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MASTER'S THESIS (PROJECT)

« «*Study on the effect of corporate social responsibility on financial wealth of Kazakhstan companies*»

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Large investors in Kazakhstan began to rethink their risks and portfolio structure. As one of the largest providers of capital in the world's financial markets, they are aware of their responsibility and influence in addressing global challenges, and see that non-financial risks (cataclysms, pandemics, other environmental and social aspects) can have a very specific impact on the financial results of companies. CSR strategy, expressed through CSR with specific goals and KPIs, risk assessment and action plan, is an important step that will show the long-term of each organization's intentions to significant transformations.

This study outlooks on financial stability of Kazakhstani and Russian 40 largest companies associated through CSR strategy with publicly shared financial statements to assess on which financial indicators CSR have the most effect on. The analysis was based on annual reports and reports on sustainable development (including integrated reports, reports on sustainable development and social responsibility. Conclusion and results are proposed to Kazakhstani companies in regard to developing CSR.

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Introduction

The introductory part of the thesis provides the initial background of the study of corporate social responsibility, significance of developing concept of ESG, and its impact on financial wealth and possible risks of companies in different countries. The questions that will be raised during the study and the designations of terms are also given in the introductory part. This part of the investigation also includes a reason for the issue as well as a synopsis of the thesis.

1.1. Background

Large investors were the first to rethink their risks and portfolio structure, being one of the largest providers of capital in the financial markets of the world, they are aware of their responsibility and influence in addressing global challenges, and see that non-financial risks (cataclysms, pandemics, other environmental and social aspects) can have a very specific impact on the financial results of companies. It was reviewed that the effect of CSR on an organization's financial success is an important aspect of the management procedures of modern businesses (Melo and Galan, 2011).

There has been a significant increase in the number of studies around the world confirming the best investment results considering CSRs. A meta-study by the NYU Stern Center for Sustainable Business and Rockefeller Asset Management, published in 2021, found that 58% of the studies examined contain evidence of a positive correlation between disclosure of ESG criteria and financial performance of companies. Nevertheless, there is no consensus among Russian experts as to how economically justified are the efforts of Russian companies related to the disclosure of CSRs. On the one hand, this measure is designed to help investors better calculate the risks and long-term financial stability of the company. On the other hand, there are arguments that are following the principles of sustainability leads to an increase in costs, and the economic benefits of disclosing CSRs are exaggerated.

Another study by Niculaesei (2019) states that every corporation strives to maintain or improve profit growth. Companies are looking for a profit-boosting strategy. Many techniques are used to attain this fundamental goal over time, and today CSR is being used as a tactical tool for enhancing a company's economic status. Several studies are out in this area, however, the results are inconclusive (Maqbool, 2017; Maqbool and Nasir, 2018).

Nonetheless, corporate sustainability is a global practice that includes reducing pressure from local areas and preventing social conflicts; it has become "a necessity" for businesses to consider environmental and social risks in their entire risk management plan (Matten and Moon, 2008). As a result, CSE policy becomes a tool for addressing social and environmental risks.

1.2. Research problem

During the last years of rapid changes and a variety of possible risks, it is vital to find a balance between financial organizational outcomes, public welfare, and environmental protection to successfully preserve the organization's trustworthy image (Griffin,2010; Park et.al. 2014; Lu et al., 2019). In PwC's September 2021 COP26 Global Investor Survey, nearly 80% of respondents said ESG risk is an important factor in investment decisions; and about 50% expressed their readiness to abandon companies that did not take sufficient and effective measures on ESG issues. financial results of companies.

This study is searching for the factors in what corporate social responsibility affects and how.

The modern business environment is progressively encouraging the application or implementation of the idea of corporate social responsibility (CSR), which encourages companies to operate transparently, safeguard the environment, and prioritize social welfare (Eckert, 2017).

According to a poll done by Zakari (2017), Kazakhstani companies have a different understanding of the concepts, and that is more difficult. It was also reported that the research's results were unsatisfactory. According to the poll, 100 out of 200 top-level executives said that state agencies frequently "send a huge number of disorganized and irrational obligatory social payments demands to enterprises (particularly oil and gas)". Such rules compel businesses to pay without planning and in an unstructured way, simply to avoid being penalized. Otherwise, it is critical to demonstrate to firms that CSR is important. Nonetheless, there is a deficit of study on how CSR might boost a company's moral capital and public reputation. Greater CSR, according to Godfrey (2005), leads to moral capital, which improves the company's reputation between shareholders.

Companies must not only pursue their main goal—maximizing profits—but also promote society's well-being through efforts, according to the definition of corporate social responsibility (CSR).

To give a brief, there is a need for academic evidence into how CSR empowerment can add value to a corporation's financial prosperity. Furthermore, a comprehensive research evaluation on how CSR mitigates potential hazards is required.

Indeed, due to the large range of assessment approaches and applied methods for assessing CSR and the financial performance of organizations, there are no widely acknowledged frameworks relating to CSR and the financial success of companies. Kazakhstan's entry into the Paris Convention this year has increased the additional demand for the use of CSR in various corporations to an even greater extent.

1.3. Aims and objectives

The objectives of the study are utilized to gain a clear understanding of the technique and research design used. The goal of this study is to determine the most important factors that can be influenced by the level of CSR among publicly traded companies in Kazakhstan. The study sets an objective on investigating how CSR can improve financial wealth. Its goals are as follows:

1. Conduct a comprehensive literature review on corporate charitable and sustainable social welfare, which includes a review of more than thirty articles and scientific documents that are relevant to the research's goals;

2. Approach and locate specific samples relevant to the thesis question using common information search tools. During the initial phase of the present work, Scopus and Google Scholar are used as research tools;

3. To apply the acquired knowledge and concepts to the regression model;

4. Create a regression model based on the data collected on public Kazakhstan organizations.

5. To look at the patterns and connections between corporate social responsibility and financial performance of Kazakhstan's and Russia publicly traded enterprises.

1.4. Research Questions/Hypotheses

Research questions are commonly used to identify the study's core questions. The questions covered in this part of the thesis cover a wide range of possible relationships with the level of CSR. Based on the study problem's goals, several research questions and hypotheses are developed. What should be learned during the research process is defined by the study topic. A hypothesis, which is expressed as a possible solution to the problem, can be used to offer a subject of study. An additional goal of the research is to compare the findings of two methods: CIS countries and developed-country firms. The current study takes place in Kazakhstan which is why it is necessary to examine local and adjacent countries' corporate social responsibility policies, which have a more established structure than those found in industrialized countries Kooskora, Juottonen, and Cundiff (2019). Putting everything into account, the current study constructs and analyzes one hypothesis, which is supported by regression analysis results:

The research questions can be designated as follows:

1. To what extent are financial factors affected by CSR?
2. How does CSR affect certain factors?
3. What CSR aspect has no impact on financial wellness?
4. How can CSR contribute value to a company's financial performance?
5. How does CSR mitigate potential environmental risks?

