Study of Management Decision-Making

Russia's Business Environment Amid Economic Turbulence

2026

About This Study

The subject of the study is management behavior: how leaders assess the criticality of risks, where they direct their efforts, their planning horizon, and the substance of management decisions amid declining business-environment transparency, rising costs, and an expanding state role.

The study's objective is to determine how far management actions affect a company's position relative to market dynamics, and to identify the management models applied under a high key interest rate, sanctions constraints, workforce shortages, and a shortened investment horizon. The analysis is conducted at three levels: macroeconomic, corporate, and individual leadership.

The study comprises four analytical layers:

1. The first covers the macroeconomic context: trends in GDP, the key interest rate, inflation, employment, regional business activity, and labor market balance.
2. The second maps sector dynamics for 2020-2025, distinguishing growth sectors from contracting sectors.
3. The third analyzes the management decisions of public companies across eight sectors and quantifies the effectiveness of those decisions using the Management Alpha Index (MAI — a proprietary methodology).
4. The fourth summarizes executive survey results on environmental predictability, risk structure, planning horizon, and companies' financial position.

The empirical basis of the study consists of an anonymous survey of executives, owners, and senior managers of Russian companies, expert interviews and field observations, and the public disclosures of 45 companies and corporate groups. The macroeconomic section draws on data from the IMF, the Bank of Russia, Rosstat, the Federal Tax Service of Russia, RIA Rating, hh.ru, and other open sources. The indicators presented and their interpretation were produced by Andrey Kalimbetov.

Special thanks to the executives, entrepreneurs, and business owners who completed the survey for this study!

She sang through the whole red summer;
Before she had time to look around,
Winter was already staring her in the face.
<...>
"So you sang all along? —very well, then:
now go and dance!"

— Ivan Krylov, "The Dragonfly and the Ant," May 1808

Executive Summary

Russia's Business Environment 2026

01

Current Realities of Russia's Business Environment

Cost of money

14,25 %

The high key rate has made capital expensive and shortened businesses' planning horizon to six months

Labor market

3,3 million people

The economy lacks blue-collar and technical workers, while office professions are oversupplied

Growth points

Up 5,2 x

The strongest growth over 2020–2025 was recorded in digital and defensive sectors

Sector leaders

Up 1,6 x

Commodity sectors grow more slowly than IT, finance, and e-commerce and lag in growth potential

Decision determinants

2 models

Offensive or adaptive – depending on access to capital and exports

Common priorities

3 areas

Import substitution, AI adoption, and redirecting sales to eastern markets

Perception of the environment

93% of responses

The environment is rated as poorly predictable while confidence in the company's resilience is maintained

Survey

Financial position

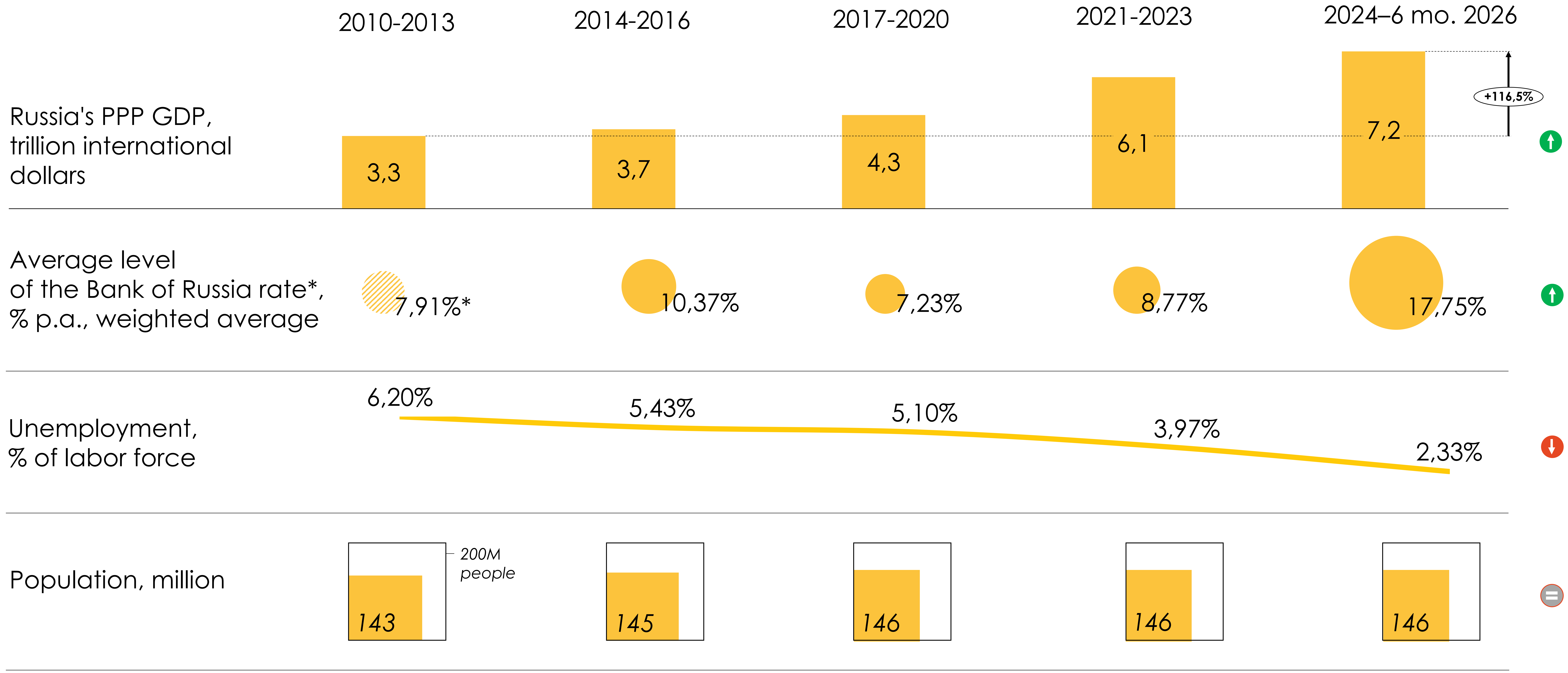
70% of responses

Companies' financial position is worse than a year earlier

Survey

Overview of Russia's Macro Environment

Trends in macro indicators reflect the changing conditions in which Russian business operates today



Source: IMF, Bank of Russia, Rosstat, analysis by Andrey Kalimbetov

*the refinancing rate is used as a proxy variable, since the key rate has only existed since 2013

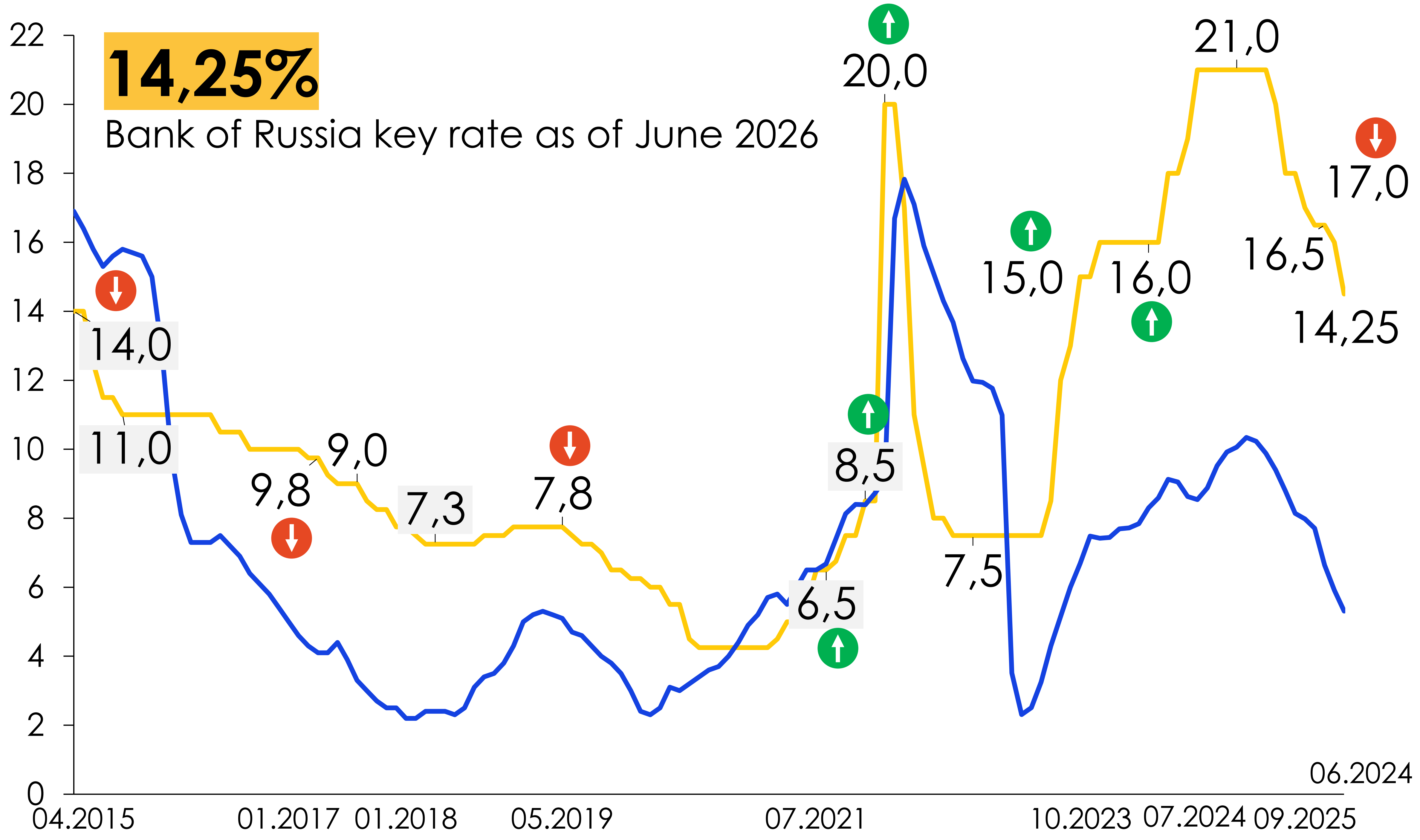
Unlike actual policy decisions, public statements by Russia's president do not directly affect the Bank of Russia's key rate

