

REGIONAL CSR RATING SHOWS A LACK OF TRANSPARENCY ON THE ROMANIAN CSR MARKET

11 May 2009, Bucharest - **Braun & Partners Network** published results of **CSR 24/7** rating for four countries of the Central-Eastern European region today. The research methodology evaluating CSR performance and communication was applied for top Romanian, Hungarian, Bulgarian, and Polish companies by revenue. For Romania, Braun & Partners used the first 25 companies from "Top 100 most valuable companies in Romania" by Ziarul Financiar. Regional CSR rating shows leading position of Hungarian and Polish companies, as well as general lack of communication about responsible corporate practices.

The regional CSR 24/7 Top100 list published by Braun & Partners Network contains Top 20 companies by revenue, including the three largest banks and two largest insurance institutions from Romania, Hungary, Poland and Bulgaria.

CSR 24/7 is a CSR rating developed by Braun & Partners to assess the CSR performance of companies based on publicly available information accessible to all stakeholders. Rating methodology is based on Accountability standards, GRI indicators, and triple bottom line principles and good practices. Methodology is based on 7 domains including transparency and communication; corporate governance; stakeholder relations; environmental responsibility; economic responsibility; society; human resources.

The "CSR 24/7 CEE-100 Composite Index" has a value of 6 (25%) for 2009. The Index measures performance on the regional level, and includes results of the Top20 companies from the four rated countries.

Results show the Romanian (with an average company performance of 17%) and Bulgarian (15% company performance) companies are in the first phase of developing more socially and environmentally responsible operations, while the leading positions are occupied by Hungarian (33% company performance), and Polish companies (26% company performance). Romanian companies with 0% company performance are Arcelor Mittal Galati, British American Tobacco and Interbrands Marketing & Distribution.

In Romania, Petrom got the best result in the country and was ranked among the CEE-100 companies with a score of 48%. The best ranked company in Poland, Grupa Lotos, also an oil company, received a score of 60%. The first ranked company in the region, was the Hungarian telecommunication company, Magyar Telekom (subsidiary of Deutsche Telekom), with a score of 79%. In Bulgaria Asarel Medet (Materials sector) and Kozloduy (nuclear power plant) achieved highest score (29%).

On the 7 domains of the Rating, Romanian companies have the lowest scores at economic responsibility, human resources, society and stakeholder relations.

Romanian companies have a well developed commercial website, with almost none stakeholder engagement programs, no supply chain responsibilities and partial information regarding human resources. CSR reporting, under international standards GRI (Global Reporting Initiative) is still not embedded in the local CSR culture.

Out of the 7 sectors represented in the Top100 companies, telecommunication scored highest with an average score of 34 %, followed by financials and energy & utilities (26%). Overall regional results show weak performance in the domain of communication about responsible human resources practices (e.g. existence of non-typical employment forms, like part-time or flexible work time) and communication about cooperation with civil society (e.g. systematic corporate volunteering activities).

From the 100 companies 12 have published a CSR report – based on international reporting guidelines – in the last two years, while 22 corporate websites have an easy-to-access CSR or sustainability section.

CSR 24/7 Top 20 companies

Rank	Company	Country	Sector	Total score (%)
1	Magyar Telekom Távközlési Nyrt.	Hungary	telecommunication	79,2%
2	OTP Bank Nyrt.	Hungary	financials	72,9%
3	Mol Magyar Olaj- és Gázipari Nyrt.	Hungary	energy & utilities	70,8%
4	Tiszai Vegyi Kombinát Nyrt.	Hungary	industrials	70,8%
5	Grupa Lotos	Poland	energy & utilities	60,4%
6	MVM Csoport	Hungary	energy & utilities	56,3%
7	Telekomunikacja Polska	Poland	telecommunication	56,3%
8	E.On Hungária Zrt.	Hungary	energy & utilities	54,2%
9	K&H Bank Zrt.	Hungary	financials	54,2%
10	Generali-Providencia Biztosító Zrt.	Hungary	financials	54,2%
11	MKB Bank Zrt.	Hungary	financials	52,1%
12	Grupa Metro w Polsce	Poland	trade	52,1%
13	PKN Orlen	Poland	energy & utilities	50,0%
14	Petrom	Romania	energy & utilities	47,9%
15	Orange Romania	Romania	telecommunication	43,8%
16	E.ON Földgáz Trade Földgázkereskedő Zrt.	Hungary	energy & utilities	37,5%
17	Polska Telefonia Cyfrowa	Poland	telecommunication	37,5%
18	Audi Hungaria Motor Kft.	Hungary	industrials	35,4%
19	PGNiG	Poland	energy & utilities	35,4%
20	Bank Pekao SA	Poland	financials	33,3%

