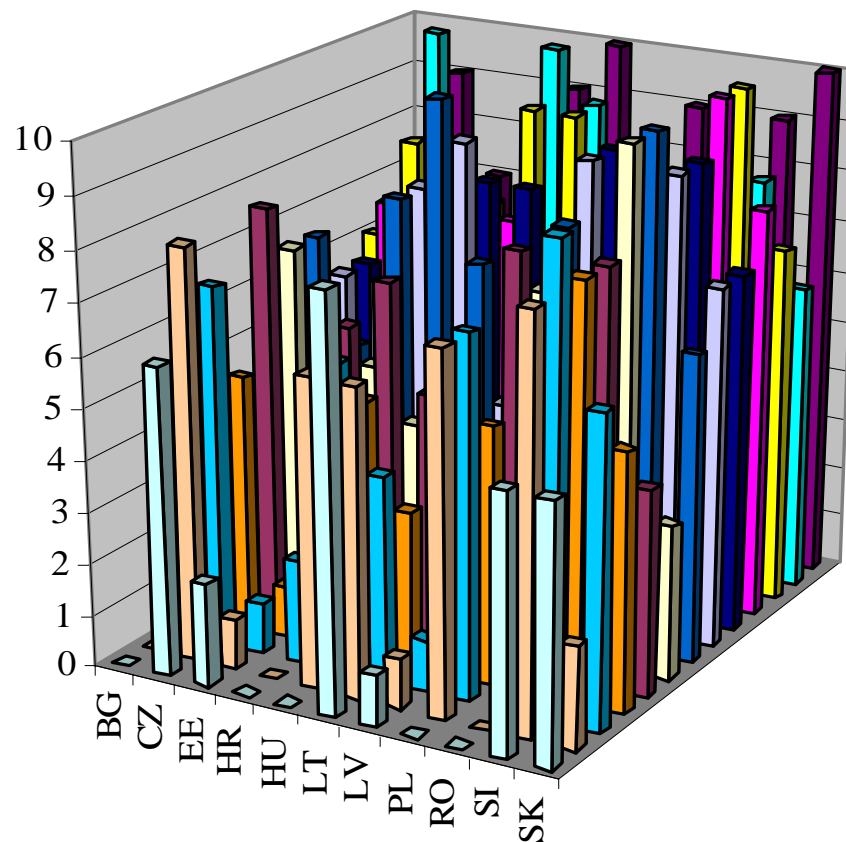
Website

50% of the companies surveyed disclose compliance with environmental standards on their website in September 2009, compared with 32% in April 2009, 48% in September 2008, 48% in April 2008, 39% in September 2007, 49% in April 2007, 45% in September 2006, 37% in April 2006, 48% in September 2005, 42% in April 2005 and 37% in August 2004.

