

BUSINESS DEVELOPMENT STRATEGY

The key strategic objective of Rusagro Group is to increase shareholder value as part of our ‘Making people’s lives better and longer’ mission.

To achieve this goal, the Board of Directors approved a strategic ‘from field to shelf’ concept in 2008, whose implementation is based on the Company’s vertically integrated business model for food production. The Company so far remains as committed to this concept as it has been in the past.

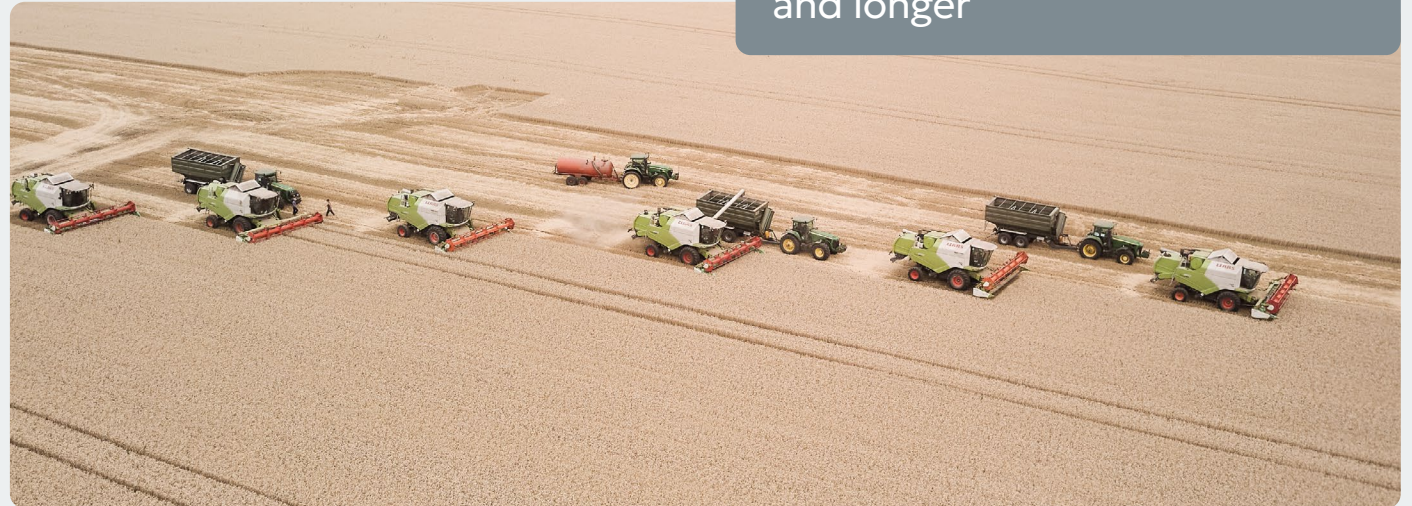
The growth of shareholder income is due in part to the Company’s increased market capitalisation, as this increase translates into a proportional rise in the value of assets in the investor’s portfolio. Market capitalisation growth is directly or indirectly included in annual KPIs of our key management. This is a way to align the interests of shareholders with the objectives of Company management.

The strategy adopted by Rusagro Group and its constituent business units covers a five-year period and reviewed annually by the Board of Directors, to redirect our efforts in response to changes in the external environment, effectively allocating both financial and human resources. Long-term priorities, well-informed decision-making, and a cautious approach to the investment process that guarantees acceptable risks and a high return on share capital are the cornerstones of the successful delivery of the Company’s strategy.

Rusagro Group’s strategy is a classified document, and its targets are not subject to public disclosure, as this carries significant risks and may impede the Company’s success. The current strategy is based on four key priorities reflecting the main areas of strategic development.

Mission

Making people’s lives better and longer



Key priorities of Rusagro Group's development strategy

Business expansion

1

Rusagro Group is working to increase production volumes and expand operations into other regions across all four business segments in order to maintain our leading position on the market.



This objective is achieved through:

- Organic growth – constructing new production facilities, increasing our land holding, and modernising/expanding our current assets
- Non-organic growth – acquiring other companies and assets, including in new business areas
- Increased market share in the regions where we operate, entry into new Russian regions, and access to new countries through the development of our export operations

Higher efficiency through digital transformation and innovation

2

In this era of technological revolution, the development and application of innovative IT, automation, and biotechnology solutions are increasingly presenting opportunities to improve efficiency, reduce costs, improve product quality, and generate additional income.



This objective is achieved through:

- Introduction of precision farming technology
- Automation of business processes
- Use of advanced methods in biotechnology
- Higher yields and soil fertility

Development of human capital

3

Development of human capital is a crucial instrument in ensuring the Company's sustainable growth.



This objective is achieved through:

- Management of labour efficiency and productivity
- Higher attractiveness of our employer brand
- Faster and better hiring
- Improved quality of our workforce and increased internal hiring

Higher return on sales through increasing sales of retail produce and brands

4

Guided by the 'from field to shelf' concept, Rusagro Group strives to develop more profitable retail products.



This objective is achieved through:

- Deeper processing of produced products and expansion of value-added product line
- Wider product range
- Increased visibility in retail sales channels
- Stronger own brands and their promotion on the consumer market