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Background

Braun & Partners Network

Braun & Partners Network is the leading CSR and marketing strategy consultancy in Central Europe. It offers second generation strategic marketing communication services in Central Europe to local and multinational clients. Through its specialised subsidiaries, Braun & Partners Network assists its clients in the field of branding, CSR, stakeholder communication and publishing tools with the development, design and launch of such services. Braun & Partners Network cooperates with partners representing international knowledge and experience in the various fields. Our international strategic partner is Two Tomorrows, a worldwide leading CSR consultancy.

www.braunpartnersnw.com

CSR 24/7

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CSR 24/7 is published in Bulgaria, Hungary, Poland, and Romania.

www.csr24-7.com

GRI

GRI (Global Reporting Initiatives) is an independent civil organisation based in the Netherlands, with the objective of setting up and continually developing an internationally accepted reporting standard. GRI was convened in 1997 by the Coalition for Environmentally Responsible Economies (CERES), together with the United Nations Environment Programme (UNEP). It was founded with the aim of developing the practice of sustainability reporting to the level of financial reporting and ensuring that information published in the reports is comparable, truthful, accurate, up-to-date and verifiable. GRI performs this task worldwide with the active participation of companies, NGOs involved in environmental protection and social issues, audit bodies, trade unions, investors and other stakeholders.

www.globalreporting.org

About CSR reporting

In recent years, many empirical studies have proven that there is a link between the publication of a CSR report and the brand value.

For instance, the largest global research made so far on the subject (Count me in: The readers' take on sustainability reporting; GRI – KPMG Netherlands – SustainAbility) states that "the report on sustainability performance has a strong positive impact on the readers' perception of the company and strengthens the brand value".

According to a research carried out by Interbrand and Business Week in 2007, 80% of the 15 and 43% of the 100 most valuable brands worldwide publish GRI-based CSR reports. According to Business Week, the best brands "attempt to meet their stakeholders' requirements by writing impressive and consistent reports responding to the stakeholders' needs.

The GRI's own research shows a strong link between outstanding profitability and the publication of CSR reports. 64% of the 100 largest global companies rated by Financial Times, Forbes and Fortune publish GRI-reports, while 71% of the 15 largest companies publish reports based on GRI.

CSR 24/7 CEE-100 list

Rank	Company	Country	Sector	Total score (%)
1	Magyar Telekom Távközlési Nyrt.	Hungary	telecommunication	79,2%
2	OTP Bank Nyrt.	Hungary	financials	72,9%
3-4	Mol Magyar Olaj- és Gázipari Nyrt.	Hungary	energy & utilities	70,8%
3-4	Tiszai Vegyi Kombinát Nyrt.	Hungary	industrials	70,8%
5	Grupa Lotos	Poland	energy & utilities	60,4%
6-7	MVM Csoport	Hungary	energy & utilities	56,3%
6-7	Telekomunikacja Polska	Poland	telecommunication	56,3%
8-10	E.On Hungária Zrt.	Hungary	energy & utilities	54,2%
8-10	Generali-Providencia Biztosító Zrt.	Hungary	financials	54,2%
8-10	K&H Bank Zrt.	Hungary	financials	54,2%
11-12	Grupa Metro w Polsce	Poland	trade	52,1%
11-12	MKB Bank Zrt.	Hungary	financials	52,1%
13	PKN Orlen	Poland	energy & utilities	50,0%
14	Petrom	Romania	energy & utilities	47,9%
15	Orange Romania	Romania	telecommunication	43,8%
16-17	E.ON Földgáz Trade Földgázkereskedő Zrt.	Hungary	energy & utilities	37,5%
16-17	Polska Telefonia Cyfrowa	Poland	telecommunication	37,5%
18-19	Audi Hungaria Motor Kft.	Hungary	industrials	35,4%
18-19	PGNiG	Poland	energy & utilities	35,4%
20-21	Bank Pekao SA	Poland	financials	33,3%
20-21	BP Polska	Poland	energy & utilities	33,3%
22-23	Jeronimo Martins Dystrybucja	Poland	trade	31,3%
22-23	Tesco Polska	Poland	trade	31,3%
24-28	Alro	Romania	industrials	29,2%
24-28	Assarel-Medet	Bulgaria	industrials	29,2%
24-28	BRD	Romania	financials	29,2%
24-28	Kozloduy NPP	Bulgaria	energy & utilities	29,2%
24-28	Tesco-Global Áruházak Zrt.	Hungary	trade	29,2%
29-31	BCR	Romania	financials	27,1%
29-31	Transelectrica	Romania	energy & utilities	27,1%
29-31	Vodafone Romania	Romania	telecommunication	27,1%
32-33	Fiat Auto Poland	Poland	industrials	25,0%
32-33	Romtelecom	Romania	telecommunication	25,0%
34-36	Allianz Hungária Biztosító Zrt.	Hungary	financials	22,9%
34-36	Bulgarian Telecommunications Company	Bulgaria	telecommunication	22,9%
34-36	KCM	Bulgaria	industrials	22,9%
37-45	Automobile Dacia	Romania	industrials	20,8%
37-45	Cosmo Bulgaria Mobile (Globul)	Bulgaria	telecommunication	20,8%
37-45	Energa SA	Poland	energy & utilities	20,8%
37-45	GE Hungary Ipari és Kereskedelmi Zrt.	Hungary	industrials	20,8%
37-45	ISD Dunaferr Zrt.	Hungary	industrials	20,8%
37-45	KGHM Polska Miedź	Poland	industrials	20,8%
37-45	Kompania Węglowa	Poland	industrials	20,8%
37-45	Mobiltel	Bulgaria	telecommunication	20,8%
37-45	Romgaz	Romania	energy & utilities	20,8%
46-52	Commercial Union	Poland	financials	18,8%

