

USING THE ESG PRINCIPLES IN THE STRATEGIC MANAGEMENT OF A COMPANY'S ACTIVITIES: THE CASE STUDY OF THE NK ROSNEFT PJSC

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ABSTRACT

This study considers the implementation of environmental, social, and governance (ESG) principles in the strategic management of the NK Rosneft PJSC. The authors use logical economic methods, such as induction, deduction, formalization, and methods of proof and analogy, and non-logical economic methods, including the historical method in economic knowledge and economic observation, as well as other quantitative and qualitative methods of economic analysis. The study aims at identifying issues associated with the integration of ESG principles and provides practical recommendations for minimizing or eliminating them. The authors emphasize the importance of including ESG principles in the Rosneft development strategy with due regard to the global transition to the green or circular economy. Conclusions are drawn and recommendations are made considering current trends in the ESG development of the oil and gas production sector and the specific activities of Rosneft.

Keywords: green economy, green economy development strategy, ESG principles, Rosneft.

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UTILIZAÇÃO DOS PRINCÍPIOS ESG NA GESTÃO ESTRATÉGICA DAS ATIVIDADES DE UMA EMPRESA: ESTUDO DE CASO DA NK ROSNEFT PJSC

RESUMO

Este estudo considera a implementação de princípios ambientais, sociais e de governança (ESG) na gestão estratégica do PJSC NK Rosneft. Os autores utilizam métodos econômicos lógicos, como indução, dedução, formalização e métodos de prova e analogia, e métodos econômicos não lógicos, incluindo o método histórico no conhecimento econômico e na observação econômica, bem como outros métodos quantitativos e qualitativos de economia. análise. O estudo visa identificar questões associadas à integração dos princípios ESG e fornece recomendações práticas para minimizá-los ou eliminá-los. Os autores enfatizam a importância de incluir os princípios ESG na estratégia de desenvolvimento da Rosneft, tendo em devida conta a transição global para a economia verde ou circular. São tiradas conclusões e feitas recomendações considerando as tendências atuais no desenvolvimento ESG do setor de produção de petróleo e gás e as atividades específicas da Rosneft.

Palavras-chave: economia verde, estratégia de desenvolvimento da economia verde, princípios ESG, Rosneft.

USO DE LOS PRINCIPIOS ESG EN LA GESTIÓN ESTRATÉGICA DE LAS ACTIVIDADES DE UNA EMPRESA: EL CASO DE ESTUDIO DE NK ROSNEFT PJSC

RESUMEN

Este estudio considera la implementación de principios ambientales, sociales y de gobernanza (ESG) en la gestión estratégica de NK Rosneft PJSC. Los autores utilizan métodos económicos lógicos, como la inducción, deducción, formalización y métodos de prueba y analogía, y métodos económicos no lógicos, incluido el método histórico en el conocimiento económico y la observación económica, así como otros métodos cuantitativos y cualitativos de investigación económica. análisis. El estudio tiene como objetivo identificar problemas asociados con la integración de los principios ESG y proporciona recomendaciones prácticas para minimizarlos o eliminarlos. Los autores enfatizan la importancia de incluir los principios ESG en la estrategia de desarrollo de Rosneft teniendo debidamente en cuenta la transición global hacia la economía verde o circular. Se extraen conclusiones y se hacen recomendaciones teniendo en cuenta las tendencias actuales en el desarrollo ESG del sector de producción de petróleo y gas y las actividades específicas de Rosneft.

Palabras clave: economía verde, estrategia de desarrollo de la economía verde, principios ESG, Rosneft.

INTRODUCTION

Throughout human history, individuals have resided amidst the natural world, harnessing its resources within the realm of agriculture to fulfill their production and consumption requirements. The amplification and refinement of production techniques, economic growth and proliferation of industrial hubs, urbanization, migration patterns, and exploration of novel territories expedited by the industrial revolution and the unimpeded advancement of the free market economic paradigm have escalated the strain exerted on the ecological milieu and resulted in its deterioration.

The traditional production-market paradigm of development, which did not solve the key economic and social problems of a globalizing world, began to be challenged when burdensome and complex environmental problems emerged in the 1960s and the negative phenomena and consequences of climate change more recently.

In the late 1960s and early 1970s, the recognition of these phenomena formed the concept of sustainable development. The latter is being transformed together with the concept of eco-development and green economy which is related to the natural environment and similar concepts, including green growth, green governance, greening the economy, and green transformation. The threats associated with the depletion of natural resources, degradation of nature and the environment, and climate change highlight the need to protect nature, preserve the biosphere and environmental values, and restore the functioning of natural ecosystems. Such activities in the economic, social, and political spheres can be described as greening.