ROI, EBITDA, leverage ratio are dependent variables, while ESG rating published by RAEX Europe and PwC Kazakhstan and number of realized CSR programs are independent variables. The following is how the hypothesis is constructed:

H1: ESG Rating has an effect on ROI;

H2: ESG Rating has an effect on EBITDA;

H3: ESG Rating has an effect on D/E;

1.5. Limitations

The main problem in this study's limitation is the lack of research. The amount of literature is limited in scope, which significantly reduces the possibilities of research to reveal the topic in full.

Accordingly, the lack of information and reports of Kazakhstan corporations on CSR does not allow to fully disclose the topic, since CSR in Kazakhstan and Russia are only at the stage of development, and not all CSR reports meet international standards. The narrow use of CSR is a true indicator of its narrow range of distribution and use in Kazakhstan, Russia, and other countries under development. 20 companies from Russia and 20 companies from Kazakhstan are affected during the study.

The time limit of four months for analysis and data collection limits the researcher to collect sufficient information for their output in the form of a study. The same factor of limitation, especially, a lack of time, has an impact on the effectiveness of the collection of information to be included in the work. Another drawback is that the researcher's data set is gathered from open sources, and no further data collection, such as interviews, application forms, or focus groups, is done. There's a need to find out the effects of CSR on financial factors during the research. The inclusion of regional diagnostic work is a small part since very few works and studies have been carried out in this industry.

All the limits and restrictions mentioned above may in one way or another affect the provision of reliable information.

1.6. Frictional definition of terms

CSR - corporate social responsibility

D/E - debt-to-equity ratio

EBITDA - earnings before interest, taxes, depreciation, and amortization

EPS - earnings per share

GDP - gross domestic product

ROA - return on assets

ROE - return on investment

ROCE - Return on capital employed

RK - Republic of Kazakhstan

2. Literature review

Before discussing CSR in financial planning and its importance, this chapter explores the many contents of the basic definition of CSR, as well as its historical context and evolution of study. It's important to note that grasping the notion of CSR was fraught with ambiguity and contradictions.

Over the past few decades, there has been a significant increase in interest in the concept of corporate social responsibility (CSR) in both business and academia. When it comes to decision making, companies are guided by the principles of maximizing profits and minimizing costs, but what if a company's position regarding the impact on society and the environment affects its financial results? The image of the company and its recognition by rating agencies strongly influence the perception of the company by investors, creditors, and employees. This gives rise to the need to introduce social, environmental and management strategies into the decision-making process of the company's management. This is especially true for firms that operate in sectors of the economy that have a harmful effect on the environment or form certain moods in society. These include mining, pharmacology, various industries that leave a trail of toxic emissions and other industries. However, in the modern world, not only those companies that work in these industries and have a direct impact on the environment and society are thinking about social responsibility. Socially responsible companies strive to reduce discrimination, provide opportunities for talented employees, participate in charitable programs, and reduce the burden on the environment. All this directly or indirectly affects whether the company will be financially successful. On the one hand, when employees trust the company and its decisions, they focus on work, and not on conflicts with superiors and protecting their interests, which has a beneficial effect on the profitability of the enterprise.

The authors of more thorough work on CSR note that the high costs of CSR consumption in a strategic company often did not give a noticeable positive result, since the market is not ready to accept the assessment of the role of a characteristic important for financial indicators. If there is no need for a liability assessment, then there is no reason for high investments on the part of the company. (Devinney, 2009; Wood & Jones, 1995) Socially responsible behavior entails non-operating costs that not all companies can afford. But because the question arises about natural resources associated with productivity. It should also be taken into account that higher costs, which entail socially responsible behavior, lead to an increase in the efficiency of the firm. Since the funds are redistributed in favor of non-entrepreneurial activities, the volumes of injections of funds into the field of activity of firms are provided. (Brammer & Millington, 2008). because they deprive themselves of benefits that can enjoy a positive reputation and consumer confidence. (Tsutsura, 2004)

In research, CSR indices like Frederick (1987) and Preston (1988) are frequently employed. This is the amount paid by various countries during the design stage of this project within their respective borders. This technique will not be employed in this situation since the KDL index cannot be applied to the model of 20 more developing countries.

GRI will be used to gather information from a variety of sources. The negative signals of regulatory quality and GDP growth rate in the ROE model are consistent with (Hoque et.al.,2018). They stated that lower GDP growth means poorer economic development, and as a result, enterprises may face profitability issues. They stated that lower GDP growth means poorer economic development, and as a result, enterprises may face profitability issues. They may not have enough finances or shareholder backing to donate, resulting in a reduced CSR contribution. For the ROI and D/E factors, the effect of these financial factors is in line with Gavin (2004) model, in which the corporation's financial performance is driven by CSR growth.

The measurement of CSR level was studied by different authors. Heinze (1976) and Preston and O'Bannon (1997) used the survey method to create a questionnaire with several evaluation scores. According to Moon's article, this form of measurement, however, revealed its subjective fallacy and uncertainty (2008). KLD index 400, developed by Leftwich et al. (1980), is another way for measuring managers' perceptions of a company's CSR. However, the KLD index does not take into account Russian and Kazakhstan indexes, so this study employs an approach of

Mishina (2008) that the amount of CSR investment in U.S. dollars and the number of realized CSR programs also can indicate the level of CSR.

Since CSR's inception, there have been many different perspectives on its value in improving a company's moral capital. CSR should be viewed as a broad-spectrum system that includes a product's/whole service's production/development cycle, as well as the associated environmental, social, financial, and moral factors (Neculaesei et al., 2019).