Rank	Company	Country	Sector	Total score (%)
46-52	Grupa PKP	Poland	logistics	18,8%
46-52	Overgas Inc.	Bulgaria	energy & utilities	18,8%
46-52	Petrol	Bulgaria	energy & utilities	18,8%
46-52	PKO BP	Poland	financials	18,8%
46-52	Samsung Electronics Magyar Zrt.	Hungary	trade	18,8%
46-52	Sofia Med	Bulgaria	industrials	18,8%
53-58	Alcoa-Köfém Székesfehérvári Könnyűfémű Kft.	Hungary	industrials	16,7%
53-58	Allianz-Tiriac	Romania	financials	16,7%
53-58	Budapesti Elektromos Művek Nyrt.	Hungary	energy & utilities	16,7%
53-58	BZWBK	Poland	financials	16,7%
53-58	Lukoil Neftochim Burgas	Bulgaria	energy & utilities	16,7%
53-58	Rompetrol Rafinare	Romania	energy & utilities	16,7%
59-67	ASIBAN	Romania	financials	14,6%
59-67	Carrefour Polska	Poland	trade	14,6%
59-67	CEZ Electro Bulgaria	Bulgaria	energy & utilities	14,6%
59-67	DSK Bank	Bulgaria	financials	14,6%
59-67	National Electricity Company	Bulgaria	energy & utilities	14,6%
59-67	PZU SA	Poland	financials	14,6%
59-67	Raiffeisen Bank Bulgaria	Bulgaria	financials	14,6%
59-67	Spar Magyarország Kereskedelmi Kft.	Hungary	trade	14,6%
59-67	Stomana Industry	Bulgaria	industrials	14,6%
68-76	Bancpost	Romania	financials	12,5%
68-76	Kremikovtzi	Bulgaria	industrials	12,5%
68-76	Lukoil	Romania	energy & utilities	12,5%
68-76	Magyar Suzuki Zrt.	Hungary	industrials	12,5%
68-76	Metro Cash & Carry	Romania	trade	12,5%
68-76	OMV Bulgaria	Bulgaria	energy & utilities	12,5%
68-76	Porsche	Romania	trade	12,5%
68-76	Unicredit-Bulbank	Bulgaria	financials	12,5%
68-76	Volkswagen Poznań	Poland	industrials	12,5%
77-85	Allianz Bulgaria Insurance & Reinsurance Company	Bulgaria	financials	10,4%
77-85	Distrigaz Sud	Romania	energy & utilities	10,4%
77-85	Generali Insurance AD	Bulgaria	financials	10,4%
77-85	Lukoil Bulgaria	Bulgaria	energy & utilities	10,4%
77-85	Macro Cash and Carry	Poland	trade	10,4%
77-85	Panrusgáz Gázkereskedelmi Zrt.	Hungary	energy & utilities	10,4%
77-85	PGE Polska Grupa Energetyczna	Poland	energy & utilities	10,4%
77-85	Selgros Cash&Carry	Romania	trade	10,4%
77-85	Shell Bulgaria	Bulgaria	energy & utilities	10,4%
86-88	Carrefour	Romania	trade	8,3%
86-88	Philips Magyarország	Hungary	industrials	8,3%
86-88	Polkomtel	Poland	telecommunication	8,3%
89-92	Bulgarian State Railways	Bulgaria	logistics	6,3%
89-92	Grupa Tauron Polska Energia	Poland	energy & utilities	6,3%
89-92	K&K Electronics	Bulgaria	trade	6,3%
89-92	Kaufland	Romania	trade	6,3%
93-94	Electrocentrale Bucuresti	Romania	energy & utilities	4,2%
93-94	General Motors Southeast Europe Autóforgalmazó Kft.	Hungary	trade	4,2%

Rank	Company	Country	Sector	Total score (%)
95-100	ArcelorMittal Galati	Romania	industrials	0,0%
95-100	British American Tobacco	Romania	FMCG	0,0%
95-100	Interbrands Marketing & Distribution	Romania	logistics	0,0%
95-100	Jabil Circuit Magyarország Szerződéses Gyártó Kft.	Hungary	industrials	0,0%
95-100	Kumerio Med	Bulgaria	industrials	0,0%
95-100	Sanmina-SCI Magyarország Elektronikai Gyártó Kft.	Hungary	industrials	0,0%