Chart: the Bank of Russia's rate versus the timeline of the president's public statements

Legend:

- presidential statement after which the Bank of Russia's rate rose
- presidential statement after which the Bank of Russia's rate fell

Key rate, % — Inflation, % YoY



Source: Bank of Russia data, official media, kremlin.ru, analysis by Andrey Kalimbetov

Takeaway

1) From 2015 to 2026, Russia's president repeatedly commented publicly on the key rate. **The frequency of these comments tracks the level of the rate.** In 2017–2020, with the rate at 4–7%, the topic came up only rarely. In 2024, with the rate at 21%, about eight such instances were recorded.

2) **The content of these statements follows the inflation cycle.** While prices are rising, the president backs the Bank of Russia's tightening policy. Once inflation passes its peak, signals of an expected cut emerge.

3) Statements precede Bank of Russia meetings by one to nine days and **tend to coincide with turning points in the rate cycle.** This applies to the decisions made in December 2024, June 2025, December 2025, and June 2026.

4) For businesses, the president's public stance signals the expected direction of monetary policy. But **the timing of any change remains the Bank of Russia's call.**

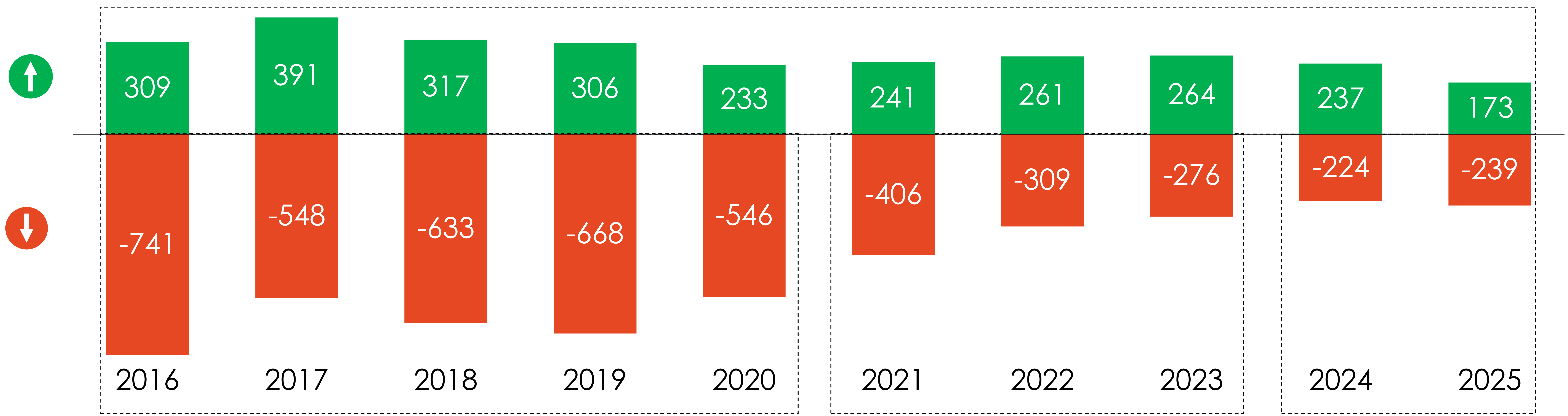
Tighter tax-authority oversight, restrictive monetary policy, higher taxes, and a shift toward self-employment and sole proprietorship are the main drivers behind falling demand for new business registration

Chart: legal-entity demography in Russia, 2016–2025

Thousand legal entities

3.1M
total legal entities in Russia

-6%
CAGR new entity registrations



Phase 1. Registry contraction
The main driver of mass closures was administrative cleanup of the state registry — a sharp reduction in shell and inactive legal entities

Phase 2. Stabilization and moderate growth

Phase 3. Start of a new wave of contraction

Source: Federal Tax Service of Russia, Interfax, analysis by Andrey Kalimbetov

The high key rate has raised the cost of corporate credit, squeezed SME lending, and shortened the planning horizon for SMEs* and large businesses

Bank of Russia key rate
14,25%
peaked at 21% in 2024

Corporate lending
22-24%
pressure on SMEs

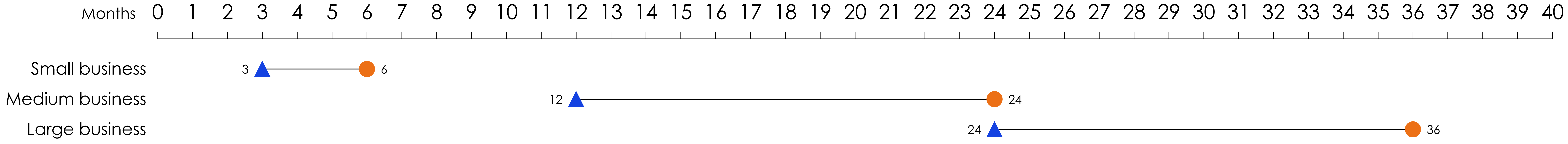
New entity registrations in 2025
-27%
lowest level in 14 years

Planning horizon
1–6 mo.
avg. term for SMEs

Portfolio growth slowed to 11.2% year-on-year from 17.9% in 2024. Growth is driven by large businesses; in the SME segment, growth is close to zero at a rate of 23.1%

Chart: shifts in planning horizon among SMEs and large businesses

Legend: ● Planning horizon earlier ▲ Planning horizon now



1. For SMEs, rigid one-year and five-year plans are giving way to **a scenario-based approach** and flexible resource allocation
2. More than half of respondents note that **continuously updated (rolling) planning is currently the most commercially effective method** today
3. Economic **uncertainty, tax changes, and workforce shortages** are prompting SMEs to plan no more than 1 year ahead
4. Russia's largest companies are adopting **a practice of revisiting medium-term plans** (a 3-year strategy is revisited once a year) to adjust outcomes

