



Sustainability Report  
of Obolon Corporation

**30 years  
of success**

2010-2011



UAH **4,559**  
mln.

sales  
in 2010

UAH **991**  
mln.

total payments  
(taxes, excise tax, charges)  
of Obolon Corporation in 2010

UAH **90**  
mln.

despite the crisis,  
Obolon Corporation  
closed 2010 with a profit

UAH **500**  
mln.

investments in the  
company's own  
malt plant in Chemerivtsi  
(Khmelnyskyi Oblast)

**80%**

the share  
Obolon Corporation  
holds in Ukrainian  
beer exports

**6,500**  
people

staff  
of all corporate  
entities  
of Obolon JSC

**23**

mln. plastic 1-liter bottles

this is the equivalent  
of plastic waste  
that Obolon  
recycles a year

**11,982**  
people

the number  
of visitors  
to the brewery  
in Kyiv last year

**16,8%**

share  
of the Obolon brand  
in the Ukrainian  
beer market in 2010

**21%**

total reduction in new waste  
at Obolon JSC in 2010

**2,7**

liters of water per liter of the finished product

water consumption  
as compared  
to product output

UAH **1,181,000**

output per  
employee at  
Obolon JSC

# Obolon in figures

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# Map of corporate social responsibility of Obolon corporation

## Obolon Corporation

### Economic impact

- offer of jobs
- national production
- exports
- tax payments
- responsibility for the product at all stages of the life cycle

### Environmental safety

- environmentally friendly investments
- optimized use of resources
- reduced environmental impact of the company
- waste reduction and recycling

### Working conditions:

- high social standards
- decent compensation
- staff training and development
- standardized staff health and safety system
- employment of people with special needs

### Social investments

- educational projects
- aid to vulnerable strata of the population
- promotion of the revival of high spiritual values, historical and cultural heritage
- development of sports



Internal stakeholders

- Shareholders and investors
- Staff members
- Consumers
- Partners



External stakeholders

- State authorities
- Local self-government
- NGOs
- Media
- International organizations
- Financial and lending institutions
- Local residents of where the company's facilities based

# 6 • Executive introduction



**Oleksandr Slobodian,**  
President of Obolon  
Corporation

## The Mission of Obolon Corporation:

*"We work every day to be the best and to leave nobody thirsty on the planet"*

### Dear partners and colleagues:

We are proud to present a Report of Obolon Corporation that shows our path to sustainable development.

The previous year was especially significant for Obolon. Despite the invariable pressure on the sector and on the manufacturer, we managed to overcome crisis phenomena, maintained and even increased our output. Last year the corporation had a lot of positive changes — increased performance, introduction of new products and renewal of Obolon's main brand. No matter how actively involved we are in the business, we never forget about the principles of corporate responsibility, because seven thousand Obolon employees are working for 45 million Ukrainians.

Changes made in corporate governance prove the correctness of the path we have chosen to develop this Ukrainian corporation headquartered in Kyiv. Reorganized into a public company, Obolon has assumed additional obligations. Now we are going to be even more open to the world.

The drive for leadership in all markets where the Corporation is present remains a strategic business objective. In addition, we are striving to diversify and make our business less affected by crisis phenomena. Exporting products to international markets is one of these techniques.

Corporate social responsibility is a very important tool for us on the path to sustainable long-term development. The drive for sustainable development guides us when we design all strategies of the Corporation, including our impact on all stakeholder groups to which we owe such success. During the crisis, we managed to maintain financial stability due, in particular, to implementation of the strategy of the Corporation's sustainable development.

Meanwhile, Obolon Corporation continues invariably to follow principles of harmonious coexistence, interaction and continued dialogue with society. I am convinced that this Report will continue the development of effective dialogue between Obolon Corporation and its employees, consumers, the wider public, state authorities and partners.



## About the Sustainability Report

Reporting period: 2010. Most statistics are provided in a 5 year sequence. Information has been updated to include the results for H1 2011 results and conforms to the standards for non-financial reporting (Conformity Table, page 48).

Obolon Corporation's Report includes actual data for the entire Corporation (most figures). These data reflect the Corporation-wide situation in the main CSR areas. This is possible after work has been done with remote facilities, subsidiaries and enterprises with corporate rights.

Information provided in the Report describes the organization's operations in the broad context of sustainable development. Facts and statistics referred to in the Report enable the reader to evaluate the Corporation's impact on the economic, environment and society.

This Report was constructed on the principles of balance to include both positive and negative aspects of the Corporation's performance. Moreover, whenever possible, all data is shown in the framework of the past five years. There are also facts to compare the Corporation's operations with other enterprises'.

When deviating from the proposed GRI, data measurement methods and calculations meet requirements of internal corporate standards.

*"Last year Obolon continued developing programs including responsible beer consumption, workflow energy efficiency and gender equality in the workplace. It was also in 2010 that Obolon CJS joined the ranks of the best companies in such areas as business reputation, employer reputation and gender policy based on independent rating assessments. Most importantly, the high quality of our products is recognized by our consumers, who acknowledge this by purchasing Obolon Corporation's beverages every day.*

*Furthermore, CSR activities are an element of the reputation capital of Obolon JSC. Based on research, an improved level of corporate reputation increases the number of consumers prepared at least to recommend the company and its products to others. Consumers are also willing to speak positively and support companies with the best reputation during a crisis. This becomes a competitive advantage when launching new products in the market and fixing premium prices for goods and services."*



WE SUPPORT



**Oleksandr Puchok**  
General Director of  
Obolon JSC



# 8 • About Obolon corporation

**Oleksandr Slobodian,**  
President of Obolon  
Corporation

## The Structure of Obolon Corporation

*"In late April 2011 the General Shareholders Meeting of Obolon resolved to change the name of the closed (private) company to a public company. As required by the laws of Ukraine, companies that have more than one hundred shareholders should make such changes. This means our company will be open to the public. In addition, as required by the law, the General Meeting resolved to transfer its stocks from documentary to non-documentary form on a compulsory basis."*

*The twenty-year-old strategy aimed at building Obolon into a powerful national company remains valid for the future. Obolon still is a company in the Ukrainian market wholly owned by Ukrainians. We continue writing the history of Ukrainian business, this time through innovations in corporate governance. Obolon proves yet again that domestic business headquartered in Kyiv really can successfully operate"*

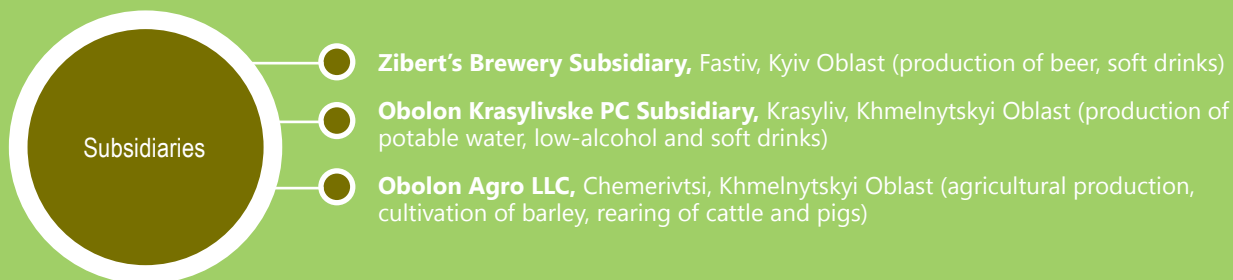
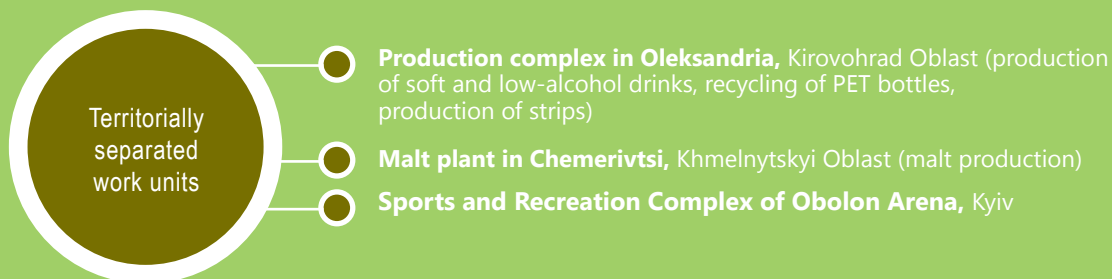




## Main Structural Elements of Obolon Corporation



\* — calculations based on nominal production capacity



\* — Obolon holds a significant, but not controlling shareholding in the Rokytno Glass Plant PrC

## Anti-Corruption Practices

Obolon Corporation fully recognizes and meets the tenth principle of the UN Global Compact to the effect that business circles should counteract corruption, including extortion and bribery.

**In order to combat corruption and other negative phenomena that might affect normal operation of the Corporation, Obolon PC has put the following local regulations in place:**

- provisions to regulate job-related rights and duties of staff members, their relations with employees from other work units and offices;
- provisions to regulate selection of suppliers of raw materials, goods, work, services;
- provisions to regulate contractual employment at the Corporation.

If any employee performs corrupt actions that have caused or may cause damage to the Corporation, such an employee is subjected to measures allowed by current laws.



2010 was a year of difficult economic conditions, yet Obolon Corporation even managed to raise the output of its main product (beer) by almost 3% compared to 2009.