Carroll (2008) gave the appointment on CSR and what financial factors affected the CSR level. Concern for worker safety arose later. These developing movements provided the incentive for enterprises to widen the social contract, resulting in a shift in the commercial and social landscape (Carroll et al., 2012). A social framework is a contract of mutual understandings and expectations that governs the interaction between large institutions, in this example, industry and society (Carroll et al., 2018). Ever since the 1950s, corporate social responsibility (CSR), in its contemporary form, has been a significant and evolving topic. To be sure, there are hundreds of years of evidence of corporations attempting to enhance society, the community, or specific stakeholder groups (Carroll et al. 2012). Even though there are still issues and confusions about Carroll's definition of CSR, it is nevertheless widely accepted and used in practical and academic investigations (Han et al., 2019; Weber, 2008). Because a large number of scientific research have acknowledged the favorable influence of CSR on company reputation and consumer loyalty, the authors have presented contradictory explanations about the linkages between CSR and the financial performance of organizations (Loveman, 1998; Roberts and Dowling, 2002; Li, Sun, and Li, 2018; Lorena, 2018). Nonetheless, there is a scarcity of studies on how CSR might boost a company's moral capital and responsible perception. Greater CSR, according to Ismail M., (2009), contributes to ethical capital, which boosts shareholder notoriety. In the literature, four methods for assessing CSR are distinguished based on their frequency of use: reputation indices, content analysis, data collection, and one-dimensional assessments (Soana, 2009; Barron and Rolfe, 2011; Nizamuddin, 2018). In Kazakhstan and Russia, there is a scarcity of studies on how CSR may improve financial conditions. Several studies in underdeveloped nations have focused on these issues. According to Russian corporate interviews, 56 percent of respondents believe that CSR does not improve air pollution, famine, medical, or infrastructural concerns and that businesses continue to harm the ecology (Greenpeace,2008). No disagreements between CSR and financial performance is found (Galbreath, 2010; Oh and Park, 2015; Saeidi, et al., 2015; Mikoajek-Gocejna, 2016; Pradhan, 2016; Lu, Ren, Qiao, et al., 2019.) The association between these factors can be:

- negative;
- positive;
- neutral.

Even though the majority of scientific research has acknowledged the favorable influence of CSR on company reputation and consumer loyalty, the authors have presented contradictory explanations about the correlations between CSR and the financial performance of organizations (Li, Sun, and Li, 2018; Lorena, 2018; Loveman, 1998; Roberts and Dowling, 2002).

CSR has become a useful indicator of how a company engages with stakeholders and communities, as well as how it responds to social issues on a local and global scale (Barnett, 2007). As a result, CSR may be used as a risk management tool for firms, as well as a significant role in bringing societal, governmental, and corporate entities together accordingly Du, Bhattacharya, and Sen (2010). According to research conducted by Han, Kim, and Yi (2016), employing CSR as an effective force can increase a corporation's financial prosperity. CEOs, investors, managers, and lawmakers are more conscious of the importance of CSR in establishing a good reputation and resolving issues.

2.1. Theoretical studies on CSR

In his article "Social Responsibility of a Businessman," Bowen defined that a businessman's social obligation is to execute such a strategy, make such judgments, or pursue such a path of behavior that would be good for society's vision and objectives" .

Different authors provided differing interpretations of the CSR concept and its consequences to society (Weber, 2008, Lindgreen and Swaen, 2010; Riera and Iborra, 2017; Han, Yu, and Kim, 2019), while others simply demonstrated how CSR theories could be received and understood as a business strategy for long-term sustainable growth and competitiveness. Considering the fact that the majority of scientific research have acknowledged the favorable influence of CSR on company reputation and customer trust, the authors have presented contradictory explanations about the connections between CSR and financial performance of organizations (Loveman, 1998; Roberts and Dowling, 2002; Li, Sun, and Li, 2018; Lorena, 2018).

Corporate philanthropy concept was initially designed by McWilliams and Siegel (2000), where they described it as perceived situations, where various organizations take social efforts that go beyond their own interests and legal requirements in order to help the local economy. The corporate stewardship idea (Worrell and Appleby, 2000) adds a whole new dimension to the CSR and business practices discussion by stating that businesses should only focus on carrying out their social responsibilities and responsibly, regardless of the financial consequences of their actions. Jones (1995) was the first to introduce the large gains on regular and trustworthy interactions predicted by the instrumental theory for stakeholder management.

Stakeholders encourage businesses to improve their ethical performance and provide them with significant competitive advantages. Corporate philanthropy has been and will continue to be an essential component of corporate social responsibility in Western CSR theories and practices. However, past corporate social responsibility (CSR) ideology was regional, local, and philanthropic in nature, but today's CSR notion is broad and diverse (Silberhorn and Warren, 2007). Corporate philanthropy offers a variety of techniques for involving all employees in philanthropic activities. It also presupposes that the team is made up of like-minded people. Naturally, they are brought together as experts in their fields, and they become like-minded people in the field of philanthropy.

CSR theory is being investigated and put into practice all across the world, despite the fact that there is no globally acknowledged definition of CSR. CSR is a broad term that encompasses a variety of concepts and principles such as corporate ethics, corporate governance, business practices, stakeholder engagement, responsible entrepreneurship, economic development, and environmental protection, among others (Lu, et.al., 2019).

Some authors such as (Kim, Hur, and Yeo, 2015; Arli, et.al., 2019), claim that CSR concepts can be viewed as a long-term corporate strategy for achieving long-term competitive edge. Carroll's (2008) comprehensive description was proposed by Xuan and Teal (2011). Despite the fact that there are still issues and confusions about Carroll's concept of CSR, it is nevertheless widely accepted in academic studies (Weber, 2008; Han et al., 2019). Ismail (2009) and Hediger (2010) both take the same approach to CSR. They say that firms are responsible for the impact of their operations and the promotion of well-being among consumers. According to Kotler and Lee (2007), corporate social responsibility (CSR) is a commitment to improving society's well-being. CSR, according to Fontaine (2013), is a business commitment to act ethically and fairly in order to improve society's overall well-being.

When it comes to CSR, it's clear that scientific studies emphasize both the benefits and drawbacks of the practice. Reduced costs and risks, optimizing earnings and creating a competitive advantage, maintaining image and legitimacy, and collaborative value creation are among the key benefits of CSR, according to various studies and sources. Assessing possible hazards, reducing costs, and improving financial performance is easier for such a well and socially responsible organization.The negative environmental impact that has resulted from industrial businesses' activities on a worldwide scale has made the whole business community think and compelled them to take the required steps to conserve nature and the environment. As a result, the company created a corporate social responsibility program. Banerjee (2002) proposes corporate environmentalism as a business strategy that incorporates environmental issues into a company's core judgment processes. He emphasized the necessity of and legitimacy of the natural environment as a major component of business strategy formulation, as environmental issues arise as a result of corporate activity.

This incorporation of environmental concerns into business strategy may aid in the organization's long-term viability. Freeman (1984) advocated that the firm should meet the expectations of outside individuals or groups who may have an impact on the firm's operations on a more inclusive level. Despite the fact that there are still continuous doubts and confusions about Carroll's definition of CSR, it is nevertheless widely accepted and used in practical and academic investigations (Weber, 2008; Han et al., 2019). Meanwhile, some businesses that do not practice social responsibility face problems, inconsistencies in management, labor strikes, and fraud (Cismas et al., 2019). Socially responsible business is, first and primarily, a savvy business that can assure the company's long-term viability while also providing immediate and visible advantages.