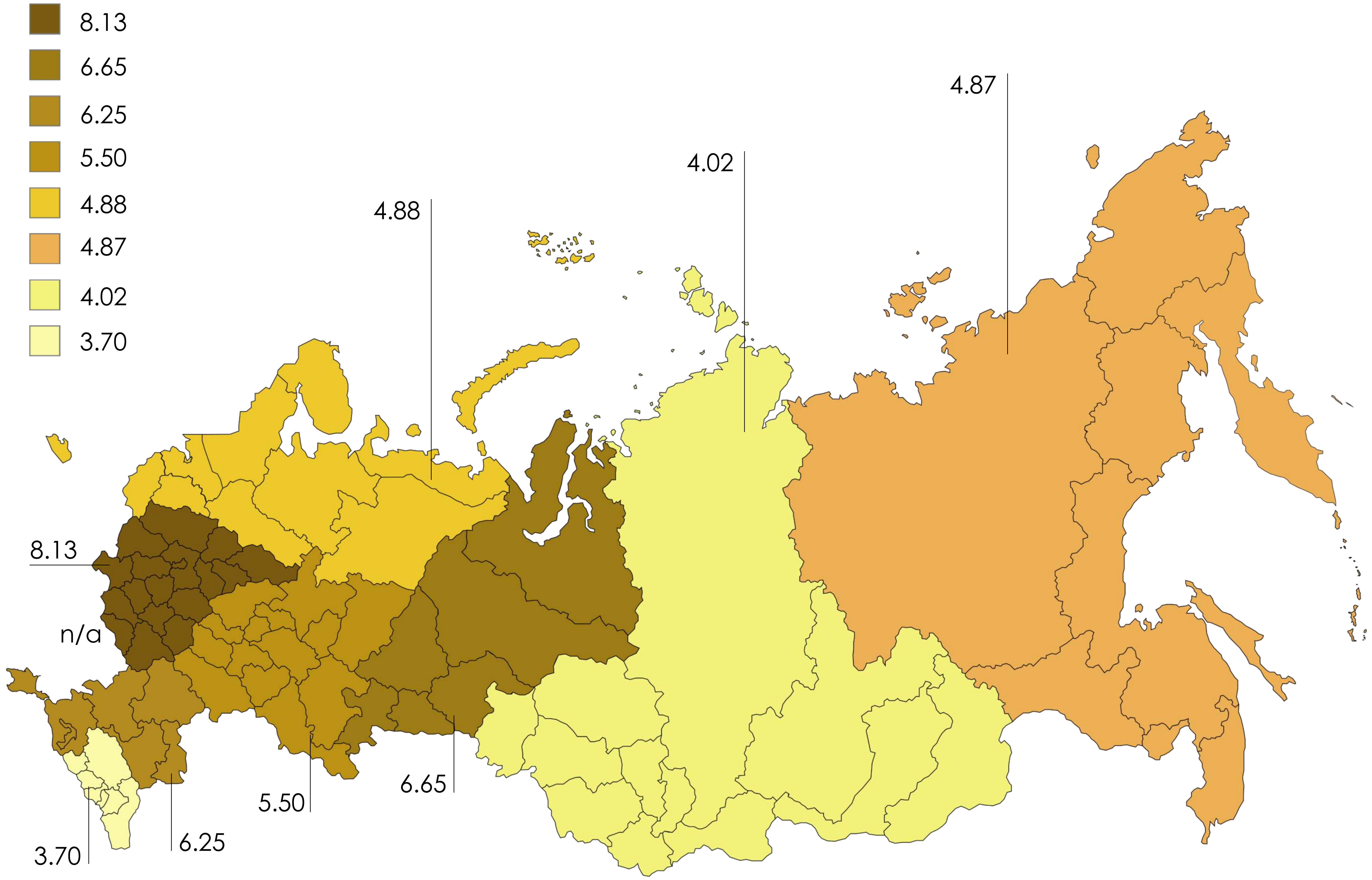
Source: Federal Tax Service of Russia, Rosstat, Bank of Russia, survey results, analysis by Andrey Kalimbetov

*SME — small and medium-sized enterprises

Russia's business activity is driven mainly by the Central and Ural federal districts, while the remaining six federal districts trail behind these leaders

Chart: business activity index by Russian federal district, 2025

Legend: federal districts and their score (0–10)



Index methodology and key observations

1. Index methodology:
- Level (RIA Rating 2025 score), 50% weight
- Year-on-year change, 30% weight
- Fiscal resilience (subsidy dependence), 20% weight

2. Index results:
The Central FD (8.13) and Ural FD (6.65) lead. The Central FD accounts for 29.3% of all fixed-capital investment in the country.
The Ural FD leads in investment per capita and is almost entirely free of subsidy dependence (only 1 of 6 regions): both figures reflect the concentration of the oil and gas sector in Khanty-Mansi and Yamalo-Nenets, which gives the district both a high investment base and its own tax base. The North Caucasus FD (3.70) ranks last, weak on both counts at once: the lowest investment per capita in the country, while all 7 regions of the district are subsidized

3. Year-on-year regional dynamics:
In 2025, 44 of Russia's 85 regions showed positive momentum, versus 76 regions in 2024

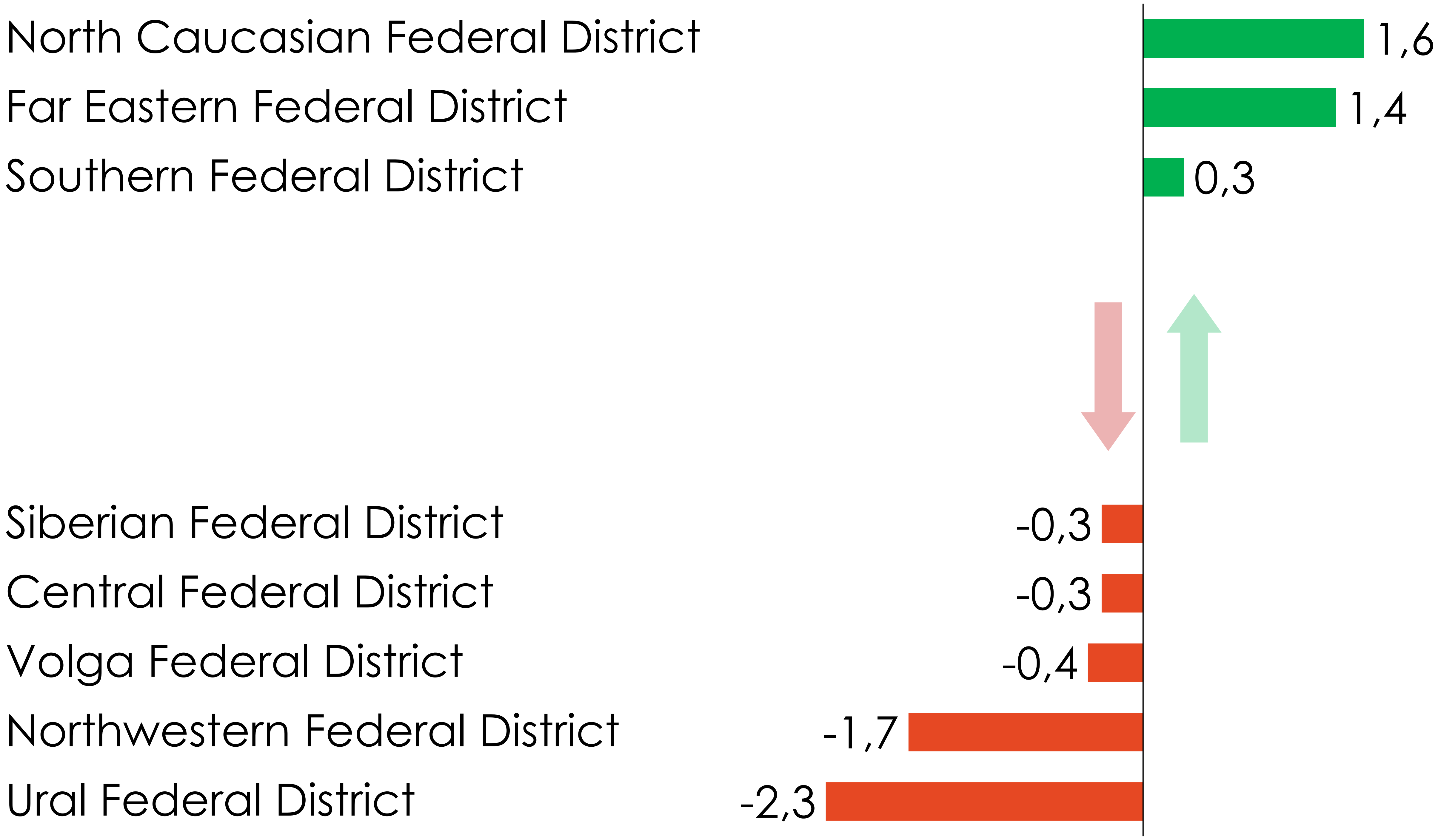
A breakdown of the index and the RIA rating is provided on page 12

Source: RIA Rating, Rosstat, analysis by Andrey Kalimbetov

Federal districts with the steepest score declines specialize in raw-material extraction; growth regions rely on manufacturing and services

Score change by district 2024 to 2025.

RIA Rating score, year-on-year



The narrowing gap between federal districts reflects a slowdown among the leaders more than a broad-based improvement among the rest

Record-setting regions

score change, 2025

Main contributor to GRP

region's dominant sector

Largest gain

Omsk Region	+7,0	Oil refining, machine building
Jewish AO	+5,4	Transit and logistics
Amur Region	+4,5	Construction
Rep. of Dagestan	+4,2	Trade, construction, agribusiness
Kurgan Region	+4,2	Machine building, pharmaceuticals