Influenced by a lot of factors (the global economic crisis, reduced buying power of the population, increased excise and tax rates), the 2008-2009 period was among the most difficult periods of Obolon's 30-year history.

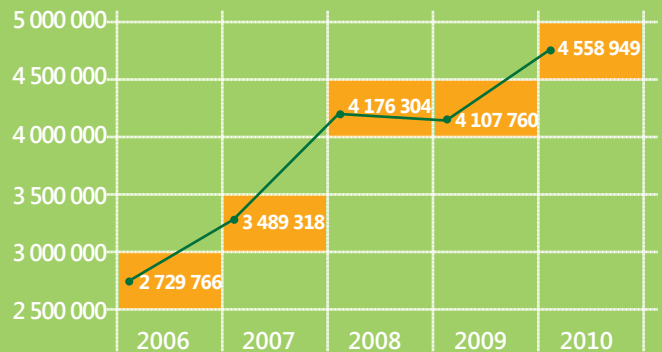
- In 2010, Obolon Corporation increased beer production by 3% vs 2009, reaching 99.4 mln. decaliters.

Though the pressure on the sector did not cease and even increased in 2010, Obolon Corporation points out some positive tendencies. Firstly, it stopped a decline in beer output: it rose 3% in 2010, reaching 99.4 mln. decaliters. Secondly, Obolon Corporation ended 2010 with a profit of more than UAH 89 mln. Thirdly, employee output grew 12.3% at Obolon Corporation (nominal value based on sales per employee). This all resulted from a comprehensive program of improving the economic performance of the Corporation's businesses.

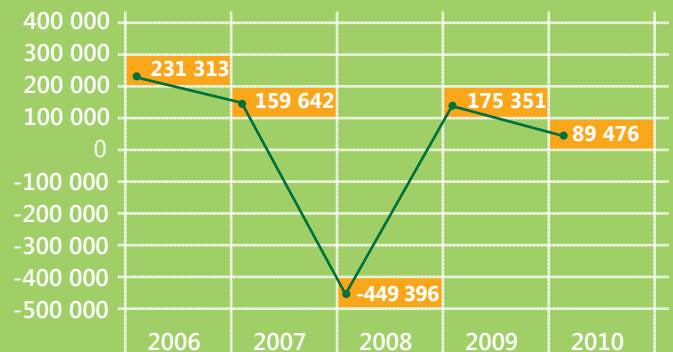
In addition, in 2010 Obolon Corporation paid UAH 991 mln. in taxes, excise tax and charges, i.e., 50% more than in 2009. Fair and transparent payment of taxes has always been a principle of Obolon's operations in the financial area.

## Economic Results and Impact of the Crisis

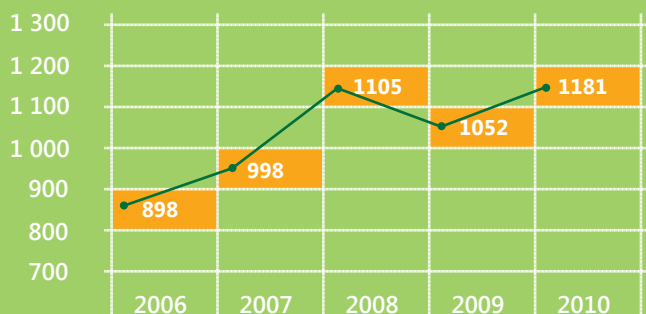
Sales (proceeds) ('000 UAH)



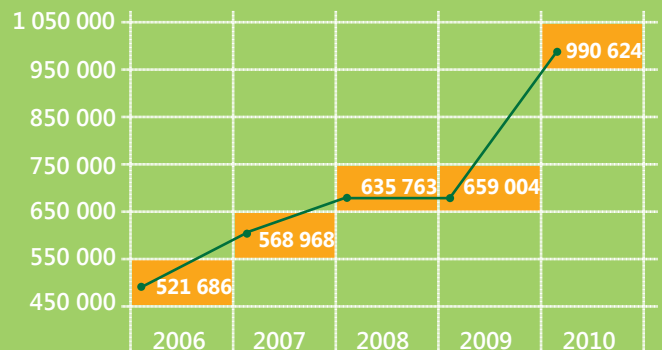
Net profit ('000 UAH)



Performance (sales, '000 UAH, per year per employee)



Total budget payments ('000 UAH)



# Main News of the Company and its Brands

## January 2010

- Obolon Corporation supported an educational project of the People of the Future Foundation. Within the Education Around the Country project, the People of the Future Foundation named 30 winners of grants for a university education.
- Obolon sponsored Ukraine House in Vancouver during the Winter Olympic Games. Guests of Ukraine House were treated to true Ukrainian beer and drinks during official parties, gala concerts and events.

## April 2010

- A special festive premium beer, Obolon Jubilee, was created as part of the celebration of the 30th anniversary of the Kyiv-based brewery. This was a real gift to all Obolon fans.
- Obolon launched a new product in the soft drinks market — live brewed kvass — Bohatyrskyi. This drink is made in Zibert's Brewery, a subsidiary of Obolon JSC based in Fastiv, Ivano-Frankivsk Oblast.

## May 2010

- A new Ukrainian record was set during the celebration of Obolon Corporation's 30th anniversary. Representatives of the Ukrainian Book of Records registered the biggest simultaneous beer toast 'To Obolon!' which was simultaneously made by 2,123 employees of the Corporation.
- Obolon's brand was recognized as the most valuable and indispensable for Ukrainians. Obolon was named 'my favorite domestic brand' by the most respondents during a survey initiated by MMR, a marketing publication, and called 'Which companies and brands have won Ukrainian hearts'.

## August 2010

- The Obolon Trademark is the general sponsor of the Supreme League. Obolon Corporation continued cooperating with the Supreme league as the general sponsor of the Football Championship of Ukraine. According to the contract, Obolon Corporation and the Supreme League will cooperate for three years.
- The Obolon brewery in Kyiv resumed production of the legendary Zhyhulivske beer based on the old recipe.
- Obolon Corporation gathers a record number of prizes at the 2010 Beer Fest. At the conclusion of the International Professional Competition, Obolon Corporation's products had won 38 prizes



## September 2010

- In late September Novyi Kanal (New Channel) aired the third season of a popular sports and entertainment show for children, Zhyvchyk-Starty.

## December 2010

- The Obolon Trademark was recognized as well known in Ukraine. This not only increases the commercial value of the Obolon TM but also ensures it has unlimited protection for all classes of international patent classification of goods and services.
- A new design for the Beermix TM was created. Obolon breathed new life into the Beermix TM by making the package brighter, more colorful and dynamic.
- Obolon is among the most reputable companies in Ukraine. Results of the Ukraine's Most Reputable Companies-2010 survey organized by Reputation Capital were announced in early December, during the Reputation Days in Ukraine, Obolon Corporation placed 12th among companies with the best reputation in Ukraine.
- Obolon came in first among the best employers which implement principles of fair gender policies. The competition was held under the auspices and with active support of the Ministry of Labor and Social Policies of Ukraine, the project of the EU and International Labor Organization called 'Equality of Women and Men in the World of Labor' and the European Business Association.

## January 2011

- Obolon is among the most reputable employers of Ukraine. The Corporation came in 13th in the general rating (which included foreign companies operating in Ukraine) among companies with the best employer reputation.

## March 2011

- The favorite drink of families, Zhyvchyk Nehazovanyi, appeared in a new non-transparent yellow package. The bottle was improved to make it easier to find the useful still drink and single it out in the main Zhyvchyk product line.

## April 2011

- Obolon Svitle became better. Obolon brewers made the shelf life of 'Obolon Svitle' beer shorter. This novelty is intended to globally change the situation in the beer market. From now on, consumers can always drink only fresh beer. The design of Obolon Svitle package has been changed along with improved taste and shortened shelf life.



## Brands of Obolon Corporation



**Vitaliy Tkachenko**  
Marketing Director,  
Obolon Corporation

Major product types produced by Obolon Corporation include beer, soft drinks, potable water, low-alcohol drink and, malt for brewing. Other types of operations involve manufacture of plastic products (from recycled PET bottles) and various agricultural products.