The transition to a low-carbon, resource-efficient, and circular economy can have unclear consequences. Therefore, these issues should be regarded as long-term risks.

The study is relevant due to the transformation of business processes in accordance with the new requirements and standards of environmental, social, and governance (ESG) development which, together with the standard disclosure of the economic component, is aimed at providing an integrated approach to the implementation of activities and the formation of long-term competitive advantages in target markets.

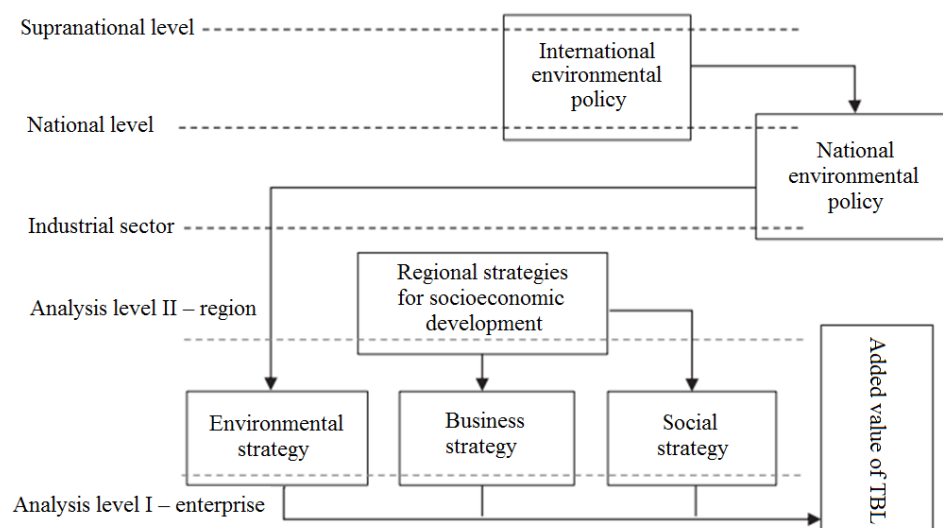
Economic stagnation, increasing inequality, sluggish regional growth, and concerns about environmental pollution have recently revived interest in developing sustainability strategies in the oil and gas sector. For many companies, integrating environmental and economic goals has proven difficult. Environmental and social issues have become challenges

for businesses, especially in developing countries that have built their economies on the oil and gas industry.

According to J. Elkington (2018), the triple bottom line (TBL) is interconnected, interdependent, and partly in conflict due to the existing compromises among social, environmental, and economic aspects. Indeed, the rhetoric of sustainable development has not changed the fact that local businesses are more focused on economic results than on social and environmental issues, leading to unacceptable outcomes for the whole society, such as increasing environmental pollution.

Companies in the oil and gas industry either voluntarily participate in joint implementation projects or do it to win a tender for oil and gas exploration. The high concentration of foreign direct investments (FDIs) in regions rich in natural resources shows that a significant part of the industry is managed/controlled by transnational corporations and large companies, including the NK Rosneft PJSC. As previous studies demonstrate, a trans-regional non-state inspection in the oil and gas industry has the potential to make a positive contribution to sustainable development in certain institutional conditions (Van Zanten, Van Tulder, 2018).

An enterprise strategy model based on TBL, formed by regional, national, and international policies in the field of sustainable development is presented in the form of a diagram (Fig. 1).



Source: compiled by the authors based on (Heim et al. 2023, p. 185)

Figure 1. An enterprise strategy model based on TBL, formed by regional, national, and international policies in the field of sustainable development.

Thus, a significant scientific question is as follows: how can socioeconomic development strategies affect the environmental performance of the oil and gas industry?

METHODS

The study used a qualitative approach to study the implementation of the ESG principles in the strategic management of Rosneft. It comprises a combination of deductive and inductive methods to analyze the data obtained and draw meaningful conclusions.

The theoretical and methodological basis included the works by such scholars as M. Adamovich, E. Barbier, M. Banner, K. Daniek, P. Ginga, M. Castañón, F. Klein, P. Ferguson, J. Elkington, etc. Despite the insufficient elaboration of issues of sustainable development and ESG development of Russian companies, the study used the scientific works by E.A. Borkova, A.V. Bunyakova, I.I. Ivanova, Yu.A. Korobova, I.N. Makarov, A.A. Prudnikova, N.I. Tkachenko, O.V. Tumarkin, D.S. Shalina, T.Yu. Shemyakina, N.N. Yarkina, etc.

The information base of the study consists of publicly available data on the performance of Rosneft in the field of sustainable development (Annual Reports 2020-2022; Sustainability Reports 2019-2021; Rosneft-2022 Sustainable Development Strategies and Rosneft 2030), "Industry Rating of Environmental Openness: Oil and Gas Companies. Russia, 2022", and data from the Business & Human Rights Research Center's "Bridging the Human Rights Gap in ESG" report.