Largest decline

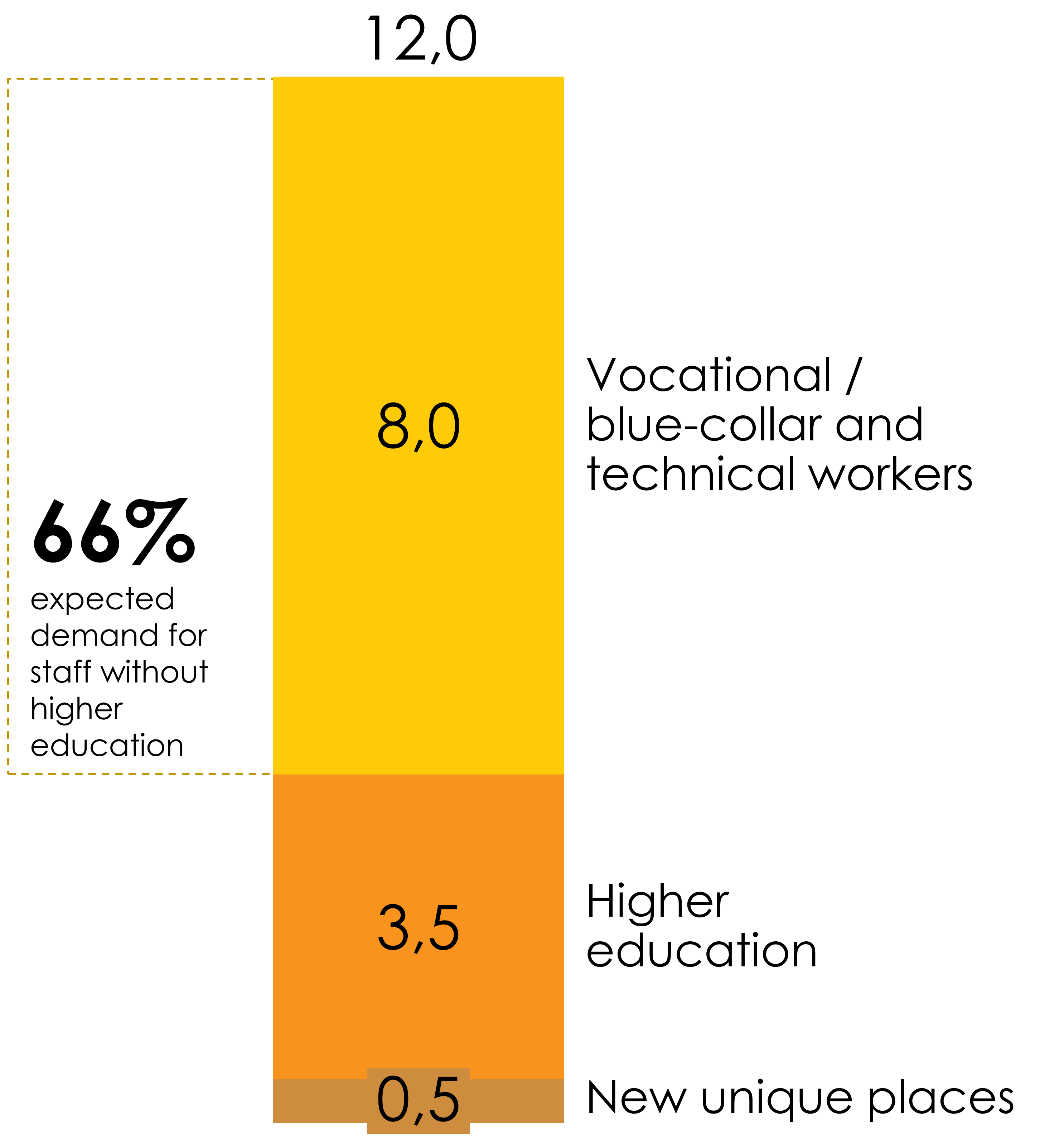
Northwestern FD	−5,5	Oil extraction
Orenburg Region	−5,5	Oil and gas extraction
Kemerovo Region	−4,8	Coal mining
Yamalo-Nenets	−4,7	Gas extraction
Tyumen Region	−3,8	Manufacturing

4 of the 5 regions with a marked decline are resource-based. Growth is concentrated on the low base of the Far East and the Caucasus

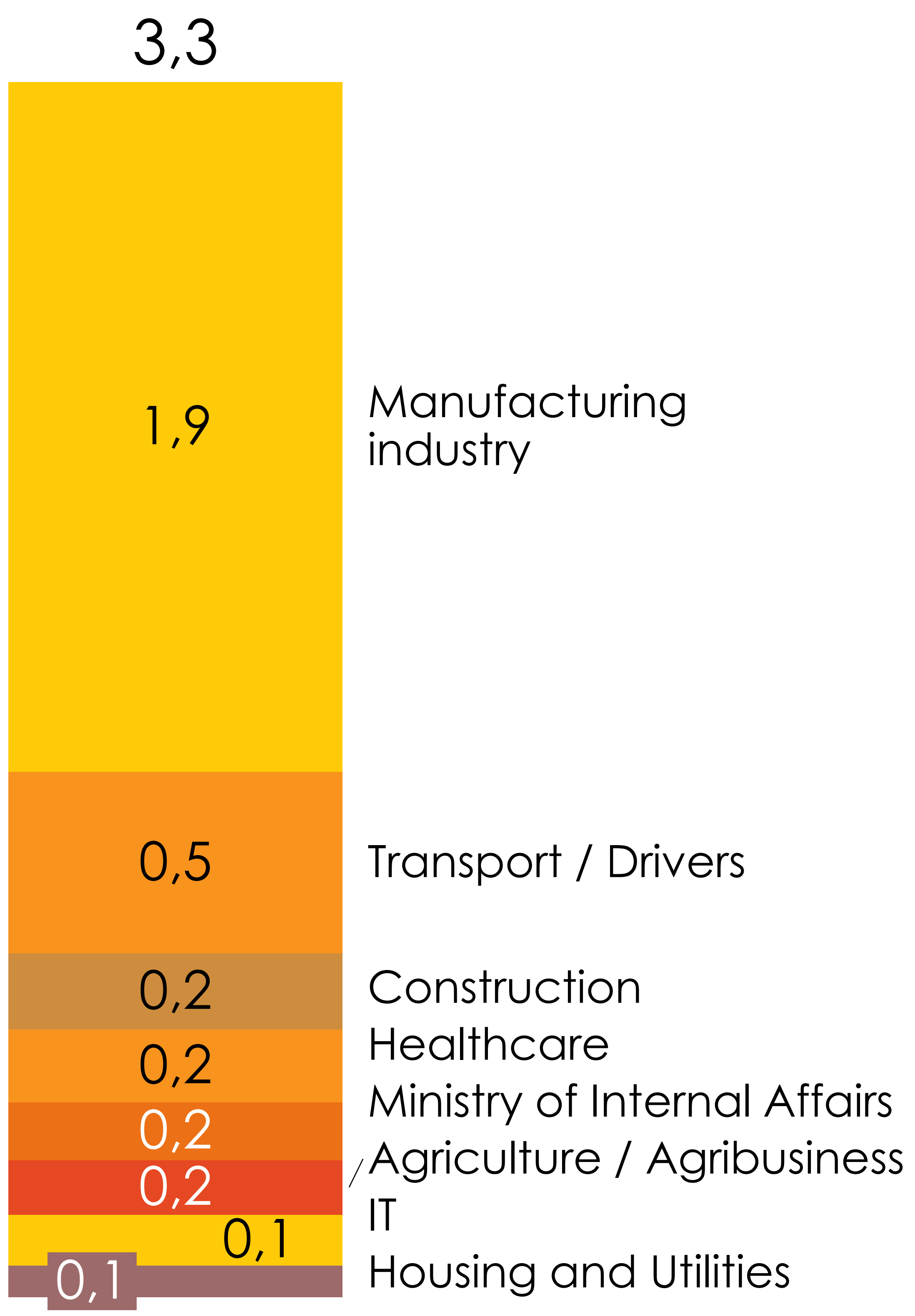
Source: RIA Rating, regional data of the Russian Federation, analysis by Andrey Kalimbetov

The workforce shortage is concentrated in blue-collar and technical occupations, while mass-market office professions have a sharp oversupply of applicants

Replacement demand by key sector through 2032
million people



Shortage of workers by sector 2025-2026
million people



Surplus of workers by sector 2025-2026
hh.ru rating (an index above 8 indicates an employer's market)