2.2. Empirical studies on CSR

Disclosure standards differ not only from country to country, but also from industry to industry. However, there are some standardized metrics that companies disclose annually in their annual reports, and some in individual sustainability reports. (Vartiak, 2016) These are indicators such as the level of various waste per unit of production, participation in charitable and environmental projects, spending on employee training, research and development, the percentage of women on the board of directors, and other indicators. (Ioannou & Serafeim, 2017) The level of disclosure and reliability of information in such reports varies depending on the industry, the size of the firm, the frequency of its appearance in the media, as well as the level of development of political institutions in the country and other factors. (Cahan et al., 2015) Often, companies reflect only information that is beneficial for themselves, while failures are hidden without being reported. However, research (Sinclair-Desgagné & Gozlan, 2003) shows that this pattern of behavior can lead to dire consequences for a company in the form of negative publicity in the media, consumer boycotts of the product, and a general drain on sales revenue. A popular point of view among scientists is that companies with higher social responsibility are more likely to actively disclose information on this issue, since they have no motivation to hide their CSR activities, which can cause distrust on the part of shareholders.

Margolis and Walsh (2001) looked at 95 science direct and found that 42 experiments (53 percent) found a positive relationship between the financial performance and CSR, 19 studies (24 percent) found no link, 4 studies (5 percent) found a negative association between CSR and financial performance, and the remaining 15 studies found a distinct relationship.

Shareholders exercise their responsibility in demanding moral attitudes and behaviors at the business level through general assemblies, therefore exerting significant influence on the directors' strategy formulation. They urge that managers act with openness, efficiency, and usefulness in order to obtain economic rewards and thereby ensure the company's long-term viability, while also asking that socially responsible practices be integrated into the enterprises themselves (Pava and Krausz, 1996). From an academic standpoint, there is a growing desire for enhancing corporate ethics – by incorpoindicator the detection of illegal firms that violate social rights as a study objective (Byrne, 2011). Business ethics is neither a new invention or a popular topic; studies show that adherence to ethical norms and principles has been a problem that has persisted throughout history and has remained consistent (Michalos, 2008). CSR and corporate ethics are now inextricably linked from both an academic and practical standpoint. We examine a variety of CSR definitions available in the literature and by several institutions, all of which emphasize voluntary participation in the resolution of certain social issues; social attentiveness is fundamentally multidirectional and encompasses a wide and varied range of corporate activities in response to its assets, processes, and outputs (Waddock and Graves, 1997).

Carver (2010) reviewed prior research on CSR measurement and concluded that it can be measured using the reputation index method, questionnaire method, or content analysis approach. These approaches are subjective; however the image index has been enhanced by ways such as The KLD (the Kinder, Lydenberg, and Domini Network), the Fortune Score, and the Canadian State Investment Database (CSID). For instance, the KLD survey database can be transformed into the Domini 400 Social Index, which functions similarly to the S&P 500 index but is used to assess social responsibility performance. The KLD400 is made up of 400 companies chosen from the top 3000 publicly traded companies in the United States, as defined by afloat-adjusted market capitalization. The index includes roughly 90% of large-cap firms, 9% of mid-cap companies chosen for the divestment sector, and 1% of small-cap corporations with outstanding sustainability practices (KLD Investments).

Petkova (2010) describes the main issues that arise with CSR in an empirical research of Russian companies. Many Russian businesses take a "neutral" stance, meaning they don't overtly oppose CSR principles and, in some cases, are even willing to support them, even though they aren't legally binding. Such a passive method does not bring value to the market because of its social orientation, but it does induce public irony because it is cloaked in PR in a socially propagandistic plot.

Currently, corporate social responsibility is considered part of the company's strategic goals (Guidry and Patten 2010). It's inconceivable to conceive a successful company attempting to become a market leader without overall planning. As a result, the notion of CSR is progressively being integrated into the area of corporate strategic management, becoming an international aspect of international politics and bolstering its vital function. International studies support this assertion: an IBM Institute for Value Proposition poll of world business leaders found that the good strategy is becoming the leading behavior in practice, with more than half (54 percent) believing that CSR has already provided extra competitive advantages (Choi et al., 2010).

2.2.1. ROA and CSR

McGuire et al., (1988) collected information from previous studies on measuring CSR in various ways and formulas. Many studies show a close link between return on assets (ROA) to corporate social responsibility (CSR).

The empirical proof of a partial association between financial performance and CSR has resulted in a diverse and fascinating phenomenon that needs to be researched further. According to a favorable association between CSR and financial success, organizations with high profitability and leverage (ROA) is more likely to do substantial social disclosure (Chen and Kevin, 2009).

$$ROA = \frac{Net\ Profit}{Total\ Assets}$$

Figure 1. Formula for ROA

This research was in line with studies. It was discovered that social performance reporting has a favorable impact on economic performance, as evidenced by high firm profitability (ROA) and stock prices (market value). It demonstrated a link between CSR and financial performance using adjustable ROA. Although the effect was small, the study found a positive correlation between CSR and ROA (Siegel and Paul, 2008).

Financial performance (ROA). This demonstrates that CSR does not boost profit and that CSR initiatives result in wasteful corporate performance. The rationale for this was because CSR disclosure would incur additional expenditures (Mittal, Sinha and Singh, 2009). As a result, profitability will suffer.

However, it was discovered that social transparency and corporate social responsibility accounting had little impact on financial performance (profitability). Disparities in CSR assessment, financial performance, and response rate all contributed to this.

Return on assets was one of the financial performance factors used (ROA) Yamaguchi, Keiko, (2008). The amount of CSR initiatives was expressed by the level of transparency of their leisure events (including social costs), which may strengthen the legitimacy of the corporation. Companies gain legitimacy through expanding financial transactions to increase profits. It was visible in ROA.

Supporting individuals are involved in efforts to sustain and enhance ROA (Jermias, 2005). Financial performance can be improved by aligning company spending with environmental spending. It can be seen in the ROA figure.

Achievement From 2007 to 2009, the average ROA of 46 enterprises was 12.64 percent. It means that the whole assets of the company were utilized to generate earnings before interest and taxes of 12.64 percent. Acquisition ROA reveals that 46 of the companies in the sample have a significant opportunity to grow.

The impact of ROA on the CSR index may be seen in the results (Jo and Hoje, 2009). These findings suggest that a quarterly profit increase its corporate social responsibility. CSR was a technique for meeting stakeholder interests and ensuring the company's long-term viability. The increase in ROA can be utilized to fund the company's CSR efforts (Roida, 2008).