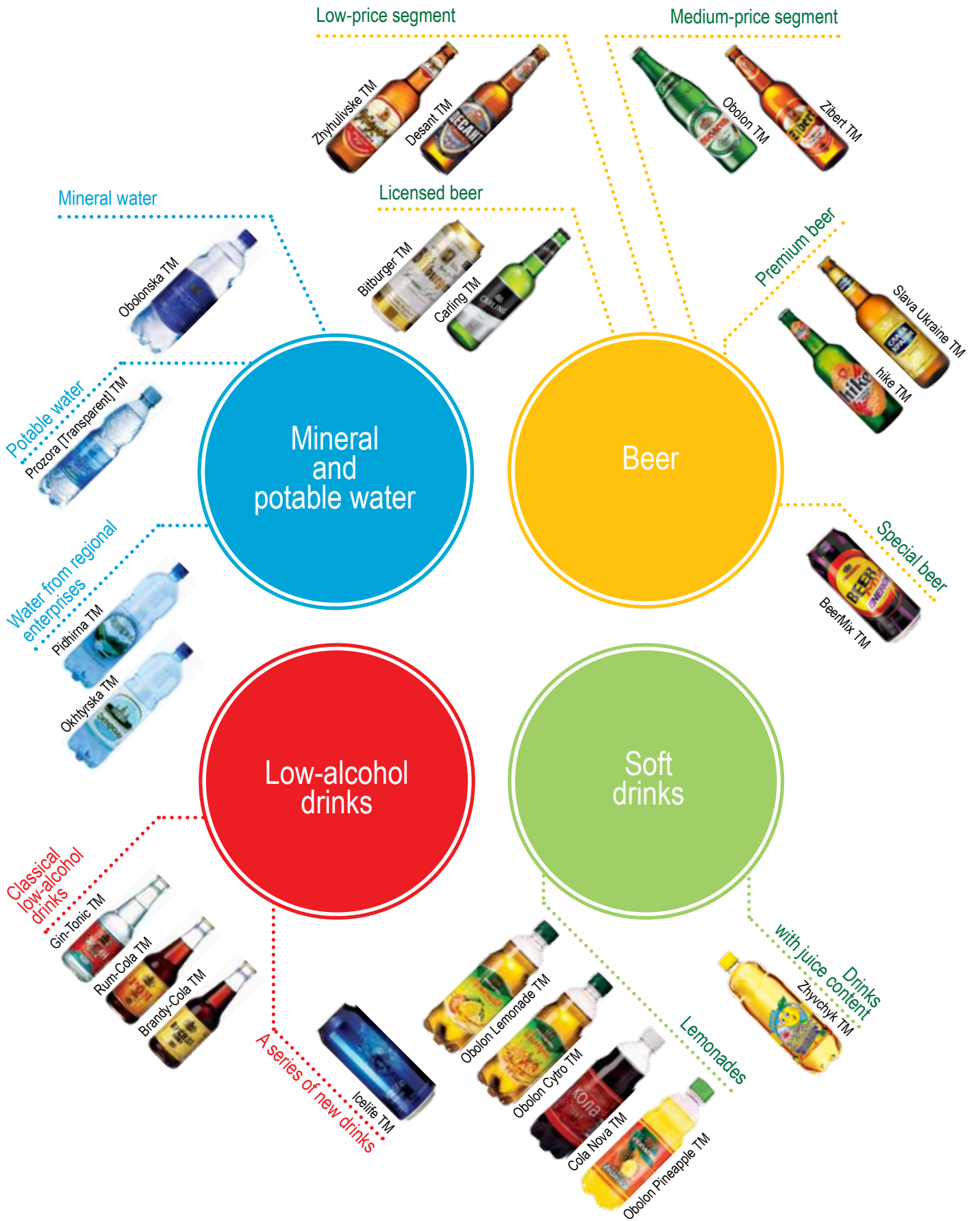
Next, we will be focused on results of operations involving manufacture of our major products. Ukraine is the main market for our products accounting for over 80% of sales.

### Primary brand: Obolon TM

Each year Ukraine produces 300 million decaliters of beer. Most main sorts of beer have an overall shelf life of 180 days. However, after marketing research Obolon experts found out that increasingly more people consider product freshness as a major advantage of beer and watch especially closely the time that has passed since bottling. The fresher beer is, the better it tastes. So, Obolon brewers refreshed the taste of Obolon Svitle (Light) by, in particular, making its shelf life shorter, from 180 to 60 days. This is the very period during which the taste and aroma of beer do not change. Based on degustation results, experts established that Obolon beer that has been kept for over 60 days is not exposed to changes in its physical and chemical indicators. However, since no preservatives are used to make the product, its taste and aroma do change.

*'The decision to change the design was quite difficult. Obolon's brand appeared in 1992 and consumers have gotten used to it already. We have never changed the taste of our beer and renewed the label design only once, in 2007. Obolon's design is regarded as a classical example of Ukrainian beer design. Most respondents said during a survey that the brand's design was conservative. Consumers said at the same time they wanted to be progressive and modern and consume only a high-quality product. Such perceptions became proof that change was needed.'*





## Positions in the Domestic Market

### Beer Market

The average annual per capita consumption of beer is about 70 liters in Europe, with some highly developed countries reaching 100-150 liters. Based on vast research, consumer income level significantly affects the popularity of this drink. This is why average beer consumption in Ukraine is about 63 liters a year per capita. Nevertheless, the beer market is characterized by a high level of competition.

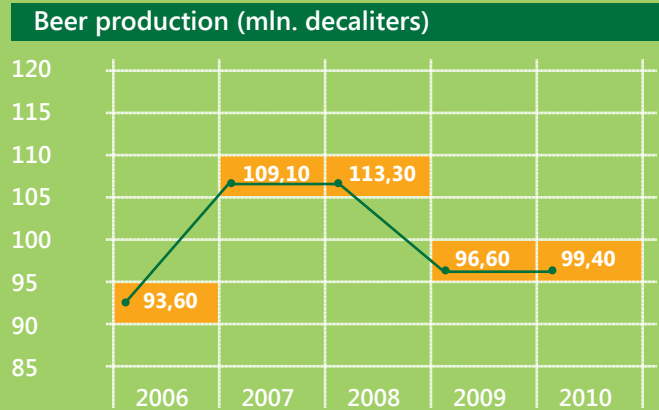
Obolon Corporation remains the only large player in the beer market with 100% Ukrainian capital and headquarters in Kyiv. The Obolon brand is the second in terms of sales in Ukraine, holding 16.8% of the market (based on 2010 figures).

- **Obolon remains the only large player in the beer market with 100% Ukrainian capital and headquarters in Kyiv**



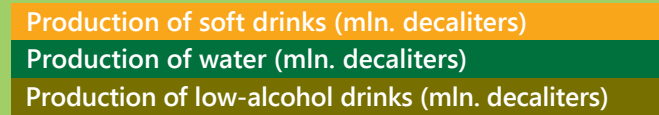


Main beer brands of the company	% of the Ukrainian market, 2010
Obolon TM	16,8
Zibert TM	6,5
Desant TM	1,2
BeerMix TM	1,0
Zhyhulivske TM	0,7
hike TM	0,4
Okhtyrskye TM	0,2
Magnat TM	0,04
Bitburger TM	0,03
<b>Total</b>	<b>26,9</b>



## Other Markets

The company's main brands in other markets in the category of soft drinks include Zhyvchyk TM, potable water — Prozora TM and Obolonska TM, low-alcohol drinks — Gin-Tonic TM, Brandy-Cola, Rum-Cola.

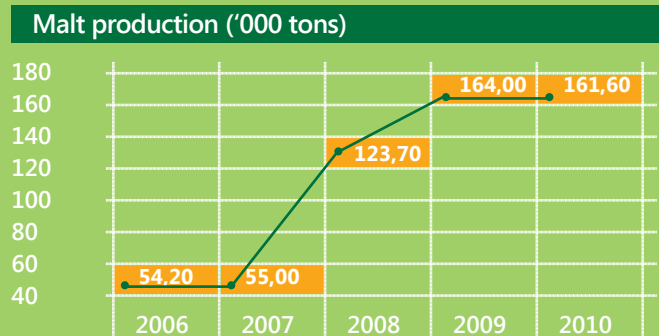


## Malt Production

In addition, Obolon is the only large brewery that supplies itself with malt of its own production.

Obolon is the only large brewery that supplies itself with malt of its own production.

In 2010, the most modern malt plant in Europe worth UAH 500 mln. started operating at full capacity in Chemerivtsi, Khmelnytskyi Oblast. This industrial giant is not only the pride of Obolon staff but also an important factor of economic development of an entire region in Podillia, since it uses raw materials produced by local farmers.



# Product Exports

Share of Obolon Corporation in Ukrainian beer exports



**Obolon Corporation has maintained its status as the largest beer exporter from Ukraine.** 2010 Obolon successfully developed its export program and sold abroad almost 80% of beer exported from Ukraine. This is 24 mln. decaliters in terms of volume, or 23.8% of the company's total production.

Beer is the main product type in the structure of exports — 97%. The remaining part includes soft drinks and mineral water.

Obolon Corporation's export strategy is aimed at building long-standing partnerships with distributors. Obolon does not strive to make a one-time delivery at any cost and put another flag in the map. Our goal is to make regular deliveries and have reliable partners.

- **Obolon Corporation's products are exported to 33 countries on all continents.**



## The anti-dumping problem in Belarus

The beer market of Belarus is important for Obolon Corporation, since this country comes second after Russia in terms of Ukrainian beer exports. Obolon has been present in the market of the Republic of Belarus for over 17 years and has developed relations of trust with our Belarusian colleagues.

In 2010 the Belarus government resolved to introduce licenses on Ukrainian beer. This resulted from charges of dumping (which actually was not the case, since our retail prices were 15% above the average) claimed by participants of the Belarusian beer market against Ukrainian brewers in the spring of 2010. After a lengthy discussion, the Ukrainian producers were forced to sign an agreement with the Belarusian party and agree to raise sale prices by 1,5 times.

*"Negotiations between Obolon Corporation and Bilderahkharchoprom Concern led to the signing of a bilateral agreement on beer deliveries to Belarus. It was a forced step. We had to do our best not to lose the market once and for all, so sale prices were raised for Belarusian counterparties. There are also plans to expand the licensing program with Brest Beer Open JSC involving the bottling of beer under our brand, Desant. Nevertheless, we believe introduction of licenses for Ukrainian beer to be a discriminatory and non-market method of market regulation."*

**Oleksandr Slobodian**  
President of Obolon Corporation



## Comprehensive Quality Assurance System



**Valentyna Mykusevych**  
QA Director

*"Product safety and quality is a key issue for enterprises to become competitive and win a reputation among consumers. In an attempt to make high-quality, useful and safe products competitive both in the Ukrainian and foreign markets, Obolon became the first domestic enterprise of the food industry to receive an international certificate for a quality management system in 1998, ISO-9001, 1994 Version. Later Obolon continued the practice of quality certification of processes and use of yearly independent audits."*

Obolon JSC was the first food industry enterprise to have as many as four management systems certified at one time.