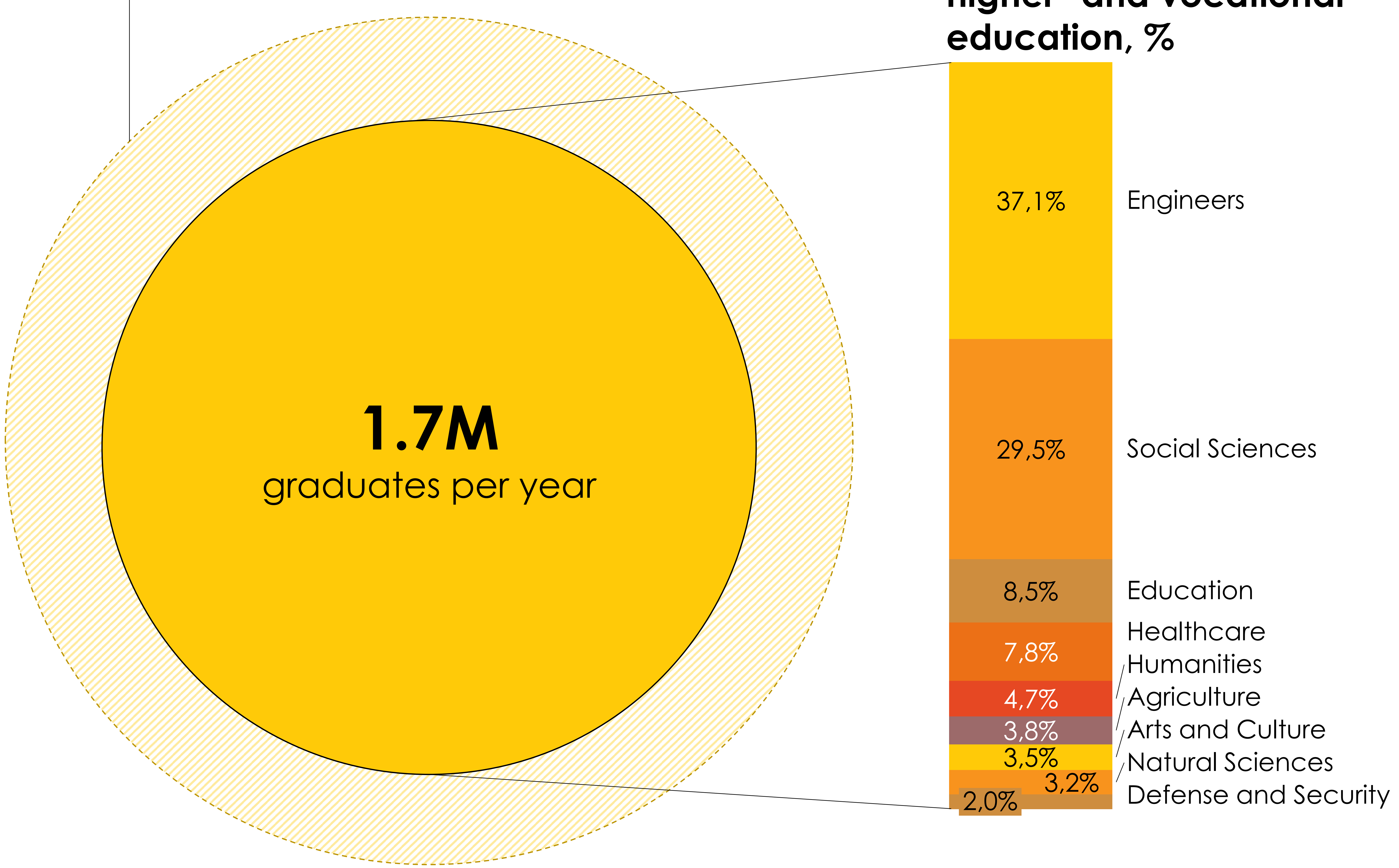
Source: SPIEF, TASS, Vedomosti, hh.ru, official data from relevant Russian ministries, analysis by Andrey Kalimbetov

VET — vocational education and training

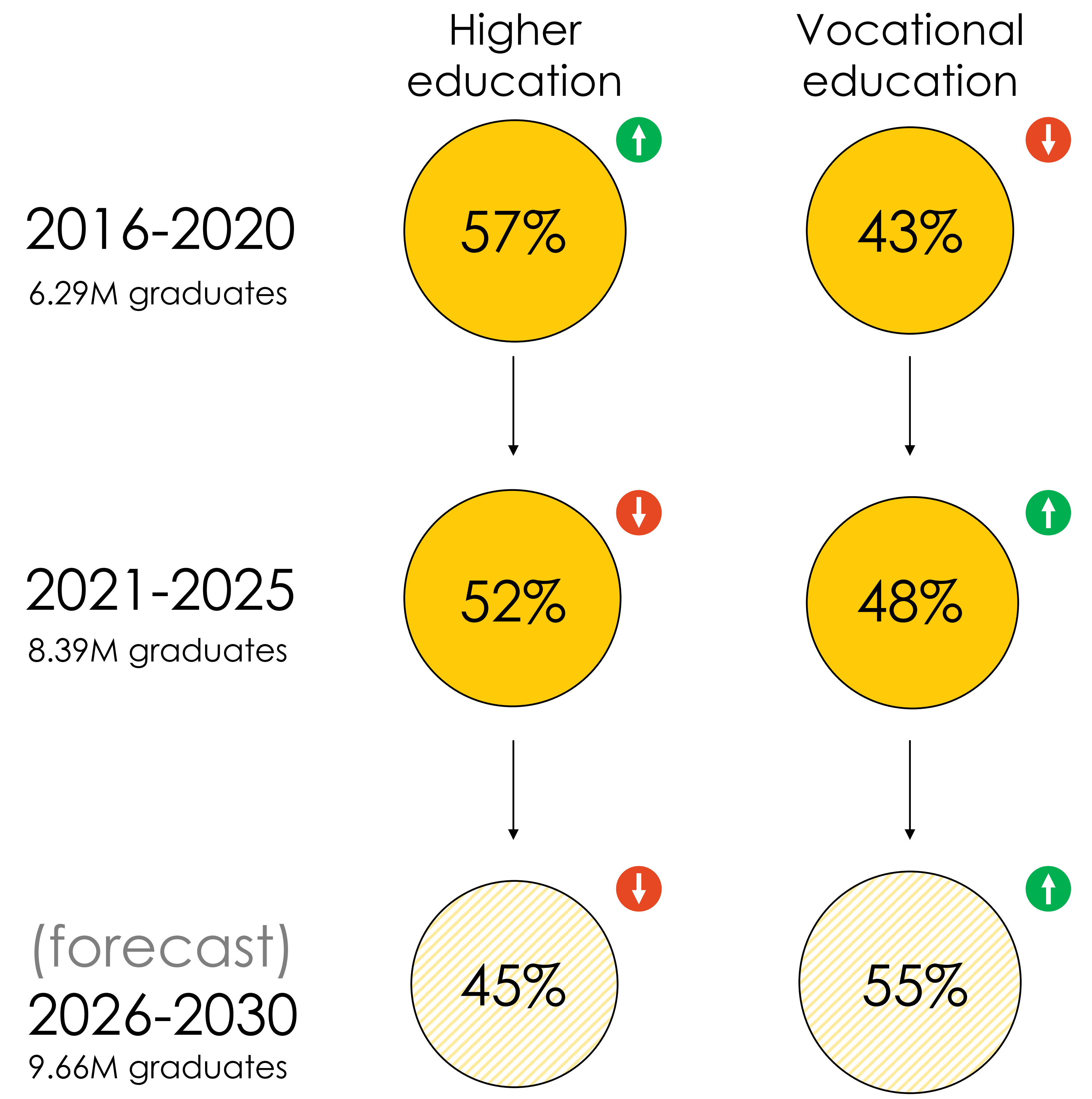
Russia's economy needs workers with vocational training, as confirmed by the rising number of vocational-school graduates

1,7–1,9 million graduates per year
replacement demand

Current mix of graduates with higher* and vocational education, %**



Trend and ratio of university vs. college/vocational-school graduates



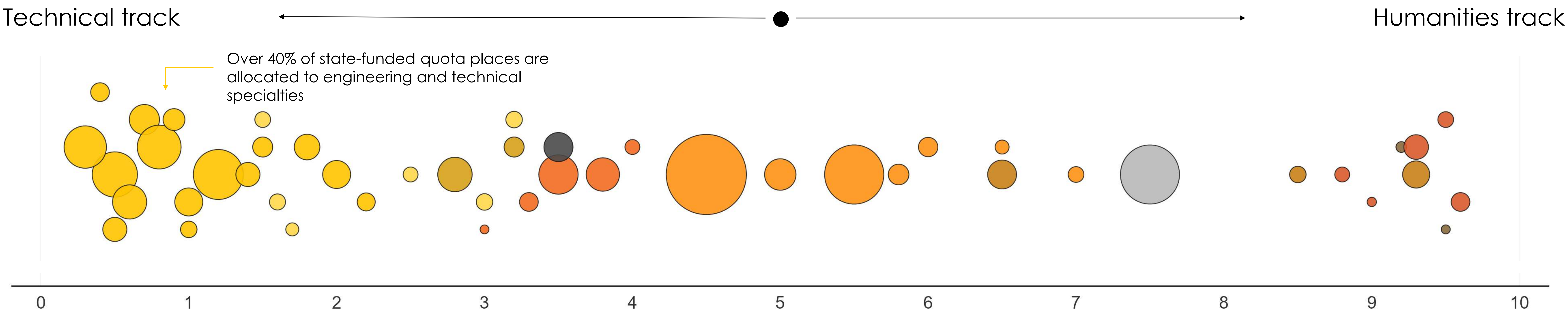
A structural reversal occurred in 2023, when the share of vocational-school graduates overtook the share of university graduates

Source: Russian Ministry of Labor, Rosstat, estimate by Andrey Kalimbetov

*Higher education
**Vocational education and training

Russia's talent-training system retains a technical skew: most graduates are concentrated in applied and engineering fields

Chart: graduate specialties across all types of Russian educational institutions, 2021–2025
Legend: graduates' field of study



Legend notes. Each bubble represents a broad specialty group. Horizontal position shows the training profile: predominantly technical fields on the left, humanities and social fields on the right. Bubble size reflects average annual graduate output, and color denotes the field of education. Vertical position carries no meaning and is used only to separate overlapping points