The data used for the analysis was obtained from publicly available sources in compliance with the principles of data confidentiality.

Based on the data analysis and literature review, we developed a conceptual framework that combined the TBL approach and ESG principles. This framework facilitated understanding the connection of environmental, social, and corporate governance aspects in Rosneft strategic management.

RESULTS AND DISCUSSION

Implementation of the ESG strategy by Rosneft

Studying the Sustainable Development Strategy of Rosneft, the following elements are fully consistent with the model under consideration:

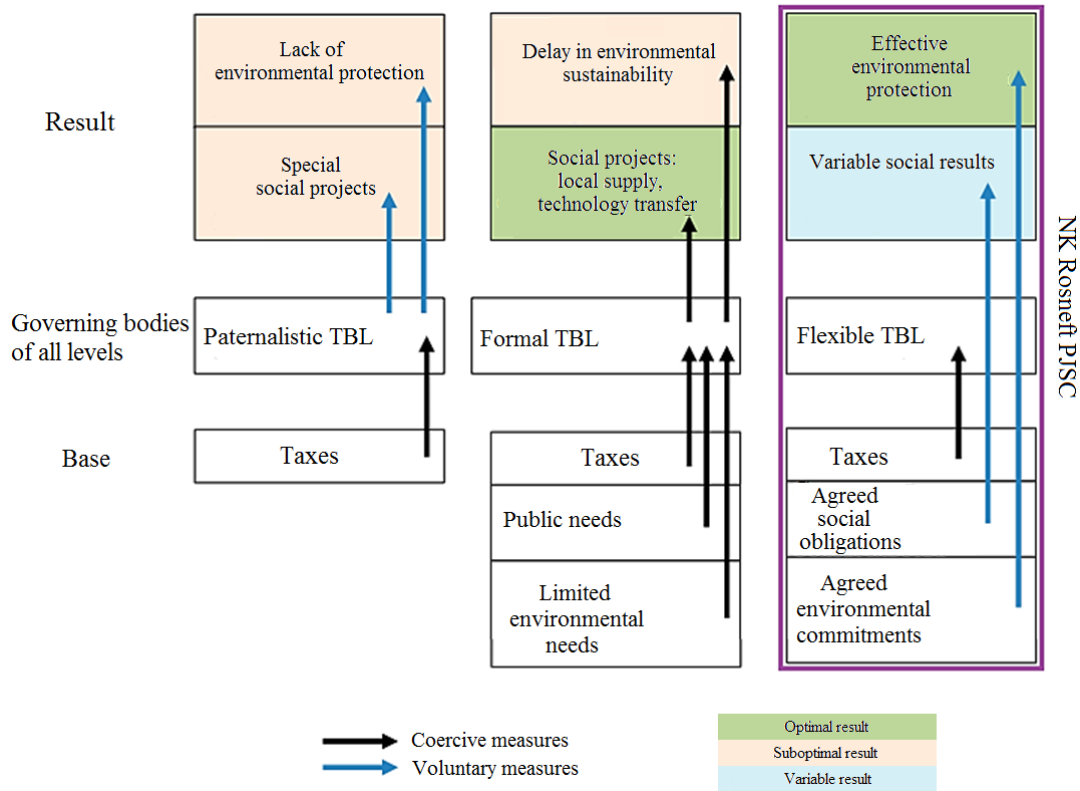
- 1) Compliance with international standards and practices in the field of sustainable

development (activities within the implementation of the UN Sustainable Development Goals (SDGs); long-term implementation of activities under the Paris Agreement in the field of climate risk reduction, etc.); implementation of the priority tasks of the International Association of Oil & Gas Producers on environmental protection, health and safety in the field of refining and marketing of oil and petroleum products in Europe);

2) Compliance with national standards and practices in the field of socioeconomic development, including sustainable development (the basis of the Sustainable Development Strategy is the “Strategy for the socioeconomic development of the Russian Federation with low greenhouse gas emissions until 2050” (Government of the Russian Federation, 2021b), Decree of the Government of the Russian Federation of June 25, 2021 No. 1013 (as amended on November 30, 2021) “On the federal state supervision in the field of protection of the population and territories from emergencies” (together with the “Regulations on the federal state supervision in the field of protection of the population and territories from emergencies”) (Government of the Russian Federation, 2021a), Decree of the Government of the Russian Federation of March 12, 2022 No. 351 “On the disclosure and provision of information subject to disclosure and provision in accordance with the requirements of the Federal Law “On Joint Stock Companies” and the Federal Law “On the Securities Market” (Government of the Russian Federation, 2022), etc.);

3) The presence of business strategy elements (key performance indicators (KPIs), partnership agreements, investment activities, implementation of projects and programs), environmental elements (the reduction of hydrocarbon and greenhouse gas emissions, conservation of water resources, optimized resource provision of producing units, etc.), elements of social corporate responsibility (CSR) (staff training, projects and programs aimed at improving the quality of life of the population, relations with stakeholders, etc.).