Social Policy

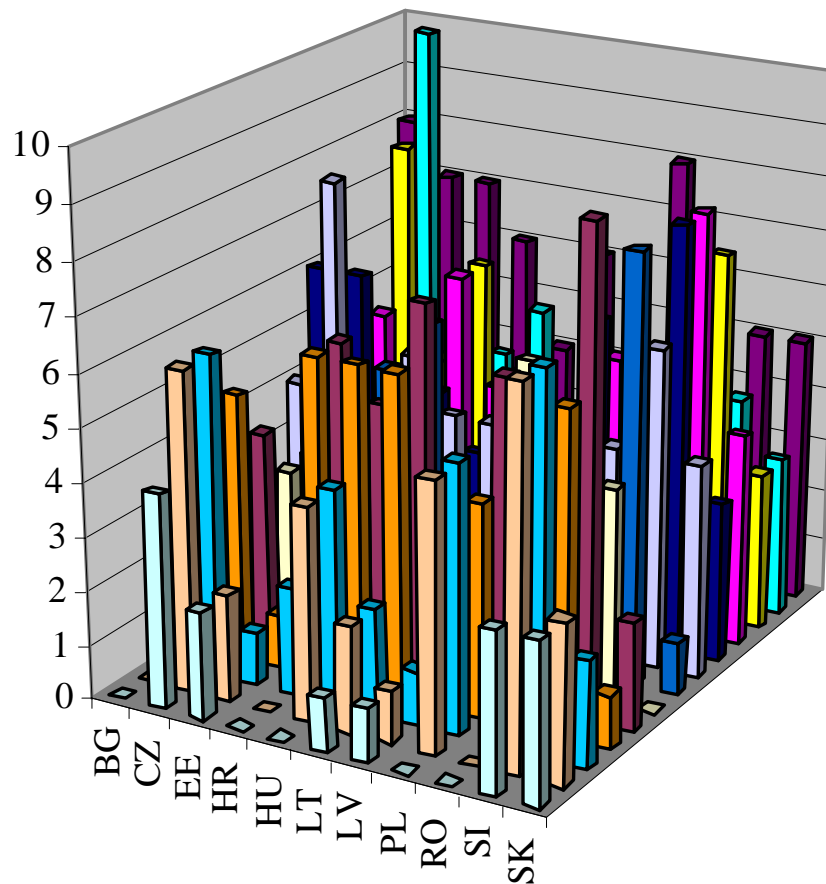
- **Stated compliance with industry- specific national/international regulations regarding human rights, labour standards and labour legislation**
- **Disclose community patronage/sponsorship programs**
- **Disclose employee development or employee benefit policies**
- **Disclose health and safety policy**
- **Disclose employment policy**

Annual Report - Listed Employee Development/Benefits



- Listed Employee Development/Benefits - August 2003
- Listed Employee Development/Benefits - April 2004
- Listed Employee Development/Benefits - August 2004
- Listed Employee Development/Benefits - April 2005
- Listed Employee Development/Benefits - September 2005
- Listed Employee Development/Benefits - April 2006
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- Listed Employee Development/Benefits - September 2007
- Listed Employee Development/Benefits - April 2008
- Listed Employee Development/Benefits - September 2008
- Listed Employee Development/Benefits - April 2009
- Listed Employee Development/Benefits - September 2009

Website - Listed Employee Development/Benefits



- Listed Employee Development/Benefits - August 2003
- Listed Employee Development/Benefits - April 2004
- Listed Employee Development/Benefits - August 2004
- Listed Employee Development/Benefits - April 2005
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- Listed Employee Development/Benefits - April 2008
- Listed Employee Development/Benefits - September 2008
- Listed Employee Development/Benefits - April 2009
- Listed Employee Development/Benefits - September 2009

Social Policy – September 2009

Annual Report

79% of the 110 CEE companies surveyed disclose employee development/benefits policies in the (2007 or 2008) annual report available online on September 16, 2009, compared with 69% in April 2009, 71% in September 2008, 65% in April 2008, 64% in September 2007, 65% in April 2007, 64% in September 2006, 42% in April 2006, 48% in September 2005, 38% in April 2005 and 42% in August 2004.

Website

57% of the companies surveyed disclose employee development/benefits policies on the company website, compared with 47% in April 2009, 51% in September 2008, 52% in April 2008, 53 % in September 2007, 45% in April 2007 as well as in September 2006, 37% in April 2006, 47% in September 2005, 37% in April 2005 and 33% in August 2004.

English-language stand-alone ESG Reports – September 16, 2009

This 13th edition of the semi-annual survey documents the existence of stand-alone environmental, social and governance (ESG) reports for the seventh time.

45 of the 110 companies CEE companies surveyed (41%) issue a stand-alone English-language ESG report on the record date of September 16, 2009.