Currently Obolon JSC has a management system in place made up of:

- a quality management system (ISO 9001:2008),
- a food safety management system (ISO 22000:2005),
- an environmental management system (ISO 14001:2004),
- an occupational health and safety management system (OHSAS 18001:2007).

They all have been maintained by an external independent audit.

The international certification of Obolon's four management systems is a pass to markets of WTO member countries. Most WTO members require compliance with ISO 22000. Otherwise, products are not admitted for sale. The company's facilities have an integrated management system that ensures responsibility to the staff, consumers, society and the state in general.



# Beer production process

Four main ingredients are used to make beer — **water, malt, hops and yeast**.

water

malt

hops

yeast

Water is obtained from 290 meter deep artesian wells of Jurassic and Senoman horizons. The best varieties of natural hops are grown in Ukraine, the Czech Republic and Germany. Malt is produced from barley (sometimes wheat) grains put down and dried under a specific temperature and humidity regime.

At early stages of production, crushed malt is mixed with water. The mix is warmed in a set temperature environment. This is the stage where proteins and starch contained in malt pass into a solution and turn into sugars which are later fermented by yeast. The resulting solution (wort) is filtered, later added to hops and boiled for some time to help beer develop its aroma and pleasant bitterness. Then the wort is cleared.

The cleared wort is cooled to the brewing temperature and yeast is added. Obolon carefully selects the best yeast races to ensure optimum conditions for beer fermentation. Sugars are fermented by yeast and turn into alcohol and carbon dioxide. For it to mature finally, 'young' beer is held for a certain period in special tanks under the temperature of  $-1-2^{\circ}\text{C}$ . As a result, it acquires an unmatched taste and aroma, and is saturated with carbonic acid naturally.

Beer has no contact with air during its production, since oxygen has a detrimental impact on the drink's taste. After fermentation, beer is filtered to make it transparent and poured into bottles, cans or kegs.

## Relations with Suppliers and Consumers



### Responsible procurement

Obolon Corporation ensures compliance with quality and safety requirements of procured raw materials, supplies, equipment and technical tools, as well as services to prevent use of noncompliant and unsafe products.

This is achieved through defining and establishing requirements on suppliers, the system of their assessment and monitoring, all of which help clearly define and document processes of supplier selection and involvement in cooperation.

A radiation control laboratory is open at the Kyiv-based parent enterprise of Obolon Corporation.

Obolon Corporation makes sure the procured products meet requirements of procurement, in particular, in terms of environmental protection.

The type and scope of control of the supplier and procured product/service depends on the latter's impact on subsequent production or finished products. An input control and other measures have been put in place at Obolon JSC to check procured products.

Cooperation is started with those suppliers which are closest to the consumer (production, processing or procurement facilities) provided that the price and quality are equally competitive. This helps reduce transport costs and intermediary fees and demonstrates Obolon Corporation's responsible attitude to regions where it operates.

### Responsible marketing

Obolon Corporation's responsible marketing involves special attention to certain audiences (for example, the so-called risk group — people aged under 18) and dialogue with consumers (distribution of true information about the products and promotion of responsible consumption).

In its marketing communications, Obolon not only meets all statutory requirements but is also consciously focused on consumers aged 18 and over. For example, external advertising (big boards, banners) does not violate laws — media advertising alcoholic products are placed at a significant distance from educational establishments.

Obolon's TV advertising activities are carried out in line with the European Convention on Cross-border Television. This imposes certain limitations:

- persons appearing in beer commercials should not look like they are underage;
- beer consumption must not be associated with physical work or driving a car;

- it is prohibited to claim that beer has healing properties, is a stimulant or sedative, serves as a tool to solve personal problems;
- one must not encourage alcohol abuse, represent abstinence from alcohol or its moderate intake as negative;
- one must not draw special attention to alcohol content in products.

**Obolon is the first company in Ukraine to take steps towards the consumer and introduce principles of a responsible attitude to the product it makes. For example, we started putting labels on all beer bottles with notice of consumption rates.**

Obolon's voluntary initiative to include a note on the need for responsible consumption in advertising is one of its consistent steps in implementing its program for the development of a culture of beer consumption in Ukraine. Product labels and TV commercials are the most far-reaching tools for raising consumer awareness. In addition, the 'Consume responsibly!' logo will be placed on POS materials and souvenirs. Information will also be distributed among consumers through a specialized website and educational brochures. You can find out more about the 'Consume responsibly!' program by visiting [www.enjoyobolon.com](http://www.enjoyobolon.com).



## Responsible communications

In 2009 Obolon set up a new multichannel customer support hotline at 0-800-507-300.

Introduction of a free hotline is one of the important steps in boosting consumer loyalty and collecting information about Obolon Corporation.

Obolon's hotline is intended to allow closer communication with consumers and is part of the effort to improve customer services. We work to provide answers to all queries received by our hotline.

The new hotline helped us to find difficult issues and respond to consumer requests faster, provide them with information about the Corporation's products and beer consumption culture more efficiently.

- **The total number of calls received by Obolon Corporation's hotline at 0-800-507-300 in 2010 was in excess of 97,000.**



# 24 • Staff and working conditions

Creation of jobs and payment of salaries and other types of compensation to our employees for the work they have done are among the most important economic and social aspects of the operations of our organization. Obolon Corporation's administration is of the opinion that conscientious and productive work is an important element of a person's development, while the standard of living is improved through full and reliable employment. Lack of employment is the primary reason for social problems, especially in Ukraine, where social security is not duly organized. Labor practices mainly affect the sense of justice available to society. This is why socially responsible labor practices are important for social justice, stability and peace.

About 6,500 people are employed at all facilities of Obolon Corporation, including 3,860 at the Kyiv-based brewery alone.

Description	Unit	2006	2007	2008	2009	2010
Total number of staff	persons	4 885	5 583	6 111	6 333	6 376
Percentage of women	%	32,42	30,75	29,88	29,92	30,10
Number of people with limited abilities	persons	188	217	257	269	278
Occupational health costs	thousand UAH	1 884	40 707	3 060	3 458	5 164

• Data for Obolon PC (including territorially separated work units, subsidiaries and enterprises with corporate rights).

•• For more information, go to Obolon Corporation's official website at <http://obolon.ua/ukr/corporate-responsibility/staff/>



**Serhiy Bloschanevych**

Chairman of the Management Board of Obolon PC and Director for HR and Consumer Services

*"Employees are the top asset and, equally, the pride of Obolon. The company's operations are aimed at raising employees' professionalism, improving working conditions and workflow safety and guaranteeing their social security. This is why Obolon JSC has introduced and certified an occupational health and safety management system, OHSAS 18001:2007. It is through consistent performance of its commitments to employees that Obolon has a great reputation as an employer. Our company has a collective bargaining agreement in place which means employees are protected. In addition, the company's corporate culture is intended to develop every specialist."*



As an employer, Obolon promotes one of the most widely accepted objectives of the society — improving the standard of living through full and reliable employment and appropriate work.

Obolon Corporation provides its employees with appropriate working and living conditions. Each year includes further education for employees, medical examination, first aid, preventive treatment and development of the social sphere.

Obolon Corporation is among the best employers in Ukraine. The average wage in the company is above the average countrywide and increased 10% in 2010 as compared to 2009. All wages and bonuses are paid officially, i.e. the company fully pays all mandatory taxes, deductions to the pension and other funds.

The social policies of Obolon JSC with regard to staff members are aimed at providing the necessary level of performance, reducing labor turnover and improving social security of employees.

Each employee of Obolon Corporation can undergo additional vocational training, improve his or her skills within the staff development and training program.

● **In 2010, 991 employees of Obolon JSC were involved in the training process.**

Obolon PC regularly carries out occupational training, skill improvement and education for its entire workforce. To this end, staff competency is assessed and preparation, educational and training sessions, introductory orientation are conducted.

The social package is also available to retired employees and includes ad hoc aid for health improvement, trips for children, cash bonuses for holidays, financial aid at childbirth, retirement, marriage or in critical situations. There is a first-aid post with modern equipment and a workout room at the company.

As required by law, about 4% of all employees at Obolon JSC are handicapped people.

# Working Conditions and Staff Development



## Obolon's practices in employment of people with special needs

Over 650 million people, or approximately 10-15 % of the global population, live with a disability. According to the UN Development Program (UNDP), 80% of the disabled live in developing countries. As estimated by the World Bank, 20% of the Earth's poorest people are disabled. Official statistics suggest that there are 2.67 million people with limited abilities in Ukraine, or about 5% of the total population. Of these disabled, 80% are people of active age.

In line with the rules of current Ukrainian law and principles of social responsibility, Obolon creates working conditions for people with special needs, too. As required by law, about 4% of all employees at Obolon JSC are people who are handicapped to a varying degree. This means 161 persons at the Kyiv-based facility. Obolon expresses its assistance to people with special needs not only through compassion about the trials and tribulations they face but also, and more importantly, by creating conditions for their social adjustment and professional development.