Source: analysis by Andrey Kalimbetov

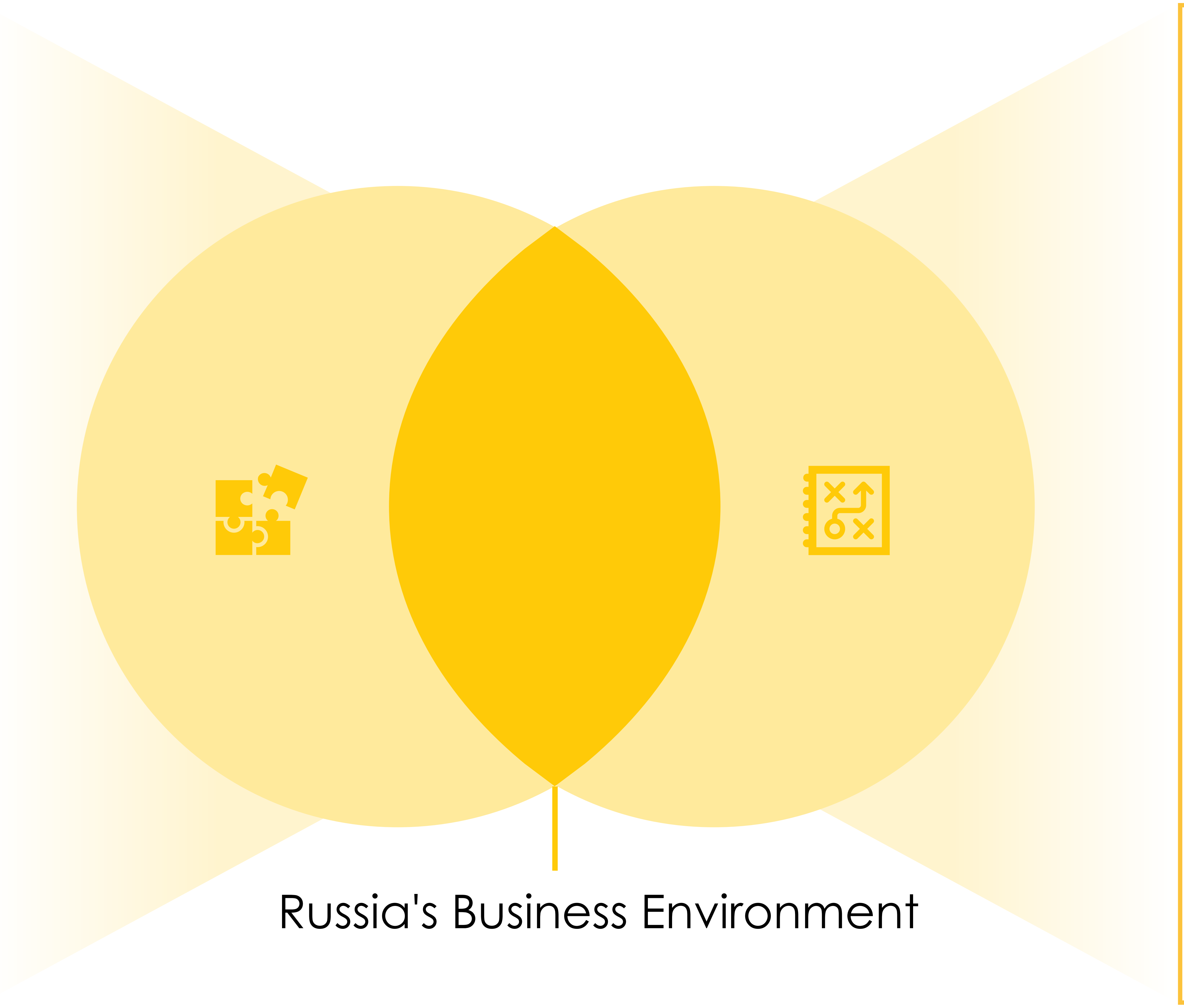
Who Lives Well in Russia

03

The environment has become less open, more expensive, and more state-dependent — yet it has fueled growth for adaptive local players

Challenges

1. Sanctions and broken supply chains have lengthened logistics, payments, and access to equipment.
2. Inflation, a high key rate, and ruble volatility have shortened the investment horizon.
3. The exit of foreign companies has widened technology gaps and deepened reliance on parallel-import supply.
4. Workforce shortages have driven up wage costs and constrained capacity expansion.
5. The state's growing role has shifted competition toward contracts, subsidies, and regulation.



Opportunities

1. Vacated niches have passed to Russian manufacturers, IT companies, and service providers.
2. Import substitution has created demand for local components, software, and engineering solutions.
3. The pivot of trade toward Asia, the CIS, and the Middle East has opened new sales channels.
4. Digitalization has accelerated automation, marketplaces, fintech, and data management.
5. Domestic demand has supported companies serving consumers and infrastructure.

Growth in 2020–2025 was concentrated in digital, defensive, and import-substituting sectors

Table: sector dynamics map, 2020–2025

Legend:

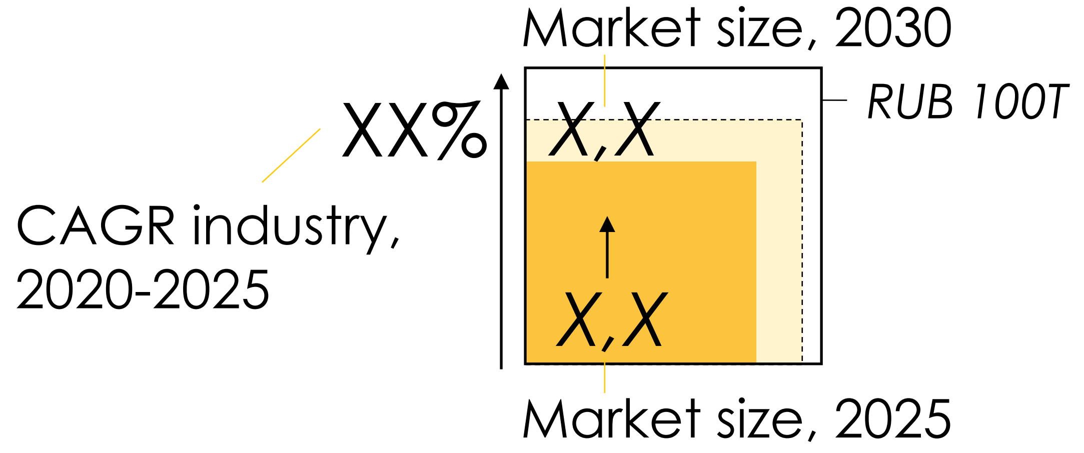
◍◍ – strong growth ◍ – steady growth ○ – mixed trend ● – deterioration

Sector	2020	2021	2022	2023	2024	2025	Takeaway
Cybersecurity	○	◍	◍◍	◍◍	◍◍	◍◍	Rising attacks on infrastructure created substantial demand
E-commerce / marketplaces	◍◍	◍◍	◍◍	◍◍	◍	◍	Growth is moving toward saturation
Domestic software / IT	○	◍	○	◍	◍◍	◍	Import substitution, but intense competition
Banking / fintech	○	◍	●	◍◍	◍◍	◍	High Bank of Russia key rate
Grocery retail	○	◍	○	◍	◍	◍	Inflation, chains, and discounters
Agribusiness / food industry	○	◍	○	◍	○	◍	Price growth (inflation)
Pharmaceuticals	○	◍	◍	○	◍	◍	Import substitution
Logistics / delivery	○	◍◍	○	◍	◍	◍	Growth proportional to e-commerce growth e-commerce
Domestic tourism	●	◍	◍◍	◍◍	◍◍	◍	Demand shifted inward
Foodservice	●	○	○	◍	◍	○	Falling demand, stagnation, and record closures
Fashion / apparel	○	◍	◍◍	◍	○	○	Exit of foreign brands, but intense competition
FMCG	○	◍	◍	○	○	○	Money-supply growth driven by inflation
Heavy industry	◍	◍◍	●	○	○	○	Export and sanctions constraints

Source: analysis by Andrey Kalimbetov

Growth and appeal have shifted to IT, finance, and e-commerce, while the largest commodity sectors grow slowly and lag in outlook

Legend:



XX-XX% - avg. staff turnover

Most promising sectors	**Less promising sectors**
IT and technology	Metals
Finance	Oil & gas
E-commerce	Utilities