2.2.2. EBITDA and CSR

There are around 200 financial ratios that can be utilized to examine the corporation's actions (Roth et al., 2018). Typically, only a few basic coefficients and signals are employed, as well as the key conclusions that may be taken from them. It's critical to recognize that the divide is conditional, and also that different stakeholders can use the signals for each category.

As previously said, EBITDA assists investors in determining the enterprise and firm position of a firm. As a result, the higher the EBITDA, the better the investments. The greater the investment, the greater the organization's potential for CSR spending (Bampton, 2012). These aspects play a direct role in the company's financial support. Because CSR is an expense for any firm, it is critical that it receives funding to develop its operational functions and social duties. It's also crucial for businesses to realize that CSR and financial performance are intertwined (Ahmad and Putri, 2015).

The conceptual provisions of the instrumental methodology to CSR theory provide the study's methodological foundation. The data test of dynamic panel was founded on the systematization of acquired knowledge and empirical study findings. Models with different aspects were employed as well as models with specific fixed effects (Consler, Lepak, and Havranek, 2011).

The sample was created using information from 20 semi Russian and 20 Kazakhstani public enterprises from 2015 to 2020. As response variable, the cost multiplier "Price/Book Value" (MBR) and the accountancy indicator of EBITDA performance were used.

EBITDA Formula

```
   Net Sales
-  Operating Expenses
---------------------------------------
   Operating Profit (EBIT)
+  Depreciation Expenses
+  Amortization Expenses
---------------------------------------
   EBITDA
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Figure 2. EBITDA Formula

A favorable association between the EBITDA cost multiplier and the expenses of adopting CSR policy was verified in the random effects model. When assessing the model with fixed factors, however, the price EBITDA's link with CSR costs was shown to be statistically negligible (Rozenbaum, 2017). This supports the claim that, in Russian conditions, CSR policy implementation choices are influenced by the unique characteristics of particular companies and their unobservable impacts.

The selected CSR proxy factor and the accounting indicator of future profitability did not reveal a statistically significant link in either model (Leon, 2017). The empirical findings suggest that, even in an uncertain market, socially responsible behavior and EBITDA can operate as a driver of investment attraction. Individual company factors influence strategic decisions in this area to a considerable extent (Leon, 2017).

2.2.3. ROE and CSR

The return on equity (ROE) is a measure of a company's net profit in relation to its equity capital. This has been the most crucial financial return measure for any investor, since it shows how well the capital invested by the owners was managed (Statman and Glushkov, 2009).

According to Derwall et al., (2011), ROE (profit after tax divided by share capital) has a substantial link with the amount of CSR. The ROE of Pakistani banks was found to have a substantial favorable link with CSR. The neutral association between ROE and CSR was represented by Bello (2005) and Jiao (2010), but they did not employ time-series linear regression, which could be a study drawback.

Consumer and employee transparency have a good and significant influence, according to the results of the analysis. Environmental disclosure to ROE indicates a positive but minor influence. There is also a negative correlation between community disclosure and ROE. Employee transparency has a favorable and considerable impact on ROE, according to Bayoud et al. (2012). Integrated reporting, consumer disclosure, and community full transparency all have positive effects on ROE. In the regression of financial performance of the ROE ratio, a mixed result is observed, with a significantly positive influence on client purchasing disclosure to ROE, a point conceivable on voluntary disclosure to ROE, and a negative impact on public disclosure to ROE. Because it indicated a significant and positive effect, the results of this analysis can be classified as consistent with Bayoud et al. (2012).

This study makes a contribution in at least two different ways: first, it builds on prior research that linked CSR levels to financial performance using financial ratios: (ROA) return on investment, (ROE) return on equity, and revenue.

2.2.4. D/E and CSR

CSR may play an important impact in lowering a company's debt-to-equity possible cost profile. As a result, if socially responsible behavior and CSR efforts result in a decrease of hazard (effective and/or seen by the marketplace) and, as a result, an increase in financial performance (as the stakeholder approach suggests), banks will grant the company better terms on loans (Tenkati, 2011). On the other hand, if the financial market fails to recognize the potential of CSR to decrease firm risk, socially responsible businesses may face a competitive disadvantage as a result of the higher expenses incurred for resources not invested on risk reduction (Mazzuka, 2014).

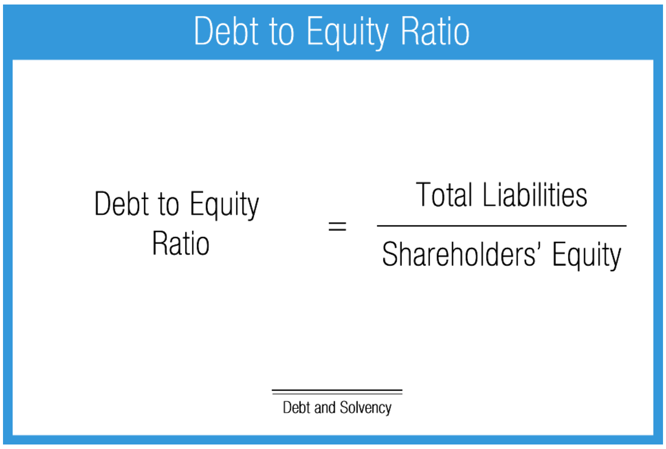

Figure 3. Debt to Equity Ratio Formula

Investors do not disregard firm scale debt, according to Kayobi and Anggraeni (2015), since they are more concerned with how management manages corporate resources effectively and efficiently. Share value movements and corporate value generation in the capital market are influenced by market conditions (Barnea, 2010). As a result, the debt-to-equity ratio (D/E) has no bearing on the firm's worth.

Findings reveal that debt to equity ratio performance affects the cost of financial loans and CSR in respect to our group, but not in the manner we predicted. The findings reveal a link between

CSR performance and debt cost. This ensures that economic organizations not only appear to avoid any decreased risk for CSR operations, but also regard them as a misallocation of money, which has a negative influence on financing costs (Di Giulio et al., 2011).

3. Methodology

This chapter discusses research methodology, methodology approach, and research design in detail. It begins by detailing the location of the study, the time frame, and the subjects in the present study. The current study's kind is described, along with a review of the disadvantages and benefits of each form of research strategy. The tests and devices utilized to obtain the information will be justified and thoroughly stated. The reliability and validity of the data management tool will be stated in accordance with how it was constructed, gathered, and tested. There will be an explanation of the stages and procedures utilized to conduct the research, as well as an explanation of how data was gathered (from internal or external sources). It then moves on to data analysis using a quantitative or qualitative method, as well as a description of the outcomes. It concludes with a discussion of methodological flaws and limits.