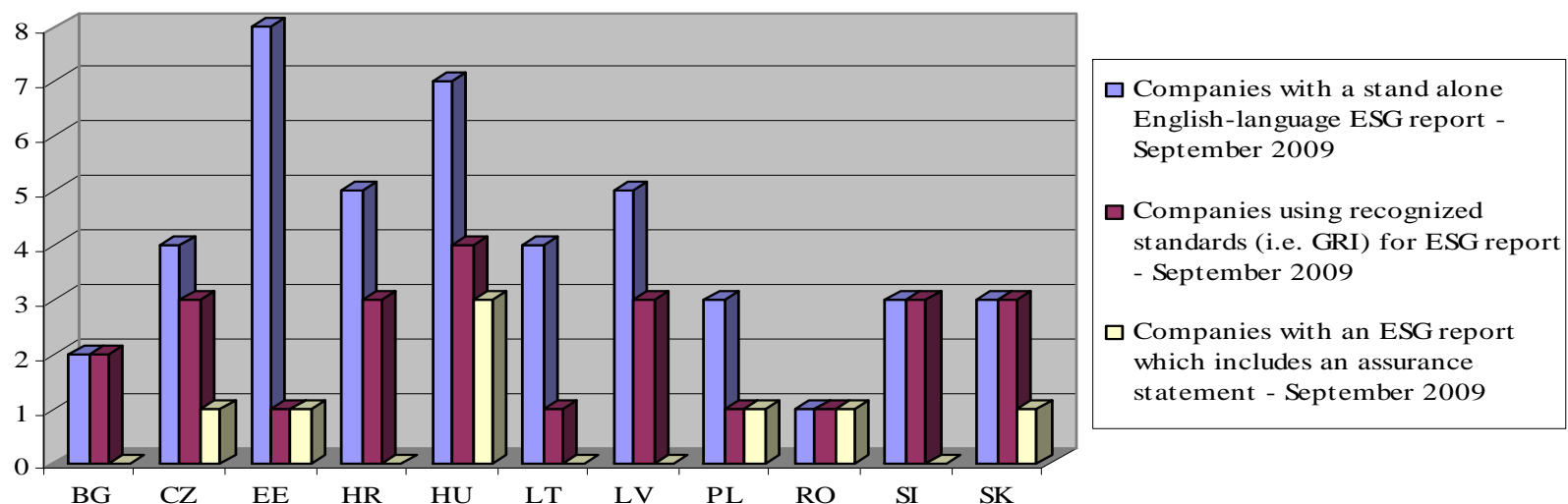
This demonstrates continuation of an ongoing trend:

**April 2009 – 41 of the 110 companies surveyed (37%);
September 2008 – 28 of the 110 companies surveyed (25%);
April 2008 - 29 of the 110 companies surveyed (26%) ;
September 2007 - 22 of the 110 companies surveyed (20%);
April 2007 - 19 of the 110 companies surveyed (17%); and
September 2006 - 14 of the 110 companies surveyed (13%) .**

Stand-alone Environmental, Social and Corporate Governance (ESG) Reports

This edition of the survey documents the existence of stand-alone ESG reports for the eighth time. In the 110 companies of the eleven countries surveyed from CEE, there were 45 such reports (41%) as of September 16, 2009. Seven Hungarian, five Latvian, five Croatian, eight Estonian, three Polish, four Czech, three Slovene, three Slovak, four Lithuanian companies and one Romanian company publish a stand-alone English-language ESG report online on the record date of September 16, 2009.