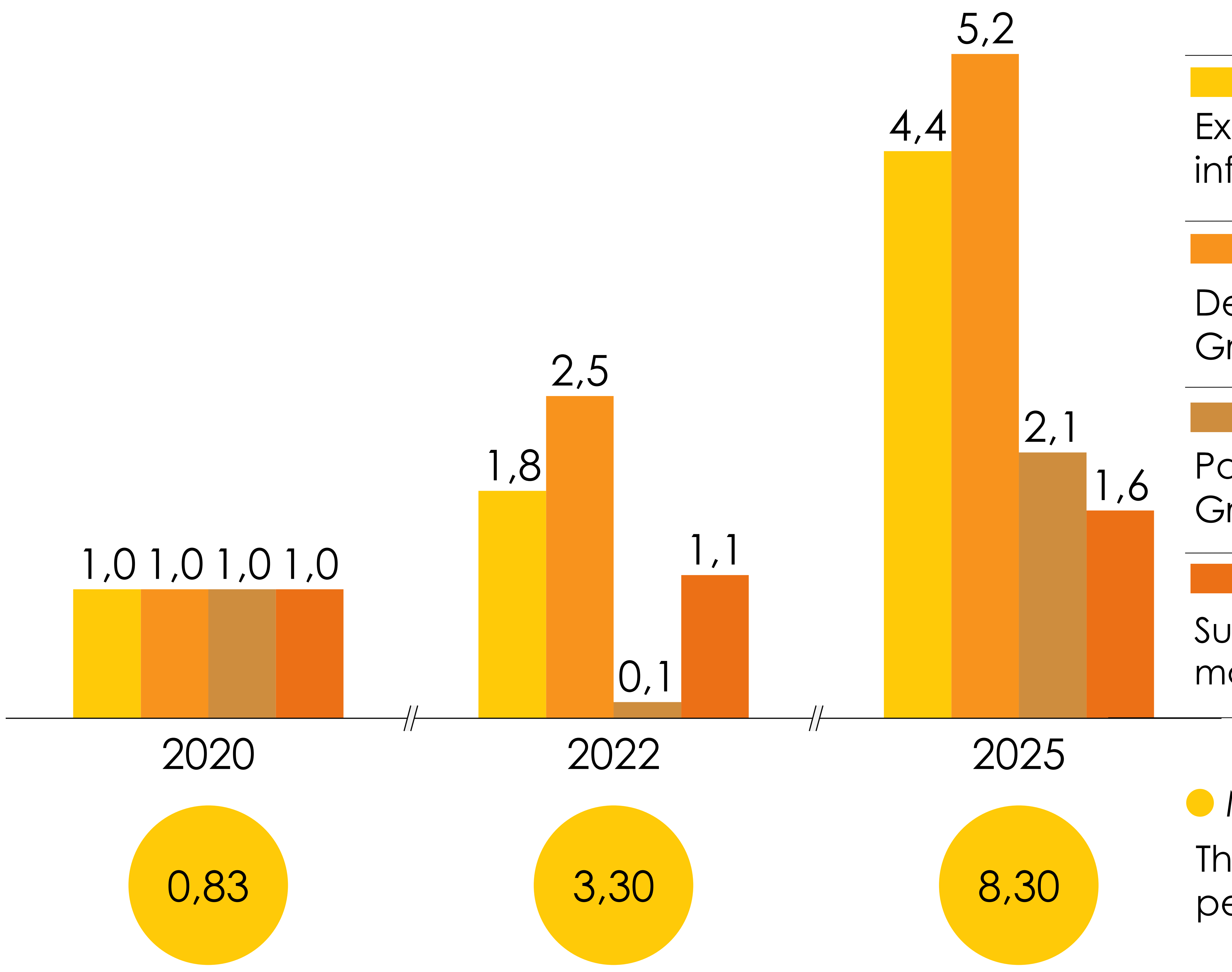
Sector	CAGR industry, 2020-2025	Market size, 2025	Market size, 2030	Avg. staff turnover
Retail*	8%	61,3	82	30-45%
Oil & gas and chemicals	4%	37,2	37,9	12-18%
Finance	15%	30	42	15-20%
Transport	6%	13	17	20-35%
Metals and mining	5%	8,5	9,8	15-22%
Utilities	5%	7,5	9,5	10-15%
HoReCa	24%	4,3	6,5	60-80%
IT	19%	3,9	6,7	25-30%

*Retail — total retail turnover, split across three channels:
1. Grocery / FMCG — food and everyday consumer goods (grocery chains)
2. E-commerce / marketplaces — online trade;
3. Non-grocery specialty — electronics, DIY/home goods, pharmacies, furniture, cosmetics, apparel.

Source: estimates and analysis by Andrey Kalimbetov

The Russian economy's fastest-growing sectors expanded 1.6–5.2x over 2020-2025

Chart: growth multiple of each sector, 2020 to 2025



Cybersecurity
Exit of Western vendors, a rising number of targeted attacks since 2022, critical-infrastructure security requirements. Growth is volume-driven and organic

E-commerce (marketplaces)
Demand shift online, market consolidation (Wildberries and Ozon — over 75%). Growth driven by order frequency amid a falling average basket

Banking sector*
Pass-through of the key rate into interest margin, retail deposits up 26% in 2024. Growth is rate-driven and uneven over time

Domestic software
Substitution of SAP, Oracle, and Microsoft products, preferential tax treatment. The market is near saturation: growth comes from share gains rather than market expansion

Marketplace orders, billion units

The number of online orders through marketplaces rose to 8.3 billion units per year, up 24% year-on-year

*Although the banking sector is growing, one in five banks in Russia is unprofitable.
At the same time, the 10 largest banks hold 81% of all assets, while more than 200 small banks control less than 2%.

Source: Bank of Russia, Data Insight, RUSSOFT, Cyberus / Institute for Growth Economics; analysis by Andrey Kalimbetov

Management Alpha Index (MAI)

Below are the results of evaluating selected companies using the Management Alpha Index. The index is used to compare management decisions. Its purpose is to answer how far management actions have improved a company's position relative to market dynamics.

Calculation logic:

For each case, a specific management decision is identified along with a related key metric — revenue, EBITDA margin, net profit, cost of risk, customer base, product share of revenue, or another metric reflecting the outcome of the decision.

The calculation compares two changes:

1. change in the company's metric
2. change in the market benchmark's metric

The market benchmark is a public competitor, a comparable peer group, or a sector metric. Where no direct analog is available, the closest available comparable metric is used, with an assumption stated.

The resulting effect is normalized against a maximum deviation threshold. Each decision then receives a score from −1 to +1, where a positive value means outperforming market dynamics, a negative value means underperforming, and a value near zero means results in line with the market.

The final index is calculated as a weighted sum of the scores across all of a company's decisions:

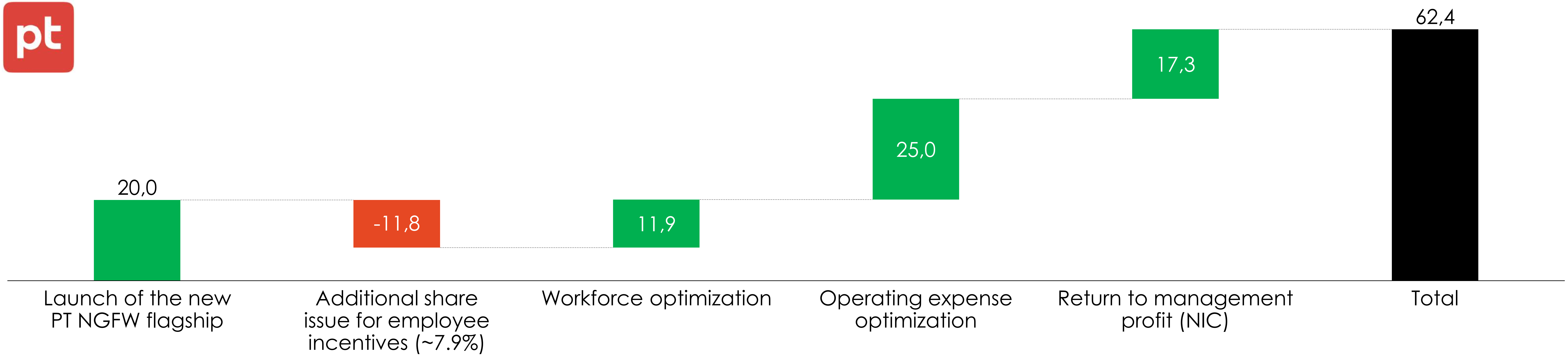
Formula: **MAI = Σ normalized decision score × decision weight × 100**

This methodology is then applied to specific cases: POSI, Ozon, T-Technologies, and Astra Group.