As part of implementing its SDGs, Rosneft strives not only to achieve financial results but also to ensure social efficiency and minimize the negative impact on the environment. In a nutshell, a strategy implementation model is based on flexible compliance with the policy and strategies of socioeconomic development (at the local and regional levels (in the territory of the company), as well as at the national level) (Fig. 2).



Source: compiled by the authors based on (Heim et al., 2023, p. 188)

Figure 2. Alternative approaches to TBL (Rosneft Strategy is highlighted in color).

To identify the problem areas of Rosneft Sustainable Development Strategy, it is advisable to refer to the industry rating of environmental openness of 2022 compiled by the World Wildlife Fund (WWF) and the consulting company CREONGroup (World Wildlife Fund, 2022). As part of the ranking, oil and gas-producing companies are assessed in three main blocks: environmental management, environmental impact, and information disclosure (transparency). Figure 3 shows the position of Rosneft in the ranking within the Environmental Management block.

Final Position	Company	Category Score
1	Zarubezhneft	2,000
2-3	Surgutneftegas	1,909
2-3	LUKOIL	1,909
4	SIBUR Holding	1,889
5-7	Tatneft	1,818
5-7	Sakhalin Energy	1,818
5-7	Rosneft	1,818
8	Salyem Petroleum Development	1,727
9-11	Irkutsk Oil Company (INK)	1,636
9-11	NOVATEK	1,636
9-11	Gazprom	1,636
12	CPC-R	0,600
13	Transneft	0,200
14-15	Gazprom Neft	0,182
14-15	Sladkovsko-Zarechnoe	0,182
16-19	Neftisa	0,091
16-19	Tomskneft VNK	0,091
16-19	RussNeft	0,091
16-19	Slavneft	0,091
20-21	Arctic Gas	0,000
20-21	NNK	0,000

Figure 3. The position of Rosneft in the Industry Ranking of Environmental Transparency within the Environmental Management block (World Wildlife Fund, 2022).

A high indicator in this area is achieved through the development and implementation of targeted programs in the field of environmental protection, including based on partnership agreements (for example, by concluding an agreement between Rosneft and Rosatom State Corporation, key goals were achieved in the development and implementation of projects and programs in the field of introducing new Russian-made technologies into production and processing processes) in strict accordance with standards and requirements, such as ISO 50001 “Energy Management System” and the integrated health, safety, and environment management system (IMS HSE) (Rosneft, 2021).

Figure 4 shows the position of Rosneft in the ranking within the Environmental Impact block.

Final Position	Company	Category Score
1-2	Tatneft	1,833
1-2	Salym Petroleum Development	1,833
3-4	Zarubezhneft	1,750
3-4	Surgutneftegas	1,750
5	Sladkovsko-Zarechnoe	1,667
6	Sakhalin Energy	1,639
7	Irkutsk Oil Company (INK)	1,583
8	SIBUR Holding	1,556
9	NOVATEK	1,500
10	LUKOIL	1,361
11	Gazprom	1,056
12-13	Rosneft	1,000
12-13	CPC-R	1,000
14-15	Neftisa	0,333
14-15	Tomskneft VNK	0,333
16-21	Transneft	0,000
16-21	Gazprom Neft	0,000
16-21	RussNeft	0,000
16-21	Slavneft	0,000
16-21	Arctic Gas	0,000
16-21	NNK	0,000

Figure 4. The position of Rosneft in the Industry Ranking of Environmental Transparency within the Environmental Impact block (Rosneft, 2021)

A low position in the ranking within this area expresses a positive result, i.e., the lower the indicator, the less negative impact on the environment the company's activities have. The position of Rosneft within this block indicates increased efficiency in the implementation of measures to green the processes of oil and gas production and their processing. As part of implementing the Rosneft 2022 Strategy, the company achieved a reduction in methane emissions (60%) and greenhouse gases (13%). Saving fuel and energy resources within the framework of the Energy Saving Program is estimated at more than 2.8 million tons of fuel equivalent (Rosneft, 2021).

Figure 5 shows the position of Rosneft in the ranking within the framework of the Information Disclosure (Transparency) block.