ESG Report

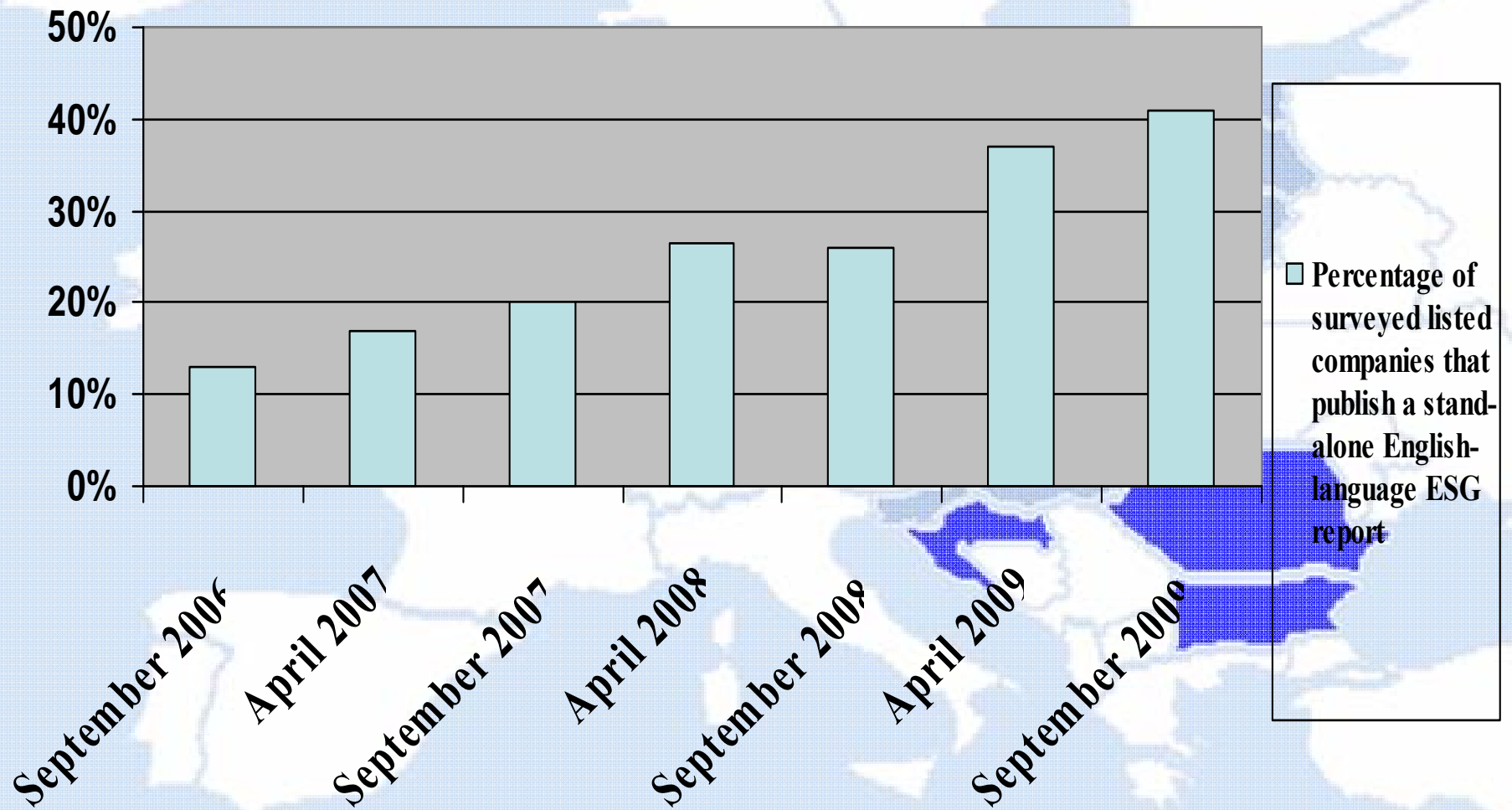


English-language stand-alone ESG Reports – September 16, 2009

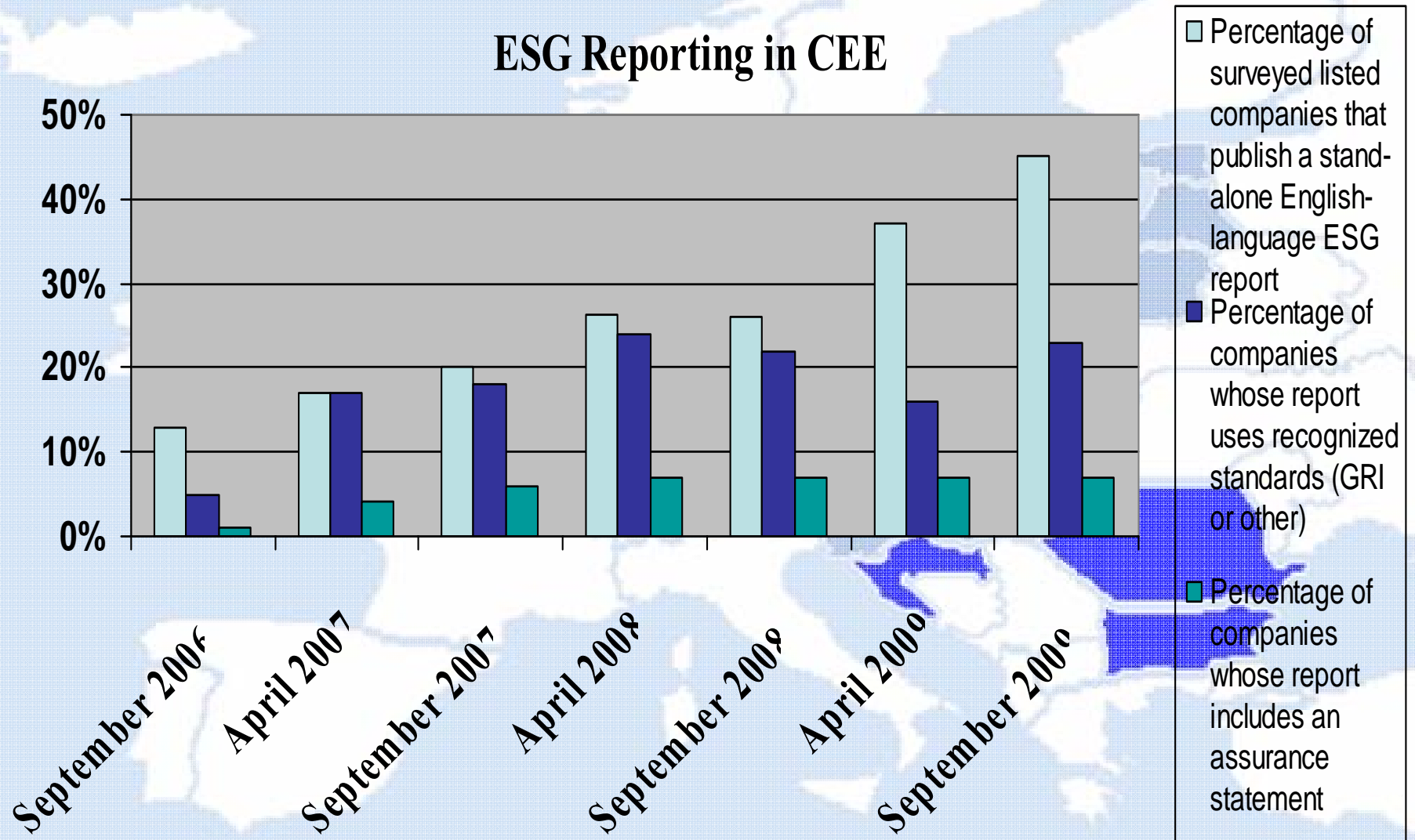
- **Bulgaria – Cibank PLC-Sofia and DZI Insurance PLC-Sofia**
- **Croatia – Zagrebacka Banka, Privredna banka Zagreb d.d., HT-hrvatske telekomunikacije, INA, and Pliva farmaceutika**
- **Czech Republic – Cez, Telefónica O2 Czech Republic, Unipetrol and Erste Bank**
- **Estonia – Eesti Telekom, Tallink Grupp, Tallina Vesi, Merko Ehitus, Norma, Nordecon International AS, Harju Elekter and Silvano Fashion Group**
- **Hungary – MOL, OTP, Magyar Telekom, Gedeon Richter, TVK, FHB and Egis**
- **Lithuania – Lietuvos Energija, VST, TEO LT and Lifosa**
- **Latvia – DnB NORD Banka, Latvijas Gāze, Latvijas kuģniecība, Ventspils nafta and Latvijas Krājbanka**
- **Poland – PKN Orlen, Polskie Gornictwo Naftowe i Gazownictwo, Bank PEKAO S.A.**
- **Romania – Petrom**
- **Slovakia – Slovnaft, Všeobecná úverová banka, Smurfit Kappa Štúrovo**
- **Slovenia – Krka, Petrol and Sava**

Comparison of Seven PFS Program Regional Surveys: ESG Reporting in CEE

ESG Reporting in CEE



Comparison of Seven PFS Program Regional Surveys: ESG Reporting in CEE





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Partners for Financial Stability (PFS) Program

www.pfsprogram.org

**Survey of Reporting on Corporate Social
Responsibility (CSR) by the Largest Listed
Companies in Brazil, Russia, India, China (BRIC)
Countries and Ukraine**