Collected sources from science direct, papers, and books will be used in the methodology. The information was compiled using Google Scholar, Academic databases, and Scopus. During the initiative phase of the current project, these sources will be used as research instruments.

Research methodology is a template that includes theoretical values as well as a framework that provides ways for conducting research within a given model (Sarantakos, 2013). It is critical to select the most appropriate option. For any specific study, a methodology or a combination of methodologies has been used.

The technique is to conduct a longitudinal study utilizing publicly available web data, and the model includes features for determining the relationship between dependent variables (DS) and the predictor variables (IV) (8 factors). Bren oil price, price of gold, political shocks, shocks, restriction on cryptocurrency use in other countries, passage of restrictive laws, general market forces, and the quantity of political and economic news stories about the crypto market each year are among the eight factors. Each factor is described by a parameter, a monetary quantity in US dollars, or a numerical value. After assuming that the DS variable is responsive and factors are equal, the model represents various multiple linear regressions investigated independently.

This chapter discusses research methodology, methods approach, and research design in detail. It begins by detailing the location of the study, the chronology, and the subjects in the present study. The current study's kind is described, along with a review of the disadvantages and benefits of each form of research design. The techniques and devices utilized to obtain the data will be explained and thoroughly stated.

3.1. Study participants

A total of 40 publicly traded firms are included in the sample, with 20 from Russia and the remaining 20 from Kazakhstan. The sample size data was obtained between 2018 and 2021. The current study's response rate is drawn from publicly traded corporations that function in a variety of industries; however, in developed countries, the company's size criteria, as measured by market capitalization, net assets, and sales income, should be greater than $15 billion US dollars, $12 billion US dollars, and $30 billion US dollars, respectively. For such a developed country concept, the sample size criterion is a total revenue of one million dollars. The criteria purposeful sampling would produce a representative sample by excluding small businesses. Furthermore, players should fit within the following corporate traits, according to (Bacan, 2007)

Many academics have criticized the use of econometric methods, claiming that true science requires human discretion rather than equating inquiry with mathematical computations and data analysis, as this study does. They claim that science and mathematics are only substitutes for true science. There will always be some form of element that is not included in any empirical inquiry that can dramatically influence the final results (Sylls, 2018).

3.2. Data collection methods

The study used traditional financial analysis, which is based on the use of accounting / return on assets (ROA), return on equity (ROE) and leverage ratio (D/E). The advantage of using accounting indicators by creditors and investors is due to the fact that they are based on the data of accounting reports verified by audit companies [Luo, 2015; Aras et al., 2010]. The quality and extent of disclosure of CSR strategy was assessed using the ESG score for Russian companies, which was calculated using data from the Bloomberg information database and ESG score Kazakhstani companies. The same base served as a source of financial information. Industry affiliation was determined in accordance with the BICS (Bloomberg Industry Classification Standard).

As part of this study, we evaluate the quality and availability of ESG information in the public reporting of Kazakhstani companies. The analysis is based on annual reports and reports on sustainable development (and their analogues, including integrated reports, reports on sustainable development and social responsibility), hereinafter collectively referred to as "Reports". When compiling the current Rating, the Reports prepared by companies based on the results of their activities for 2018-2021 are evaluated. The evaluation criteria include four main blocks of disclosure (hereinafter collectively referred to as the "Analysis of the Four"): • sustainable development management, • social policy, • environmental impacts, • corporate governance.

The methodology includes 76 criteria; a score is given for each criterion (from 1 to 10). • The final rating functional is calculated as a weighted average of ratings by criteria. • Depending on the score obtained, the company is assigned an appropriate ESG disclosure level rating.

3.3. Quantitative study

The study's outcome variable is FP (financial performance), while the independent variable is CSR degree. The regression analysis model is used to evaluate data and test hypotheses. The statistical technique (SLR) model includes one variance and one dependent variable, whereas the panel regression (MLR) model contains two or more variables, hence MLR will be employed in our version. This subject's equation is expressed by the following formula:

$y=ß\circ+ß1x1+ß2x2+......ßpXp+\epsilon$

The accompanying study's regression formula is:

$y=b0+E*x1+S*x2+G*x3+CSR\ initiatives*x4+E;$

,

where

E – Environmental rank;

S – social rank;

G – governance rank;

CSR initiatives - the number of CSR programs carried out by businesses each year;

E – error;

The p-values would always fall between 0 and 1. The minimum statistical significance at which the null hypothesis can be discarded is known as the P-value. As a result, the null hypothesis should be rejected if p is less than the specified statistical significance at which the assumption is tested; if p is greater, there is no cause to reject the null hypothesis. Because the fixed significance value in current research is 95 percent, we can claim that we reject or prove the provided hypotheses with a 95 percent confidence level. 0.05 is the significance level.

The t-test is being used to verify the significance of results, just as the p-value testing processes were detailed in detail before. The function TINV in Excel is used to calculate the significance level of Student's t-statistic. The investigator specifies the number of variables as n - 2 = 20 - 2 = 18 and the importance as val a = 0.05 as parameters to the function.

To evaluate the data and develop the regression analysis, the ANOVA program was employed. ANOVA is a statistical method for examining the impact of one or more predictor factors, often known as factors, on a predictor variable (Lehmann, 1959). The coefficients of a multiple regression model can be calculated using Excel's built-in tools. The first step is to enter the Data Analysis tool bar and pick "Regression" from the drop-down menu. The menu will then appear, allowing you to select data input and output variable (where to display the result). The research mentioned the range of the specified parameter (Y) and the factors that influence it in the fields for the preliminary information (X).