Final Position	Company	Category Score
1-2	LUKOIL	1,889
1-2	Tatneft	1,889
3-4	Sakhalin Energy	1,778
3-4	Irkutsk Oil Company (INK)	1,778
5-6	SIBUR Holding	1,667
5-6	Gazprom	1,667
7-8	Surgutneftegas	1,556
7-8	Zarubezhneft	1,556
9	Salym Petroleum Development	1,444
10	NOVATEK	1,333
11	CPC-R	0,889
12	Sladkovsko-Zarechnoe	0,778
13	Rosneft	0,556
14-15	Neftisa	0,444
14-15	RussNeft	0,444
16	Transneft	0,333
17-19	Tomskneft VNK	0,222
17-19	Arctic Gas	0,222
17-19	NNK	0,222
20	Gazprom Neft	0,111
21	Slavneft	0,000

Figure 5. The position of Rosneft in the ranking within the framework of the Information Disclosure (Transparency) block (World Wildlife Fund, 2022).

The degree of information transparency in the formation and subsequent publication of Rosneft corporate reports is much lower than that of other companies in the oil and gas industry. This might be due to the fact that the company prefers building reports based on quantitative metrics, i.e., the financial component prevails (measurable, published in a template format, generated based on regulatory and internal documents, containing statistical information).

Achieving information transparency is not possible without highlighting the non-financial factors of the company’s activities since non-financial organizational and managerial decisions can significantly affect the overall performance of the company in the target markets. Non-financial information can be characterized as long-term, flexible (reacting to endogenous and exogenous changes), value-generating, and aimed at meeting the information needs of all stakeholders.

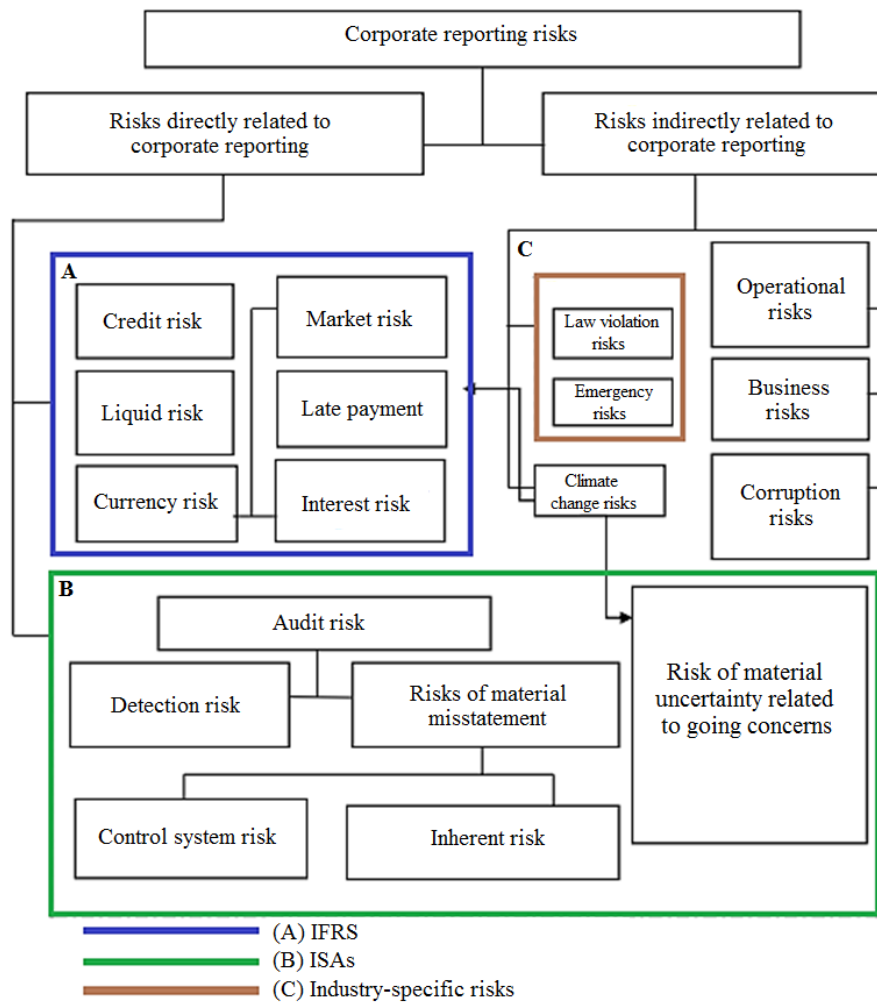
In Rosneft Sustainability Reports for the period from 2019 to 2021, it is possible to identify the framework for transforming corporate reporting and introducing a risk-based

approach (currently, the elements of this approach list only the key risks associated with business processes and highlight the key interests of stakeholders).

However, the risk-based approach to corporate reporting considers the maximum potential of persons responsible for making decisions in the formation and publication of corporate reporting. If the disclosed information does not contain a non-financial element, the likelihood of a less rational and effective decision by stakeholders is reduced. Therefore, to increase the degree of information transparency of Rosneft corporate reporting, it is recommended to integrate the risk-based approach to minimize the likelihood of data distortion and form a system for making better decisions.