**Warsaw, Poland
September 2009**



Brazil

Russia

India

China

Ukraine

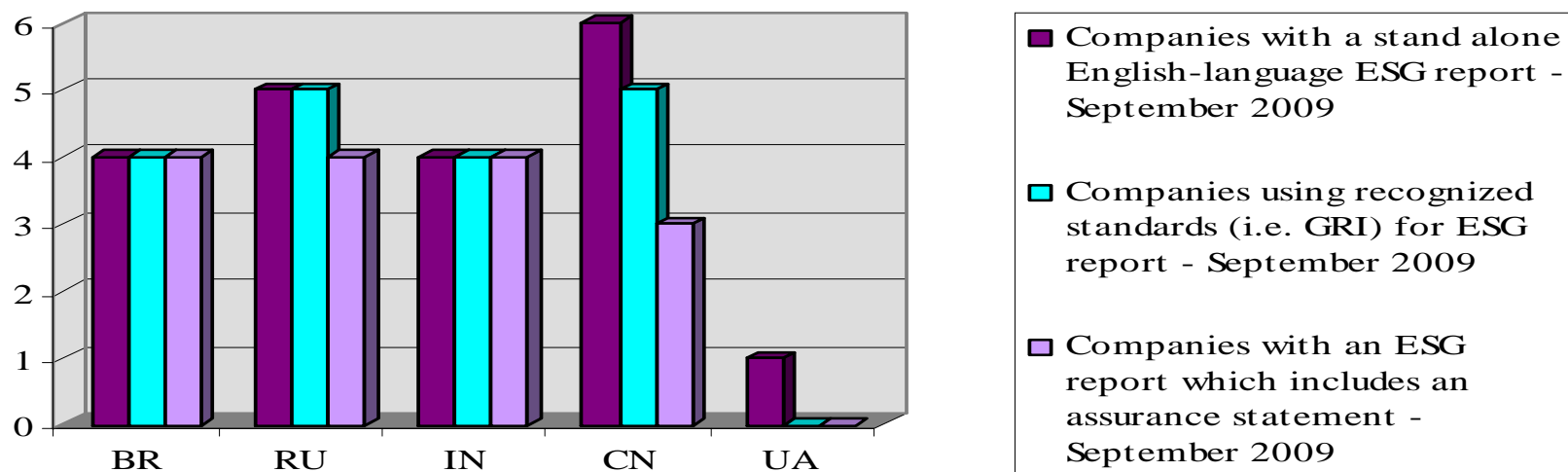
Stand-alone Environmental, Social and Corporate Governance (ESG) Reports

In the BRIC countries and the Ukraine, 20 of the 50 companies surveyed (40%) have

a stand-alone ESG report. Six Chinese, five Russian, four Brazilian, four Indian and one Ukrainian company surveyed publish a stand-alone English-language ESG report as of September 16, 2009.

A greater number of these reports follow the GRI standards and/or provide an assurance statement than those from CEE companies surveyed.