The Anova is the first stage in determining which factors influence a particular data set. Following the completion of the test, an analyst does extra testing on the methodological elements that contribute meaningfully to the data set's irregularity. An f-test is used by the analyst to produce extra data that fits with the proposed linear regression using the ANOVA test findings (Klein, 1973).

For both models, the sample size is 20 Russian and 20 Kazakhstani companies examined from 2018 to 2021. They were chosen based on the criteria outlined in Chapter Methodology. The output of the Regression program will be presented in the form of a protocol. The method is divided into four tables: first one contains Regression Statistics, the next contains ANOVA, the third includes descriptive information about the linear regression, and the fourth provides anticipated values and residuals. The goal of regression analysis is to find out how a dependent variable interacts with one (paired linear regression) or numerous (multiple) independent variables.

Factorial, explanatory, definite, and predictive variables are all terms used to describe explanatory variables.

3.4. ESG Rating methodology

As mentioned earlier, there are various options for measuring corporate social responsibility. For the purposes of our study, the RAEX ESG and PwC ESG sustainability rating was chosen as a CSR metric, which assigns scores to companies from 1 to 30, based on the compliance of their activities with sustainable development parameters that can affect the company's competitiveness. These are indicators such as the level of hazardous waste per unit of production, the company's participation in charitable and environmental projects, spending on employee training, research and development, the percentage of women on the board of directors, support for minorities and other indicators, as well as the level of disclosure of information on sustainable development in annual non-financial reporting. The rating formation methodology is as follows. More than 7,500 companies worldwide participate in the annual SAM Corporate Sustainability Assessment, which evaluates companies against corporate social responsibility criteria. To participate in the assessment, firms must not only have CSR strategies, but also provide statements verified by a third-party auditor. The assessment is made taking into account industry specifics, due to which the rating immediately takes into account the specifics of the sector in which the company operates and its sensitivity to CSR. This was one of the reasons why the rating was chosen: since industry differences were initially included in the score, the model would not need to be weighted with additional variables responsible for the economic sector. (Ranking | SAM Sustainability Yearbook)

4. Results

Before discussion of regression and correlation model, the findings of minimum, maximum and mean EBITDA, ROE, Leverage ratio and CSR initiatives is presented in the table below.

	n	Min	Max	Mean	SD
EBITDA 2018	20	1003328	1413257	2000238	2521706
EBITDA 2019	20	1004102	1658496	1153437	2966051
EBITDA 2020	20	1004478	2615009	2071853	2482225
EBITDA 2021	20	1001673	1241330	2205427	2678995

Table 1. EBITDA 2018-2021 for Kazakhstan's sample

	n	Min	Max	Mean	SD
EBITDA 2018	20	1004254	1424848	2363003	2521706
EBITDA 2019	20	1003930	2538738	2150525	2966051
EBITDA 2020	20	1003089	1812617	1170141	2482225
EBITDA 2021	20	1003878	1574477	1256221	2678995

Table 2. EBITDA 2018-2021 for Russia's sample

	n	Min	Max	Mean	SD
ROE 2018	20	30	76	76	27
ROE 2019	20	29	98	66	51
ROE 2020	20	24	78	70	89
ROE 2021	20	18	96	17	85

Table 3. ROE 2018-2021 for Kazakhstan's sample

	n	Min	Max	Mean	SD
ROE 2018	20	18	63	45	81
ROE 2019	20	20	92	39	58
ROE 2020	20	14	65	45	54
ROE 2021	20	10	95	20	10

Table 4. ROE 2018-2021 for Kazakhstan's sample

	n	Min	Max	Mean	SD
Leverage ratio 2018	20	30	54	96	58
Leverage ratio 2019	20	19	59	86	52
Leverage ratio 2020	20	10	90	78	86

Leverage ratio 2021	20	31	100	73	38

Table 5. Leverage ratio 2018-2021 for Kazakhstan's sample

	n	Min	Max	Mean	SD
Leverage ratio 2018	20	5	52	52	3
Leverage ratio 2019	20	18	74	28	12
Leverage ratio 2020	20	39	99	28	54
Leverage ratio 2021	20	35	53	44	88

Table 6. Leverage ratio 2018-2021 for Russia's sample

4.1. Regression analysis results

Model: Kazakhstan	Acr.	*B*	Min.	Max.	P-Value	T-stats
Dependent variable						
ROE	S	29	18	63		
Independent variables						

E Rank	ER	1,34	9	68	**0,00373***	-10,876
S Rank	SR	1,9	8	79	**0,0035***	1,836
G Rank	GR	34,7	12	88	0,6172	1,933
CSR incentives	CI	24,6	13	75	**0,0076***	2,037

Table 7. ROE model for Kazakhstan's companies

Model: Russia	Acr.	*B*	Min.	Max.	P-Value	T-stats
Dependent variable						
ROE	S	20	10	19		
Independent variables						
E Rank	ER	161	11	17	**0,0013***	-10,876
S Rank	SR	1,40	20	11	**0,00083***	1,836
G Rank	GR	111	16	12	**0,00053***	1,933
CSR incentives	CI	97	20	11	0,83	2,037

Table 8. ROE model for Russian's companies

Model: Kazakhstan	Acr.	*B*	Min.	Max.	P-Value	T-stats
Dependent variable						
EBITDA	S	10	19	20		
Independent variables						
E Rank	ER	114	12	14	0,085	19
S Rank	SR	142	15	13	0,974	-13
G Rank	GR	64	19	15	**0,0013***	19
CSR incentives	CI	1,17	17	14	0,94	20

Table 7. EBITDA model for Kazakhstan's companies

Model: Russia	Acr.	*B*	Min.	Max.	P-Value	T-stats
Dependent variable						
EBITDA	S	15	16	19		
Independent variables						
E Rank	ER	229	16	19	**0,0073***	3

S Rank	SR	169	14	15	0,781	1
G Rank	GR	39	18	16	**0,00843***	19
CSR incentives	CI	162	14	14	0,173	11

Table 8. EBITDA model for Russian's companies

Model: Kazakhstan	Acr.	*B*	Min.	Max.	P-Value	T-stats
Dependent variable						
Leverage ratio	S	14	20	13		
Independent variables						
E Rank	ER	-168	16	17	**0,00072***	0
S Rank	SR	119	18	19	**0,00237***	12
G Rank	GR	155	11	18	**0,00092***	7
CSR incentives	CI	169	18	12	0,9372	-5

Table 9. Leverage model for Kazakhstan's companies

Model: Russia	Acr.	*B*	Min.	Max.	P-Value	T-stats
Dependent variable						
Leverage ratio	S	10	19	13		

Independent variables						
E Rank	ER	181	19	17	**0,00089***	-4
S Rank	SR	113	14	19	**0,00173***	-8
G Rank	GR	171	19	11	0,8236	9
CSR incentives	CI	181	11	18	**0,00073***	13

Table 10. Leverage model for Russian's companies

4.1. Result on Kazakhstan model

According to the data in Table. 1, the average value of the profitability ratios of the sample was: ROA - 6.72%, ROC - 10.09%, ROE - 15.94%; the median value was: ROA - 5.9%, ROC - 10.14% and ROE - 14.4%. In general, over the period under review, the disclosure of ESG information by Kazakhstan public companies increased. The overall ESG disclosure ratio averaged 38.41 points; the minimum score is 11.57, the maximum is 74.51. The disclosure of environmental indicators as part of the ESG criteria was rated at 30.23 points (median value - 28.68 points); social indicators - 37.09 points (median value - 36.67 points), corporate governance indicators - 55.24 points (median value - 57.14 points). Worst of all were disclosed environmental indicators, and best of all - indicators related to corporate governance.