As part of improving the risk management system, it is not sufficient to divide risks into groups according to the areas of core and auxiliary activities (as presented in the Sustainable Development Reports of Rosneft). It seems appropriate to divide risks into the following groups:

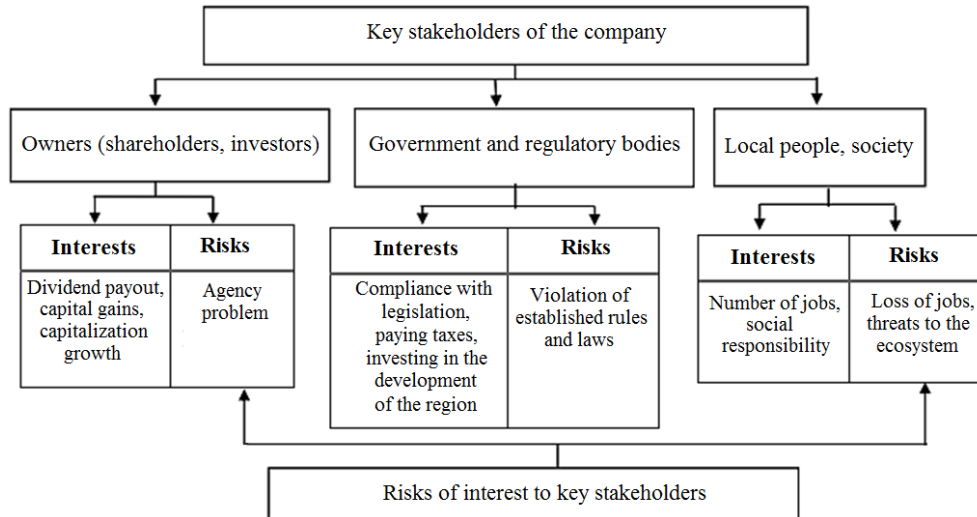
- 1) Risks directly related to corporate reporting and required for full disclosure in accordance with international and national disclosure standards (mainly related to financial information; IFRS);
- 2) Risks indirectly related to corporate reporting and necessary for full disclosure in accordance with international and national auditing standards (ISA);
- 3) Industry-specific risks (Fig. 6).



Source: compiled by the authors

Figure 6. Approach to risk classification in corporate reporting as exemplified by oil and gas companies

4) Involvement of stakeholders. The benefits of an ESG strategy are different for all stakeholders. Thus, it is important to involve them all and convey to them the reasons why they should support this process. Whether they are employees, customers, investors, directors, or any other stakeholders, having a sustainable development strategy is in their best interest as it helps ensure the future of the company and its prosperity (Fig. 7).



Source: compiled by the authors

Figure 7. The relationship between stakeholders and their need to disclose key risks in the corporate reporting of Rosneft.

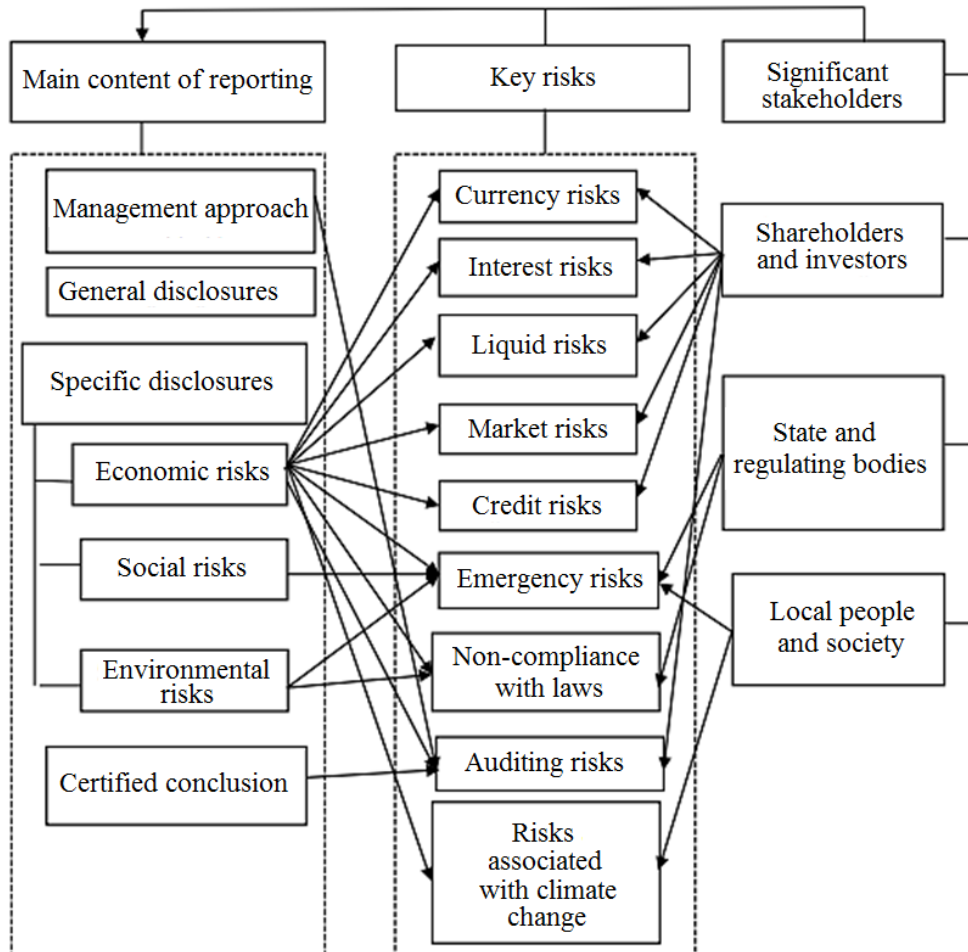
5) Setting quantitative metrics for monitoring and controlling objectives of the ESG strategy. Sustainable strategic management is not only about good intentions. It is about delivering on those intentions and being able to show growth through agreed metrics. For environmental performance to be as important as economic performance and for a company to have a sustainable competitive advantage, progress must be quantified.