Most people with special needs work in the Marketing Department as agents. Some are also engaged in production. The ailments these people have mostly include sugar diabetes, cardiologic, oncological or ophthalmologic diseases and diseases of the musculoskeletal system. Agents have a flexible work schedule which depends on the scope of work. Agents' functions involve support of events, creating and updating client databases, etc. To perform these duties, agents were trained in due time and learned to use special software or acquired client communication skills.

Obolon does its best to support people with special needs by creating special conditions for their work. Senior agents have a separate office. Since most of them have sugar diabetes, it is crucial for them to consistently monitor their blood sugar level and have several meals a day. They have a specially equipped medical and preventive room at their disposal where they can eat, make an insulin injection, take medicine, have blood pressure and blood sugar level measured or simply have a rest. Our staff members get a full lunch in the canteen.

All employees with limited abilities are integrated into the company's life and are an regular part of the team. Firstly, they have a status equal to that of other employees and are also covered by the collective bargaining agreement. This means they have all benefits such as facilities for health improvement, financial aid, bonuses etc. Secondly, all such employees are involved in Obolon's corporate events, celebrations etc. Furthermore and quite importantly for them, employees have a free examination by the doctors and can have all necessary medical tests done at Obolon Clinic No. 1.

*"People with a disability can be equally effective employees if their medical condition is taken into account when they are hired and one is careful about selecting their occupation, workplace and official duties. Employment offers not only a wage but also other benefits such as communication, self-realization and career, a certain social status, completeness of life, etc.*

*Popular myths of employers about how the disabled work include the myth that people with a disability cannot find common language with other staff members. This is not the case — on average, persons with a disability are more loyal, reliable and productive than their colleagues without a disability. They appreciate the social contact available through the job. Adjustment to the team is an individual matter and depends on the character and culture of the organization rather than the person's disability. The main thing is the desire to work, to be useful to society, to realize yourself, to grow professionally. In turn, the company gets steady workers with initiative, with genuine patriotism and this makes a significant contribution to the support of a domestic producer."*

*For people with special needs, Obolon is something more than just an employer, because this is where we communicate, are involved in social life. The factor of human attitude is very important in our work. We see that we are trusted increasingly, more from year to year as new interesting tasks are given to us. Besides, from my own experience, the company is strongly focused on conditions in which people with special needs work. I had to work in a few companies where the work schedule was tougher and so was the management's attitude to their subordinates. Here it's all different, more humane. This is the basis for a successful operation."*

**Liudmyla Yanytska**

First Deputy Director of the Marketing Department for Beverages in charge of the work of people with special needs

**Roman Hromskyi**

Senior Agent of the Drinks Market Marketing Department



## Occupational Health and Safety



Recently, the issue of occupational health has become ever more important at companies. All employees want to work in comfortable and safe conditions. Obolon follows a modern approach to occupational health — this is the certified occupational health and safety management system, OHSAS 18001:2007 and an effective monitoring system. Obolon's performance in occupational health speaks for itself (no lethal outcomes, a reduced number of accidents).

An orientation which gives priority to the life and health of people working at the Corporation's facilities is among the key elements of Obolon's policies.

- **In 2010 Obolon JSC took engineering, technical and organizational measures to improve occupational health worth UAH 5,164,000.**

In 2010 Obolon JSC took engineering, technical and organizational measures to improve occupational health worth UAH 5,164,000. It assessed 141 workplaces, trained and tested the knowledge of 4,675 employees. In addition, Obolon actively involves its employees in the process of ensuring occupational health. For example, April 2011 was declared occupational health month. Its outcomes were laid out on 28 April, the World Day for Safety and Health at Work. This month's events included a thematic contest aimed at finding the best units and encouraging others to meet occupational health rules. The best work units and the best managers were established during comprehensive inspections and analysis in terms of occupational health.



**Obolon's practice of providing equal opportunities of women and men**

Traditionally, quite a lot of women have always worked in the food industry. Obolon JSC is no exception — over 28% of our staff are women. The company understands that supporting women's rights to their families, rest, etc. will motivate them even more to work. Thus, their performance goes up, and the company only benefits. Furthermore, a clever gender policy improves the atmosphere in the company's team.

Fundamental rights of women and men have always been laid out in the collective bargaining agreement which has been in place at Obolon JSC ever since it started operations. Equal labor rights were set for everyone, men and women alike, from the outset. With time, the company only expanded opportunities and improved working conditions. For example, as concerns child care, a family vacation etc.

Gender equality is achieved even in terms of both sexes' equal access to maternity leave. Though it is women who traditionally go on maternity leave in Ukraine, there are cases when our men took the responsibility of childcare. The main thing, however, is that the company holds their job until they return from leave — this is very important now.

The new collective bargaining agreement in effect from early 2010 introduces the position of ombudsman for gender issues.

By the way, Obolon came first among the best employers which implement principles of fair gender policies. In December 2010, Kyiv hosted the summary meeting of the first National Competition 'Equal Opportunities: Best Employer 2010.' This competition was held to single out Ukrainian companies with the best policy for promoting equality of women and men. The competition was held under the auspices and with the active support of the Ministry of Labor and Social Policies of Ukraine, the project of the EU and International Labor Organization called 'Equality of Women and Men in the World of Labor' and the European Business Association. Obolon got top recognition in the category 'Equal Opportunities — the Best Employer (Over 1,000 Employees)'.

**Obolon's 2011 plans include development of the company's gender program to generalize men's and women's employment rights and introduce new practical steps to improve the existing practices.**

## Obolon for equal opportunities of men and women



## Corporate Culture and Volunteers

A unique corporate culture based on highest human and patriotic values has evolved in Obolon Corporation after many years.

Publication of a corporate magazine, the Obolon Newsletter, is among the components of internal corporate communications at Obolon. It deals primarily with developing the corporate culture and raising employee awareness.

In addition, employees go to football games of the Obolon Football Club in the new Obolon Arena stadium.

Implementation of the Green Office principles is one of the modern aspects of the corporate culture's development.

In 2010 all employees of the Corporation celebrated the 30th anniversary of the Kyiv-based Obolon brewery.



The event was held in Kyiv, in the Obolon Arena football stadium, and involved over 2,000 Obolon staff members.

Guests came with special invitation cards that entitled them to participate in a drawing and win valuable prizes.

The celebration was in the form of a grand family picnic. Invitees could fully enjoy cool beer, kvass and other drinks, as well as sample hot barbecue snacks.

Apart from tasty treats, guests were in for beer competitions such as tug-of-war, ball games, volleyball etc. Anyone could leave their message for the future in the Time Capsule and make a unique festive commemorative T-shirt.

The official section started with greetings from Oleksandr Slobodian, President of Obolon Corporation, who wished all Obolon staff members 'good health, great human happiness, success for their families, their company and mother Ukraine!'. The President concluded his greeting with a toast 'For Obolon!' and raised a goblet of beer. He was supported by 2,123 employees. This was a new Ukrainian record.

The festive mood was promoted by the Masters of Ceremonies, Serhiy Prytula and Andriy Molochnyi, by the humor duo Faina Ukraina, and the positive festive wave was further elevated by bands such as Mandry and Mad Heads XL.

The celebration's highlight was a group photo of employees in the form of a heart.

Then it moved on to a drawing where one could win valuable prizes. The main prize was a certificate for UAH 5,000 for a trip around Ukraine for two.

At the end, guests were given some rock drive by Vopli Vidopliasova and their frontman, Oleh Skrypka.

Obolon encourages and supports the involvement of its employees in volunteer efforts and there are a variety of social programs aimed at improving social welfare. Corporate volunteerism is part of corporate charity within which the company voluntarily assigns resources (including volunteers) to support socially meaningful areas, so that social welfare can be improved and a favorable public opinion of the company can be formed. The 10-year-old donor movement was one of the first manifestations of corporate volunteerism at Obolon.

## How Obolon celebrated its 30th anniversary



## Corporate volunteerism: the contribution of Obolon employees to blood donation

Our society is of the opinion that the problem of donated blood has been solved in the modern world. People think that hospitals' need for donor blood is fully catered for, especially for the most widely spread blood types — O and A. In fact, there is a constant lack of donor blood worldwide, while in Ukraine this is an acute problem.

Any of us may need a blood transfusion. Every day the lives of thousands of sick people are at risk because of a lack of blood donations. Also, blood is needed to make a lot of vital medicines.

According to the WHO, 12-15 ml of blood is required for one resident, while we have only 8-8.5 ml. Sometimes, potential donors refuse to give blood in the belief that nobody needs their blood type. However, the more widely spread a blood type is (O or A), the larger the need for it because there are more sick people with this type than with others.

Obolon has a rich corporate culture, and our employees have taken part in Donation Days for almost 10 years now. The company supports and encourages the good intentions of its employees. We are proud that increasingly more Obolon staff members are involved in the donor movement!





The donor movement was organized in the Kyiv-based brewery of Obolon as early as in 2001, and every year increasingly more Obolon staff members become donors. Every year in November, the facility houses a mobile laboratory of the Kyiv City Center for Blood Transfusion. All volunteering employees give their blood. This does not harm their main activities, since the schedule is approved by their supervisors, and all workflows are set up beforehand to cater for the donors' absence from their workplace. The administration fully meets all statutory requirements and provides donors not only with a day-off on the date they give blood but also an additional vacation day.