Kazakh companies do a fairly good job of disclosing information about the key components of the corporate governance system. For example, two thirds of the Reports cover the main approaches to combating corruption and ensuring ethics. Most of these policies and processes should exist within the company as part of the Corporate Governance Code. In Kazakhstan, the requirements for the management system were formed quite a long time ago. Often attention is paid to aspects of the organization of the work of the Board of Directors/Supervisory Board.

Almost 90% of the reports describe the activities of the Board of Directors/NS in the reporting year. Perhaps the key difficult issue remains that of management compensation: 48% of reports indicated the total amount of remuneration of the highest management bodies, and only 2 companies indicated the remuneration of each director (both non-executive and executive).

Thus, based on statistical analysis of p-values on, we can formulate regression formulas as:

Y(ROE) = 29 + 1.34*ER + 1.9*SR + e;

Y(EBITDA) = 10 + 64*GR+ e;

Y(Leverage) = 14 – 168*ER + 119*SR + 155*GR+e;

It can be seen that ROE model for Kazakhstan's sample showed that Environmental and Social Ranks as well as number of CSR programs and incentives with increasing numbers have an impact on the increase of ROE. This is associated with conclusion provided by Liy et al. (2021), where it was showed that empirical results generally indicate that socially responsible behavior, primarily of large joint-stock companies, can act as a driver for attracting investments even in a low-transparent and informationally inefficient market. EBITDA also showed high association with all factors of ESG, which reflects the idea of Yen and Andrea (2019) that increase in ESG rating increases brand strength and number of customers which increases revenue streams.

Leverage factor showed association with all three factors of ESG rating, but with Environmental Rating with negative sign. It means, that with every increase in Environmental Rating, the leverage ratio will decrease. That might be justified with the fact that as investors oversee low risks and increased CSR strategy, they might invest more into company, therefore, debt share decreases as a result.

White and Wooldridge tests revealed first-order autocorrelation and heteroscedasticity. As in testing the previous hypothesis, White and Rogers adjustments were applied. The results of the adjustments made are presented in Appendix B. Similarly to the previous point, the evaluation of the models after the adjustment did not affect the signs and significance of the coefficients in the models that assess the impact on EBITDA and ROE. The significance of the coefficient before the disclosure score in the specification with ESG rating factors during adjustments fell from 0.1% to 5%.

4.2. Result on Russian model

Leverage, EBITDA and ROE values in the sample take both positive and negative values. Despite the strong spread between the minimum and maximum, the average values for both variables are positive: 7.5% for Leverage and 14% for ROE, which signals the competitiveness and attractiveness of companies in the sample for investors. The fact that the return on equity is twice the leverage shows that, on average, the firms included in the sample operate not only with equity, but also with borrowed funds. And the higher the amount of borrowed capital, the higher the leverage ratio and the lower the ROE.

Based on p-values, presented in tables above, it can be seen that regression formulas are the following:

Y(ROE) = 20 + 1.61*ER + 1.4*SR+ 111*GR

Y(EBITDA) = 15 +229*ER+ 39*GR+ e

Y(Leverage) = 10 - 181*ER + 113*SR + e

All three ranks had an influence on ROE of Russian companies, which reflects the idea that ESG and CSR were earlier developed in Russia, that’s why investors are ready to fully assess all three ranks (Gia et al, 2018). Environmental rank also had an influence on EBITDA, which reflects the idea that Russian companies are largely affected by ER. In the study by Cheng

(2013), it can be seen that aggressive Environmental Policy can lower Leverage ratio, which is in line with the results of this study.

Moreover, this result supports another objective of the current research: with increasing ROE, CSR increases as well. According to Godfrey, 2005, greater CSR contribute to moral capital, which in turn improves reputation among shareholders.

For Leverage Ratio model results were the same as in Kazakhstan model, while in EBITDA model the influence of ER is positive with significant p-value.

Conclusion

The analysis showed that despite the limitations imposed on the analysis by the instability and imperfection of emerging markets, corporate social responsibility has an impact on the company's financial results. At the same time, the mere presence of a company in the rating has a stronger effect on profitability and market capitalization than the rating score. That is, we can conclude that the presence in the rating is perceived by investors and consumers as a positive signal.

In this study through analysis of 40 companies, where 20 companies are Kazakhstan-based, and 20 are Russian based. Through research performed, it can viewed that the strongest rating, named as Environmental rating had the most influence in all three financial indicators.

Future research can be made more deeply on Kazakhstan's corporations in more time length and with more factors that can affect the level of CSR. It is necessary to analyze how regulatory support can affect CSR strategy of corporations. This study used only quantitative research method, so for future studies qualitative approach as well as mixed can be implemented in order to collect surveys and expert opinions on CSR. Since this study analyzed how financial performance is affected by CSR levels, the future studies might be done on analyzing how CSR can diminish cost of debt. A comparative and deeper study of Kazakhstan and other developed country might bring more insights in the problem.

Appendix A. Study participants

Name	ESG Rank	E Rank	S Rank	G Rank
Самрук-Энерго	1	8	2	8
«Карачаганак Петролиум Оперейтинг Б.В.»	2	9	17	2
КазМунайГаз	3	7	9	17
НАК «Казатомпром»	4	22	19	8
Народный банк РК	5	16	26	26
Kaz Minerals	6	21	15	22
AirAstana	7	1	29	18
Казахстанская Жилищная Компания	8	9	3	2
Сбербанк кз	9	15	18	12
Казахтелеком	10	10	17	9
КазТрансОйл	11	24	21	4
Казахстан Темир Жолы	12	25	20	29
KEGOC	13	20	6	19

НУХ "Байтерек"	14	20	5	8
ЦАЭК	15	15	10	6
KAZ Minerals PLC	16	20	11	22
ПАВЛОДАРЭНЕРГО	17	2	24	10
СЕВКАЗЭНЕРГО	18	8	14	27
NOSTRUM OIL & GAS PLC	19	22	2	4
НК "Қазақстан темір жолы"	20	17	10	3

Name	ESG Rank	E Rank	S Rank	G Rank
«Полиметалл»	1	1	3	24
«ЛУКОЙЛ»	2	2	16	3
«СИБУР Холдинг»	3	3	6	18
«Энел Россия»	4	17	1	10
РЖД	5	12	10	5
ПАО "МТС"	6	23	7	4
НЛМК	7	8	4	26
«Интер РАО»	8	4	8	32
ПАО «Ростелеком»	9	20	13	9
«Росатом»	10	10	30	6
СУЭК	11	15	12	25
Московская Биржа	12	35	29	2
«Газпром»	13	6	18	28
«Роснефть», нефтяная компания	14	5	20	33

«Сахалин Энерджи»	15	9	9	48
«Северсталь»	16	29	5	19
«Полюс»	17	16	11	35
«МОСКОВСКИЙ КРЕДИТНЫЙ БАНК»	18	13	34	15
Акционерная компания «АЛРОСА»	19	18	23	11
АФК «Система»	20	25	19	21

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