6) Ensuring transparency. Although many companies limit their sustainability reporting to only those factors required by regulation, the transparency of ESG metrics shows more commitment. This inspires confidence among consumers and investors. Comprehensive ESG reporting makes it clear to stakeholders that the company takes sustainability issues seriously and is constantly working to improve its performance.

Clauses 2-6 form a full-fledged basis for the introduction of a risk-based approach to corporate reporting and subsequent disclosure of information. We should emphasize the stakeholder approach since it meets the needs of parties involved for information that not only leads to an increase in the effectiveness of the solutions being developed but also to an increase in transparency. The intersection of the risk-based and stakeholder approaches is shown in Fig. 8.

Based on the combination of the interests of stakeholders and the proposed classification of risks reflected in corporate reporting, we can form a draft of corporate reporting, in which stakeholders are divided into three main groups: shareholders and investors, the state, and the population. Risks are divided into the following groups: IFRS, ISA, and industry-specific risks.

The main block is represented by elements of corporate reporting based on a management approach for each section, which includes both general data and specific disclosure of information on the economic, social, and environmental aspects. For each aspect, the lists of key financial and non-financial indicators for the reporting period are formed (Fig. 8).



Source: compiled by the authors

Figure 8. Draft (risk-based model) for the corporate reporting of Rosneft.

Thus, strategic sustainability means that enterprises should use development factors, risks, and goals as the basis for decision-making and the overall strategy of the company. This contradicts typical CSR initiatives, where sustainability decisions are often made separately from major corporate strategy decisions. Combining sustainability and strategic management is a new way of work for many companies, and some boards may need to convince them that sustainability deserves to have such an impact on decision-making.

For decades, there has been a strong connection and interaction between the concepts of sustainable development and green economy. As a result, the first concept of sustainable development creates the opportunity to meet current needs without limiting the ability to meet

the needs of future generations, and the greening of the economy as a way to solve economic, social, and environmental problems, and the implementation of the concept of sustainable development began to be seen as the prospect of a radical transition to a full-fledged economy of a new type.

In the new conditions of socioeconomic development, green companies are of particular interest as companies involved in the preparation and implementation of projects, programs, and activities aimed at minimizing their negative impact on the environment (alternative energy, pollution control, carbon emission reduction, and waste recycling), as well as the transformation of the development strategies of companies that have a negative impact on the environment (in particular, the oil and gas industry).

Within this article, we studied foreign theoretical and methodological sources and such key environmental factors that affect the stock price of green companies as fines for environmental pollution, announcements of environmental awards, environmental performance indices, green ratings, support for biodiversity, reduction of emissions, and use of innovative technologies.

In addition to environmental factors, social factors become increasingly important, such as the provision of social packages and additional benefits to employees, the diversity and inclusiveness of the staff, the implementation of security measures, and the use of innovative labor activities (hybrid work). Corporate governance factors include information transparency and level of information disclosure.

All the above conditions are a consideration of the ESG concept and its role in the company's activities. The ESG concept (agenda) as a separate term considers ESG factors along with financial factors in assessing risks, opportunities, and sustainability.