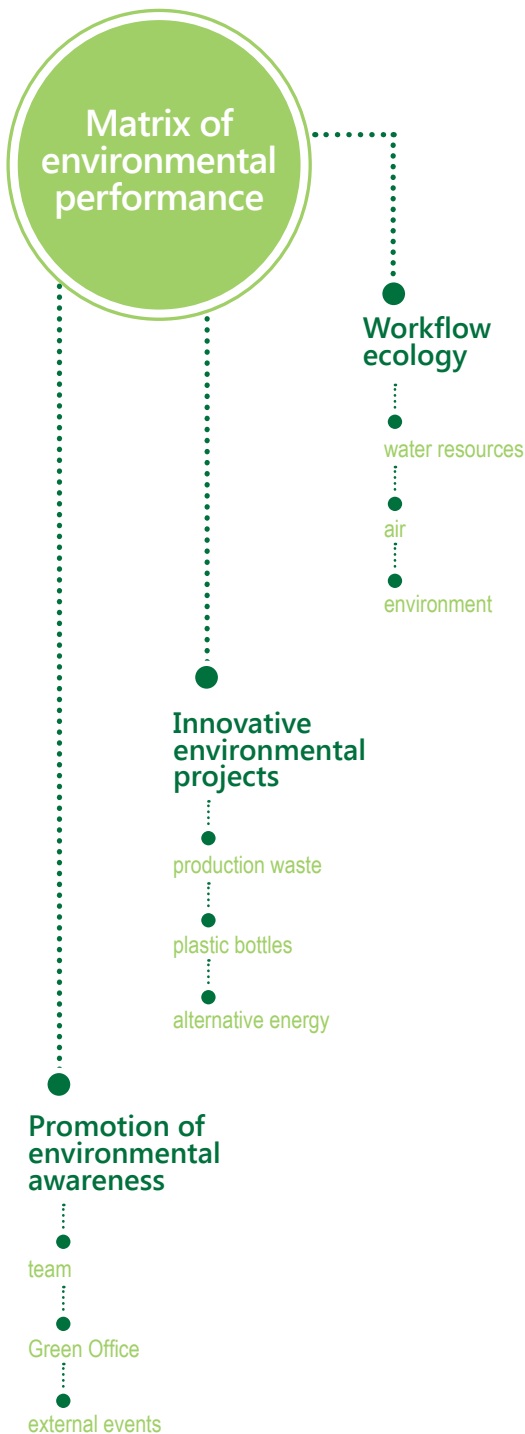
Obolon PC's donor movement is extremely meaningful for Kyiv because, in addition to a large volume of blood donations, our donors are on the list of the Kyiv City Center for Blood Transfusion and give blood again when there is an urgent need.

Sometimes it happens that an employee or their family member urgently needs donor blood. This is when our company comes to help at once. In such cases doctors have access to the database of donors who are brought by buses to the Blood Giving Center.

In 2010 the Donation Days were held in Obolon's Kyiv-based brewery on 23-24 June. 73 employees of the company gave their blood to become donors.

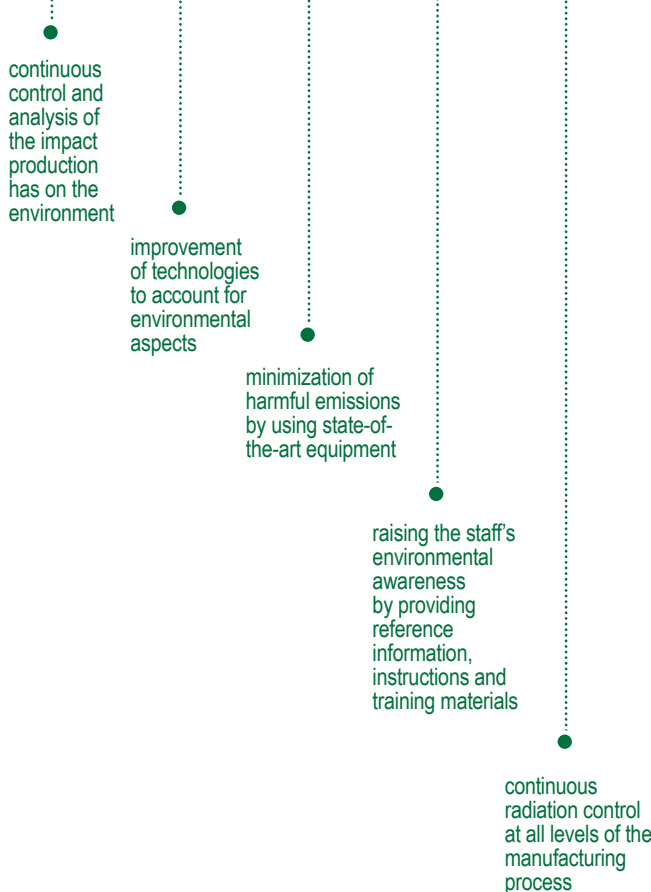


34 • **Comprehensive environmental culture**



Obolon JSC invariably follows principles of harmonious coexistence, interaction and continuous dialogue with society. We are aware of our responsibility for our natural environment. This is why Obolon Corporation promotes a comprehensive environmental culture supported by the implemented standard of environmental management systems ISO 14000. This has resulted in a consistent reduction in our specific impact on the environment (production of waste, consumption of energy and water, emissions into the air).

**Basics of environmental management observed by Obolon Corporation**



● **Obolon Corporation spent UAH 75 mln. on environmental protection in five years and UAH 21 mln. in 2010.**

## Atmosphere

Atmospheric emissions are also a relevant issue, because the Corporation's main facility is based in densely populated Kyiv. Our Corporation shows how responsible it is on this issue, too. Our main air pollutants are the heat station, the grain elevator and vehicles.

The heat station that produces steam for beer brewing is ultra-modern and uses gas. So any emissions the heat station produces are so reduced that are much lower than allowed rates. Even though the heat station has been commissioned already, its construction is not over yet, since there are plans to expand its capacity. Engineers regularly introduce innovations to capture and reuse heat energy.

The grain elevator has the most effective dust cleaning systems which reduced grain dust emissions by 40%.

The car fleet also reduces emissions into the atmosphere both through logistics and replacement. For example, the truck fleet gradually is moving from gas and liquid fuel to electricity.

## Water resources

Water is the foundation not only of life but also of our Corporation's production. This is why ours is a very special and frugal attitude to every drop of water. It is manifested in recycled and reverse use of water to achieve maximum economy of water resources and in the regular modernization of technology.

The results speak for themselves: the percentage of water recycled by Obolon PC grew 89% in two years. Thus, 67% of water is reused by the company.

The average water consumption at Obolon JSC to produce 1 liter of product is about 2.7 liters. On average, the industry spends 5 liters of water per 1 liter of the finished product worldwide. During beer brewing, which is more costly, Obolon PC uses an average of 3.5 liters of water to produce one liter of the finished product.

## Workflow Ecology

Water consumption for production purposes (in liters per liter of finished product)



## Energy efficiency at Obolon brewery: the heat recycling project

Obolon regularly implements measures to reduce energy consumption. The company's energy policies not only meet Ukrainian laws but also take into account international standards and best practices. In addition, the difficult situation the beer industry has been facing over the past couple of years and repeated raises of excise taxes drive Obolon to be even more active in reducing costs and improving performance. This is supported by implementation of energy efficiency programs that not only increase workflow effectiveness but reduce the impact of production on the environment.

This time we are speaking about the energy recuperation system at boilers of the Kyiv-based brewery.

Energy recuperation involves two stages: the preliminary wort warm-up installation and the vacuum vaporization installation.

- **22% — steam savings for 1 boiling round after the energy recuperation technology was implemented in Obolon brewery.**

The preliminary wort warm-up installation allows for accumulating heat energy of secondary steam from the wort-boiling boiler in an energy accumulation tank. This accumulated energy is channeled to warm up wort, thus reducing total steam consumption.

The vacuum vaporization installation allows additional vaporization of humidity from wort and, as such, a savings of primary heat energy (steam).

These installations are run on 2 and 3 boiler sections of the Kyiv-based brewery. The project was completed in September 2010. The energy recuperation equipment cost EUR 1 mln. and was supplied by a German company, Ziemann. Commissioning of the energy recuperation system offers significant economy — 22% of steam for one boiling process.



*Recuperation means recovery of part of energy for reuse in the same manufacturing process.*



## Energy resources

Managing consumption of energy resources became especially acute two years ago when energy carriers got more expensive and the economic crisis broke out. Obolon Corporation is continuously improving workflows to save resources, thereby providing a sizeable positive environmental effect in addition to the economic one.

For example, the Kyiv-based brewery has installed new powerful and economical boiler sections which reuse heat and save 633,000 cubic meters of natural gas a year or UAH 1.7 mln.

Furthermore, wort-boiling rooms are equipped with installations that capture heat generated when wort starts boiling. The heat so generated is channeled to maintain temperature required to keep wort boiling. This minimizes environmental impact and helps reduce heat consumption.

Apart from the above examples of introduction of energy-saving equipment, Obolon JSC looks further for ways to reduce consumption of energy resources. For example, it expects to reconstruct the hot water supply system for the facility using the heat of secondary steam.

## Environmental impact

The result we are proud of is that Obolon sells, processes and reuses over 84% of the waste it produces, thus demonstrating its responsible attitude to environmental problems in Ukraine.

Specific waste generation is among the significant indicators of how effective the Corporation's measures are in the environmental area. This figure consistently goes down, proving that Obolon Corporation's environmental policies are successful.