ESG Report September 2009

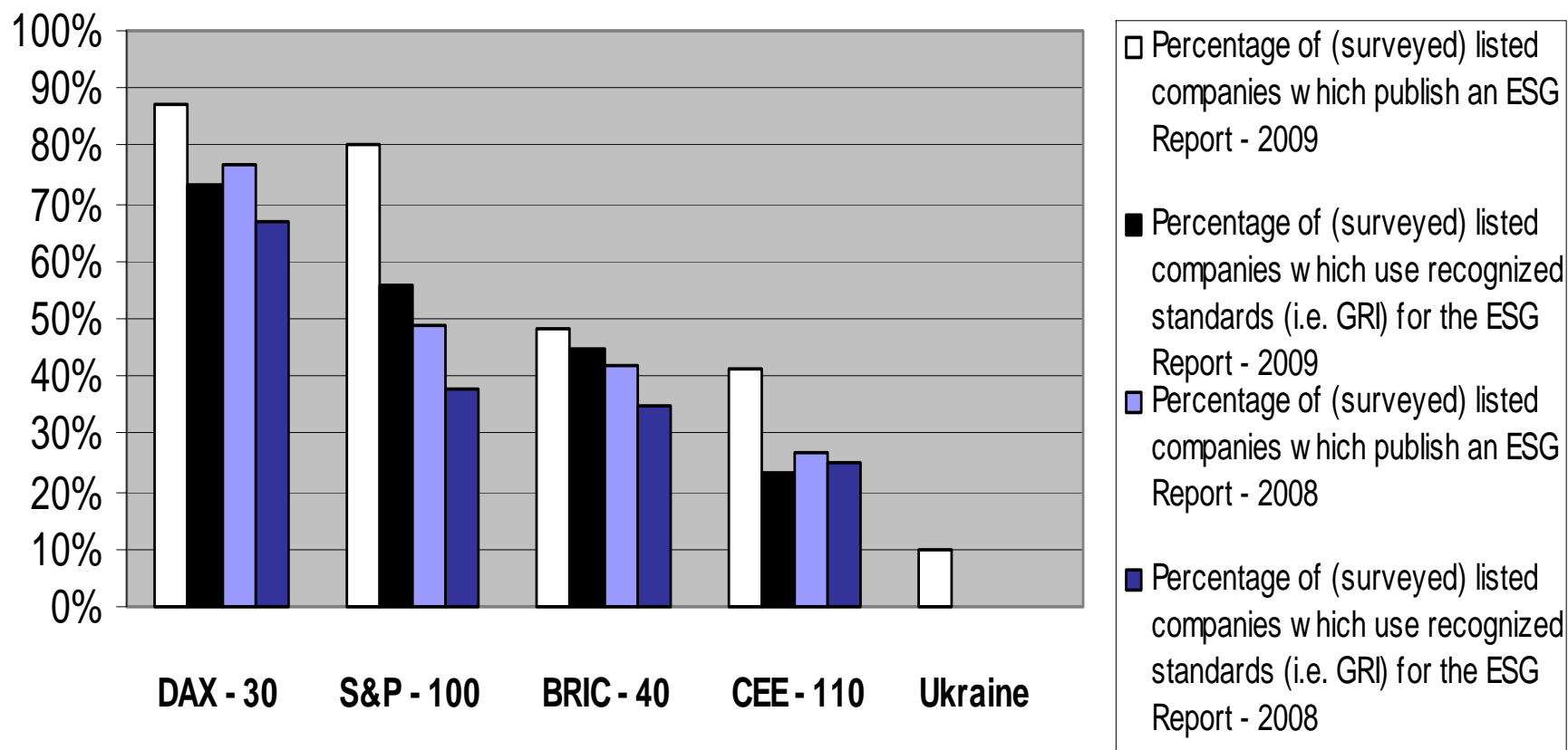


PFS Program

ESG Reporting in English in 2009 - 2008

Comparison of the Largest Listed Companies Worldwide

ESG Reporting in English Worldwide 2009-2008



Source: <http://www.pfsprogram.org/>



Agenda

**Environmental, Social and Governance (ESG)
Reporting in Central and Eastern Europe
(CEE) as well as South Eastern Europe (SEE)**

**PFS Program Surveys
Investor Relations Online: 2001 - 2009**

**PFS Program Surveys
Survey of Reporting on CSR: 2003 – 2009**

Conclusions

Conclusions

One size does not fit all. ESG reporting standards should reflect the specific environment . Emerging markets need time to achieve reporting standards of mature capital markets. Nevertheless, benchmarking with peers on an index, national, regional and global level is an extremely valuable tool for improving reporting.

Evidence from PFS Program regional surveys, country surveys co-financed by the PFS Program and other data show incremental and recognizable improvement in ESG disclosure practices over the medium-term (<5 years) and long-term (5 years>).

Corporate governance codes have an impact on disclosure of governance data.

EU legislation has had an impact on reporting on environmental and social issues.

To date, institutional investors have pressured for governance disclosure but it does appear that they have demonstrated much influence in pressuring companies to improve reporting on environmental or social issues.