CONCLUSION

While traditional financial analysis considers intangible assets such as goodwill, it struggles to consider dynamic non-financial aspects. ESG variables cover a wide range of inherent risks that can affect the valuation of equities, fixed-income assets, real estate, and infrastructure.

Rosneft is the leading Russian oil industry and the largest public oil and gas corporation. Its main activities are the search and exploration of hydrocarbon deposits, the production of oil, gas and gas condensate, the implementation of projects for the development of offshore fields,

the processing of extracted raw materials, and the sale of oil, gas, and products of their processing in Russia and abroad.

Since 2017, when the Rosneft 2022 Development Strategy was approved, the company has achieved all the results set in such areas as:

- 1) Innovative development;
- 2) Reduction of negative impact on the environment;
- 3) Development of corporate governance and disclosure of information (information transparency);
- 4) Creation of favorable working conditions;
- 5) Raising awareness on the protection of human rights and freedoms;
- 6) Search for new ways to implement production processes (optimization of energy consumption, use of secondary raw materials, reduction of greenhouse gas emissions into the atmosphere).

It seems appropriate to consider the analysis and systematization of the key principles of ESG development within the Rosneft 2030: Reliable Energy and Global Energy Transition Strategy adopted by the Board of Directors in 2021. The strategy was based on the goals of the “Strategy for the socioeconomic development of the Russian Federation with low greenhouse gas emissions until 2050”, as well the key indicators from the Paris Agreement on Climate Change and 17 UN SDGs.

While analyzing the approved Rosneft 2030 Development Strategy, we recognized the following key areas in the field of ESG development for Rosneft:

- 1) Reducing hydrocarbon emissions and greenhouse gases;
- 2) Improving the quality of air and water;
- 3) Minimizing risks and possibilities of climate change;
- 4) Minimizing risks to public health;
- 5) Achieving diversity, equality, and inclusion of staff;
- 6) Ensuring the health and safety of personnel;
- 7) Forming a system for improving the safety of technological processes;
- 8) Improving cybersecurity;
- 9) Involving stakeholders;
- 10) Working with human capital (training, (non)-financial incentives, improving the quality of life);
- 11) Business ethics;

12) Corporate responsibility and accountability.

When studying Rosneft Sustainable Development Strategies, the following elements can be identified that are fully consistent with the TBL model based on the correlation of ESG principles and strategic guidelines for socioeconomic development at all levels:

1) Compliance with international standards and practices in the field of sustainable development (activities within the implementation of the UN SDGs; long-term implementation of activities under the Paris Agreement in the field of climate risk reduction, etc.); implementation of the priority tasks of the International Association of Oil & Gas Producers on environmental protection, health, and safety in the field of refining and marketing of oil and petroleum products in Europe);

2) Compliance with national standards and practices in the field of socioeconomic development, including sustainable development (the basis of the Sustainable Development Strategy is the “Strategy for the socioeconomic development of the Russian Federation with low greenhouse gas emissions until 2050” (Government of the Russian Federation, 2021b), Decree of the Government of the Russian Federation of June 25, 2021 No. 1013 (as amended on November 30, 2021) “On the federal state supervision in the field of protection of the population and territories from emergencies” (together with the “Regulations on the federal state supervision in the field of protection of the population and territories from emergencies”) (Government of the Russian Federation, 2021a), Decree of the Government of the Russian Federation of March 12, 2022 No. 351 “On the disclosure and provision of information subject to disclosure and provision in accordance with the requirements of the Federal Law “On Joint Stock Companies” and the Federal Law “On the Securities Market” (Government of the Russian Federation, 2022), etc.);

3) The presence of business strategy elements (KPIs, partnership agreements, investment activities, implementation of projects and programs), environmental elements (the reduction of hydrocarbon and greenhouse gas emissions, conservation of water resources, optimized resource provision of producing units, etc.), elements of CSR (staff training, projects and programs aimed at improving the quality of life of the population, relations with stakeholders, etc.).

RECOMMENDATIONS

To increase the degree of information transparency of Rosneft corporate reporting, it is recommended to utilize a risk-based approach to minimize the likelihood of data distortion and

form a system for making optimal decisions. To improve the processes of generating and publishing reports, the following steps were proposed:

1. The transition of social obligations to the status of agreed (public) in conjunction with the expansion of their list (the list of social obligations is limited to data on the number of index-linked pensions, the total share of employees who improved their living conditions through the company's programs, information on corporate learning in the sustainable development reports).

2. The prioritization of goals and risk management based on a list of KPIs. Within the activities of Rosneft, the list of KPIs is approved by the Board of Directors on an annual basis but they are partially disclosed in the published sustainable development reports (the list itself without quantitative indicators). Moreover, quantitative indicators should be formed in the non-financial field of the company's activities to monitor and control progress within the implementation of the ESG principles.

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