In 2010 as a whole, Obolon achieved a lot in reducing its environmental footprint:

- decreasing grain dust emissions from the elevator by 33%;
- decreasing generation of wet grain waste by 43%;
- reducing overall generation of waste by 21%.

**Specific generation of waste  
(tons per thousand decaliters)**



## Innovative Environmental Projects

Obolon Corporation makes significant investments in environmental projects which not only improve the environment but also are useful for the company's core activities. We are aware of Ukraine's environmental problems. This is why Obolon responsibly treats both the production culture and its product at all stages of its life-cycle. We are aware that Ukraine's environmental problems are caused not only in air pollution but also generation of household waste. So, we are developing a collection and recycle system for the package in which our products are distributed, thus minimizing environmental impact.

### Grain recycling

Obolon is the first company in Ukraine to start recycling of grain (brewing waste).

This innovative technology allows for recycling production waste into an environmentally friendly product used by farms as nutritious fodder for cattle. The dry granule installation has been operating in the Kyiv-based facility since April 2008. It can process up to 700 tons of wet grain a day without any harmful impact on the environment. This results in a significant reduction in generation of wet grain waste — by 71% in three years — and improvement in the sanitary condition of the area; plus reduction of atmospheric emissions of vehicle exhaust through transportation of a lesser quantity of wet grain.



## PET bottle recycling and collection

Aware of its responsibility to society, Obolon has been independently recycling PET bottles since 2002, which is a unique phenomenon for the Ukrainian market. In 2003 the facility in Oleksandria installed equipment to recycle used PET bottles. First it only involved crushing bottles and selling the so-called flake for export, where it was further processed abroad. However, in 2008 the company decided to make the end product from flake itself. For this purpose it purchased modern German equipment with the capacity of 125 kg an hour to produce strips from 100% recycled flakes. This is the first strip manufacture in Ukraine. In a year, this facility recycles over 800 tons of PET packages into raw materials.

- **In one year, Obolon Corporation recycles an equivalent of 23 mln. plastic bottles.**

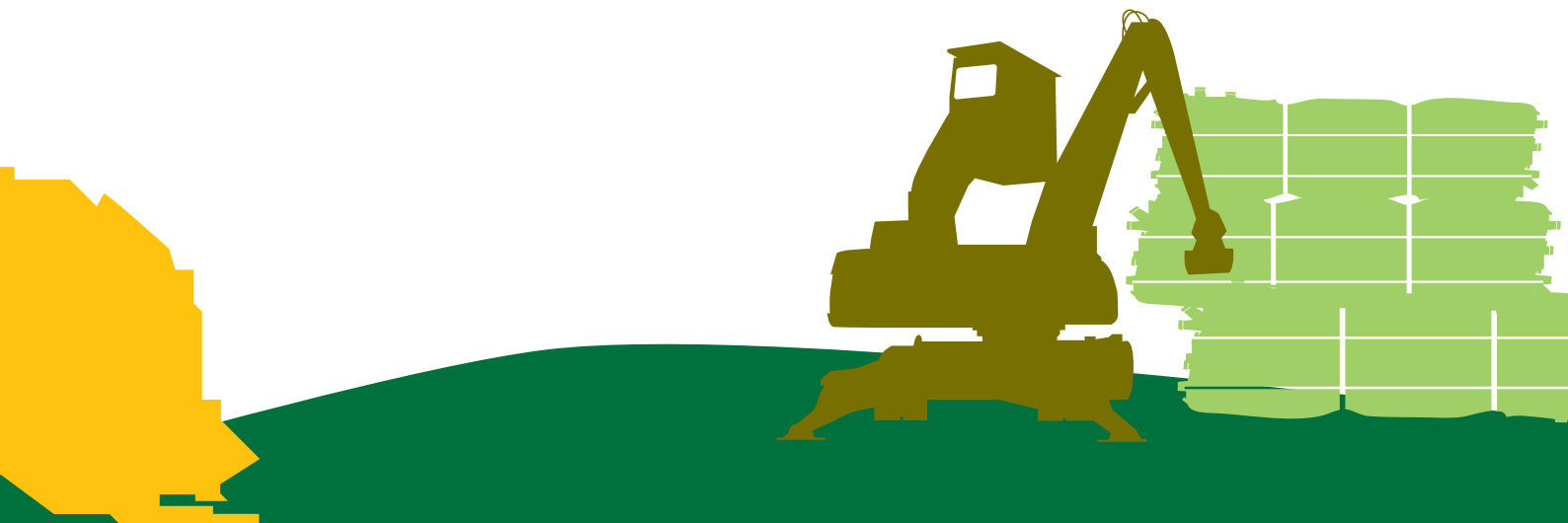
Also, for a couple of years Obolon JSC has been implementing an environmental project of PET bottle collection in Kyiv, involving installation of special containers.



## Alternative energy: fuel production from plastic waste

To promote this area, the Corporation set up Obolon Oil, an energy company which built a research and industrial installation for production of fuel from polymer waste in Horodok, Khmelnytskyi Oblast. It can process and recycle both industrial and household secondary polymer waste.

In the future, we plan to invest in increasing production of alternative energy sources on an industrial scale to provide for our own needs for fuel and recycling of harmful waste. To this end, we are looking for suppliers of such raw materials.



## Promotion of Environmental Awareness

Over the past two years, Obolon has become more active in raising environmental awareness of its staff and of the population in general.

For a few years already, the Corporation's facilities have been implementing energy-saving technologies not only in production, but also in buildings and offices. A caring attitude to the environment is among the elements of corporate culture.

Environmental knowledge is mandatory for all officials whose work is related to use of natural resources and has a bearing on the natural environment.

All employees have been made aware of the Green Office principles within the internal communications program and put them into practice.





# Environmental statistics

Description	Unit	2006	2007	2008	2009	2010
Environmental protection costs	thousand UAH	3 535	37 131	5 047	7 828	20 920
Total generation of waste	TOH	141 519	196 081	131 442	103 449	66 923
Own processing, sale and recycling of waste	%	90,09	86,83	75,72	88,66	84,29
Atmospheric emissions from heat and steam production	tons	32 521	35 181	46 940	47 426	54 188
Water consumption	th.cub.m.	4 409	4 608	4 525	3 614	3 537
Energy consumption	th.kWh.	78 008	78 165	83 255	64 558	68 759
Natural gas consumption	th.cub.m.	15 960	18 532	23 160	24 829	26 260

• For more information, go to Obolon Corporation's official website at <http://www.obolon.ua/ukr/corporate-responsibility/ecology/>

# 42 • Social investments

## Promotion of the revival of high spiritual values, historical and cultural heritage

Obolon Corporation has been actively investing in social projects for over fifteen years. This is the company's area of versatile activities that include educational projects, aid to socially vulnerable strata of the population, promotion of the revival of spiritual values, historical and cultural heritage and development of sports. Every year Obolon puts together a social budget and assigns part of its products within socially focused projects.

## The program of development of Ukrainian book publishing

Over the past 15 years Obolon supported publication of over two hundred textbooks, guides, collections, catalogs, reference books, fiction, scientific, historical and children's literature. Special emphasis is put on supporting books that encourage national awareness, Ukrainian textbooks, historical literature.

## Support of historical and architectural monuments

Obolon is involved in renovation of historical and architectural monuments, such as the Temple of the Protecting Veil of the Mother of God in Mariupol, the Church of Volodymyr the Great in Vyshgorod, Saint George Monastery on Cossack Graves in Pliasheva (Rivne Oblast), Saint Panteleimon Church in Lubny (Poltava Oblast), the Church of Saint Martyr Liudmyla in Horodok etc. The company also helps establishments of culture, for example, the National Museum of Taras Shevchenko in Kyiv, the Museum of Hetmans, the National Museum of Ukrainian Folk Decorative Arts and the Museum of Ivan Honchar.



We are very proud that Obolon Corporation promotes children's football in Zmina SDUSHOR, which trains children aged 7 to 18. The company also sponsors international sport competitions, including the International Football Tournament for Children and Adolescents held 15 times already at Kyiv School No. 170 and the Zmina Sports School.

Obolon, a professional football club that plays in the Supreme League, has a special place in the Corporation's system of social investments.

In addition, the company's funds were used to build the modern Obolon Arena stadium for the club in the Obolon District of Kyiv. Now this football complex can host high-profile games and will be one of the training bases for Euro-2012.

In 2010 Obolon Corporation continued cooperating with the Supreme League as the general sponsor of the Football Championship of Ukraine.

For a few years in a row, Obolon has supported the Petro Yatsyk International Contest of the Ukrainian Language held by the League of Ukrainian Sponsors. Every year the company offers prizes for the contest's winners — children from all over Ukraine and the Diaspora.

Obolon supports Kyiv Arts School No. 5, where artistically gifted children study.

In 2010 Obolon supported Sviatoslav Vakarchuk's Foundation, The People of the Future, within the Education Around the Country project.

The Corporation maintains partnerships with NGOs that bring together orphaned children, the disabled and people with special needs, veterans.

It also provides aid to individuals, families with many children and three family-type orphanages. This is special targeted aid provided directly to families. This format of cooperation is more effective and, most importantly, long-term. Obolon never stopped and continued financing family-type orphanages even during the crisis.

## Development of Ukrainian sports



## Educational projects

## Aid to socially vulnerable strata of the population

## The list of main partner organizations that regularly receive in-kind and financial aid from Obolon JSC

### History, culture and arts

- International Charity Foundation League of Ukrainian Sponsors
- Ivan Franko National Academic Drama Theater
- Literaturna Ukraina, a newspaper of Ukraine's writers
- The Church of Saint Mykola (Prytyska) in Kyiv
- The Temple of the Protecting Veil of the Mother of God in Mariupol
- The Church of Volodymyr the Great in Vyshgorod
- Saint George Monastery on Cossack Graves in Pliasheva (Rivne Oblast)
- Saint Panteleimon Church in Lubny (Poltava Oblast)
- The Church of Saint Martyr Liudmyla in Horodok (Khmelnyskyi Oblast)
- The Church of the Protecting Veil of the Mother of God in Teofipol (Khmelnyskyi Oblast)
- The Church of Saint Mykolay in Fastiv (Kyiv Oblast)
- The Church of Assumption of Virgin Mary in Okhtyrka (Sumy Oblast)
- The Ukrainian Institute of National Memory
- The National Museum of Taras Shevchenko in Kyiv
- The Museum of Hetmans
- The National Museum of Ukrainian Folk Decorative Arts
- The Museum of Ivan Honchar

### Education and sports

- Kyiv City Center of Social Services for the Family, Children and Young People
- The Office for the Affairs of the Family and Young People at Obolon District State Administration
- Zmina Sports School
- DGO Obolon-Grand Master
- The Foundation for Development of Rugby for Children and Young People in Ukraine
- Kyiv School No. 170
- Children's School of Arts No. 5 in Kyiv
- The International Charity Foundation 'Sports and Children'
- 'In Children's Palms' NGO
- The All-Ukrainian Youth NGO 'Leadership, Youth, Novation'
- Student Fraternity of the National University of Kyiv-Mohyla Academy
- Shyshaky Oblast Gymnasium-Type Boarding School for Gifted Children (Poltava Oblast)



- The placement center for homeless minors within the Ministry of Internal Affairs, Kyiv
- Mostysche Specialized Grade I-II Boarding School
- The National Foundation of Social Protection of Mothers and Children — 'Ukraine for Children'
- Charitable Organization 'Children — Our Future'
- Saint Mary's International Charitable Foundation



## Organizations of the disabled

- Society of Disabled Mothers 'Soniachnyi Promin' [Sunray], Obolon District of Kyiv
- The Art Association of Children and Young People with Limited Abilities 'Dimfo', Kyiv
- The Rehabilitation Society of Disabled Children 'Dytynstvo' [Childhood], Kyiv
- Obolon District Organization 'Dity Chornobyla' [Children of Chernobyl]
- The Foundation of the Chernobyl Disabled, Obolon District of Kyiv
- Kyiv Association of the Disabled with Cerebral Palsy 'KASITsEPS'
- NGO Rehabilitation Center for the Spinal Disabled 'Vidrodzhennia' [Renaissance]
- Podillia District Center of the Disabled 'Yednist' [Unity]
- Kyiv Organization of the Ukrainian Society of the Blind
- Kyiv Organization of the Ukrainian Society of the Deaf
- The Association of NGOs of the Disabled in Kyiv
- Dniprovskiy District Society of the Disabled with Disorders of the Musculoskeletal System
- Children's NGO 'Cerebral', Darnytsia District of Kyiv
- Kyiv Center of Vocational Guidance for Children with Disabilities
- NGO 'Horytsvit' (Novobilychi Psychoneurologic Male Boarding School)



## Veterans

- The All-Ukrainian Association of WW2 Veterans
- Kyiv City Charitable Foundation for Social Protection of Prisoners and Victims of Nazi Persecution
- The Organization of the Disabled of War and Military, Obolon District in Kyiv
- The Society of Afghan War Veterans, Obolon District in Kyiv
- Kyiv Hospital for the WW2 Disabled

46 • Prizes Received  
in 2010

Competition, exhibition	Subject of recognition	Prize
Beer Fest-2010 (Kyiv, Ukraine)	Obolon TM (the largest beer output)	Amber Star, diploma
	Zhyvchyk TM (the largest beverage output )	
	Zhyvchyk TM (the best design of appearance)	Honorable Cup, diploma
	BeerMix Raspberry	Grand prix, diploma
	Obolon Zhyve [Live]	
	Zhyvchyk Pear	
	Obolon Pshenychne [Wheat]	
	Obolon Soborne [Cathedral]	
	Obolon Mitsne [Strong]	
	BeerMix Lemon	
	BeerMix Energy	
	BeerMix Grapefruit	
	Obolon Svitle [Light]	
	"hike premium"	
	"hike premium light"	
	Obolon Pineapple drink	
	Obolon Premium	
	Bitburger Premium Beer	
	Magnat	
	Zhyvchyk Lemon	
	Zhyvchyk Apple	
	Zhyvchyk Still	
	Obolonska water	Silver Medal, diploma
	Zibert Svitle [Light]	
	Zibert Bavarske [Bavarian]	
	Zibert Bile [White]	
	Obolon Oksamytove [Velvet]	
	Bohatyskyi kvass	
	Prozora soda water	
	Prozora still water	
Okhtyrska potable water		
"Cosmopolitan"		
Icelife Grapefruit	Silver Medal, diploma	
Pidhirna potable water		
Zhyhulivske		
Obolon Bezalkoholne [Non-alcohol]		
Desant Svitle [Light]	Silver Medal, diploma	
Okhtyrske Svitle [Light]		

Competition, exhibition	Subject of recognition	Prize
Contest 'Best Corporate Media of Ukraine 2010'	Corporate website	Diploma 'For Impeccable Conformity to Business Goals'
	Social Report for 2009	Diploma 'For the Style and Quality of Design'
	Magazine 'Obolon Bulletin'	Grand prix, diploma
Gratitude from Era FM radio station for exclusive partnership in broadcasting the World Football Championship, FIFA 2010	Obolon JSC	Gratitude
The Ukrainian Book of Records	hike TM	Diploma for the Ukrainian Record 'Hike Dance With Most People' - 1,300 people
XIII Berdiansk International Film Festival	Oleksandr Slobodian, Obolon JSC	Diploma of the Partner
DZOV Lisova Pisnia	Oleksandr Slobodian, Obolon JSC	Gratitude
2010 Ukraine's Most Reputable Companies Award	Obolon JSC	Diploma (12th place)
'Equal Opportunities — the Best Employer 2010'	Obolon JSC	Diploma, award (Gold winner for a category of 1,000+ employees)
Ukrainian Umbro League	Obolon JSC	Gratitude for contribution to the development of amateur football in Ukraine
20th anniversary of the State Employment Service of Ukraine	Obolon JSC	Commemorative plate, diploma (Best Employer 2010)

# 48 • Table of Conformity to GRI



This Report of Obolon Corporation was prepared in compliance with international standards of non-financial reporting for sustainable development, GRI v3, and meets Grade B criteria. You can find the complete expanded table of conformity of this Social Report to GRI standards on the official website at: <http://obolon.ua/ukr/corporate-responsibility/social-reporting/>

GRI	Page	UNGC	GRI	Page	UNGC	GRI	Page	UNGC
<b>• Strategy and analysis</b>			<b>• Economic figures</b>			<b>• Labor relations</b>		
1.1	6		4.15	*		LA1	24	
1.2	1, 9		4.15	7		LA2	24	6
<b>• Characteristics of the organization</b>			<b>• Environmental safety</b>			LA3 (add.)	24, 25	
2.1	48		EC1	14		LA4	*	1, 3
2.2	14		EC3	25		LA5	*	3
2.3	9		EC5 (add.)	25	1	LA6 (add.)	24, 28	
2.4	48		EC6	22		LA7	24, 28	
2.5	18		EC8	42		LA8	28	
2.6	9		EC9 (add.)	42		LA9 (add.)	*	
2.7	18		<b>• Human rights</b>			LA10	24	
2.8	9		EN1	41	8	LA13	24, 28	1, 6
2.9	9		EN2	35, 41	8, 9	LA14	24, 28	1, 6
2.10	46		EN3	36, 38	8	<b>• Social aspects</b>		
<b>• Report parameters</b>			EN4	38	8	SO3	10	10
3.1	7		EN5 (add.)	36		SO4	10	10
3.2	7		EN6 (add.)	38		SO7 (add.)	10	10
3.3	7		EN7 (add.)	36, 41		<b>• Product and consumers</b>		
3.4	48		EN8	41	8	PR1	20	1
3.5	7		EN9 (add.)	35	8	PR2 (add.)	20, 22	1
3.6	7		EN10 (add.)	41	8, 9	PR5 (add.)	22	
3.7	7		EN16	41	8	PR6	22	
3.8	7		EN17	38	8			
3.9	7		EN18	35	8, 9			
3.10	7		EN20	41	8			
3.11	7		EN21	41	8			
3.12	47		EN22	41	8			
<b>• Interaction with stakeholders</b>			EN23	41	8			
4.1	7		EN26	31	8, 9			
4.2	*		EN27	31	8, 9			
4.3	*		EN29 (add.)	33	8			
4.4	*		EN30 (add.)	31, 33	8, 9			
4.8	6, 30							
4.11	35							
4.12	7							
4.13	*							
4.14	3							

Indicators that were not covered in the Report are not shown in the Table.

\* — the issue is covered on the corporate website at [www.obolon.ua](http://www.obolon.ua)



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2009



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