Positive Technologies: growth in operating metrics is paired with strong management scores, against weakened confidence among market investors

41%	RUB 30.9B	-23,95%	Cybersecurity
CAGR 2020-2025	Revenue, 2025	Share return, 6 months	Sector

Chart: MAI, Positive Technologies, 2025

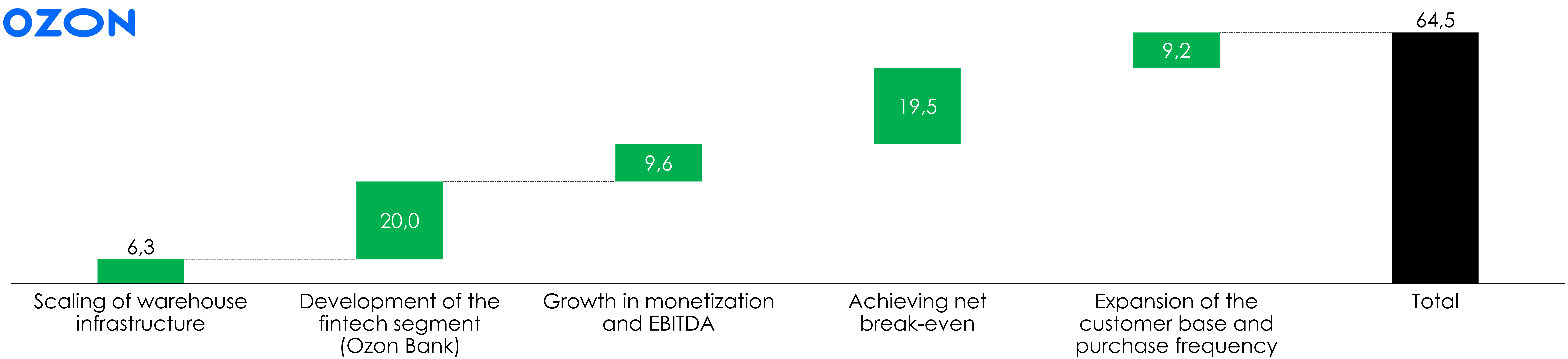


Source: Positive Technologies, RBC, T-Bank, analysis by Andrey Kalimbetov

Ozon: consolidating business scale and moving toward operating profitability

62%	**RUB 998B**	**-29,80%**	**E-commerce**
CAGR 2020-2025	Revenue, 2025	Share return, 6 months	Sector

Chart: MAI, Ozon, 2025



Source: Corp.ozon.ru, RBC, T-Bank, analysis by Andrey Kalimbetov

T-Technologies: M&A deals and operating-profit growth deliver a positive management contribution amid pressure on return on capital

49%	**RUB 1,434B**	**-22,76%**	**Fintech**
CAGR 2020-2025	Revenue, 2025	Share return, 6 months	Sector

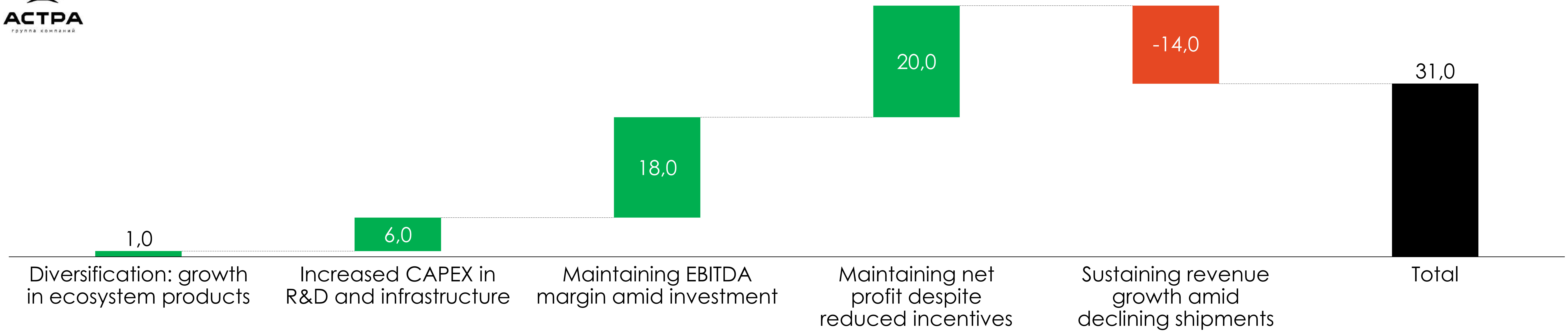
Chart: MAI, T-Technologies, 2025

Source: t-technologies.ru, RBC, T-Bank, analysis by Andrey Kalimbetov

Astra Group: the index shows a positive effect from decisions on margin and profit, alongside a gradual slowdown in revenue growth

71,4%	RUB 20.4B	-34,94%	Software (IT)
CAGR 2020-2025	Revenue, 2025	Share return, 6 months	Sector

Chart: MAI, Astra Group, 2025



Source: : astra.ru, T-Bank, analysis by Andrey Kalimbetov

Corporate Priorities

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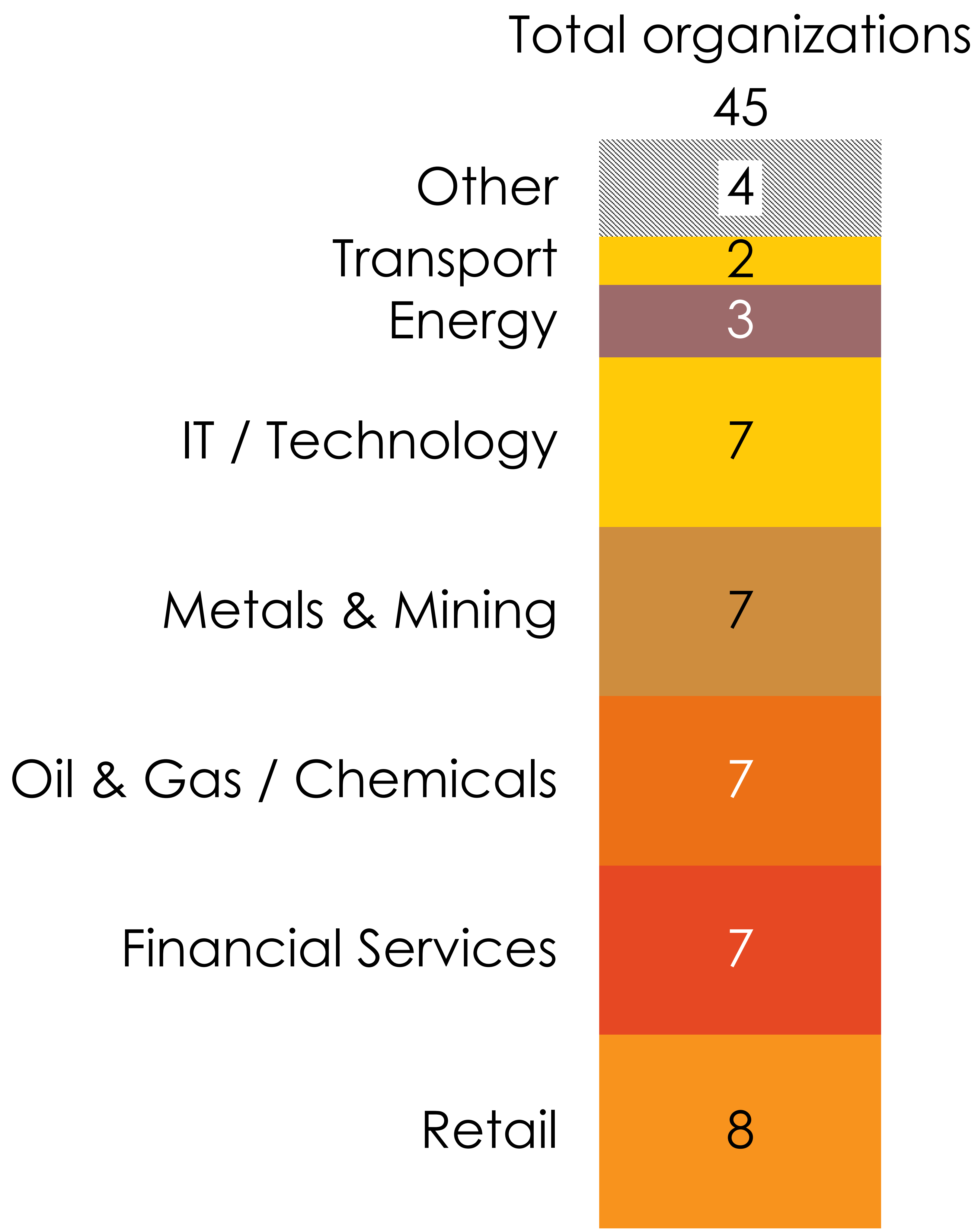
This section is based on the public disclosures of the following companies, corporate groups, regulators, and state financial institutions



1. Arenadata
2. IVATech
3. Softline
4. VseInstrumenti.ru
5. M.Video-Eldorado
6. Mechel
7. Novatek
8. Rusagro
9. SIBUR
10. PhosAgro
11. Yandex
12. Fix Price
13. Novabev Group
14. VK
15. Gazprom
16. Dorogobuzh
17. Magnit
18. MMK
19. Polymetal
20. RUSAL
21. TMK
22. GloraX
23. Ozon
24. X5
25. Delimobil
26. Inter RAO
27. MGKL
28. MFC Zaymer
29. Rosatom
30. Sber
31. T-Technologies
32. Cian
33. hh.ru
34. Ozonpharm
35. Aeroflot
36. Bank DOM.RF
37. Lenta
38. MegaFon
39. NLMK
40. Rosneft
41. Severstal
42. Uralkali
43. En+
44. Bank of Russia
45. DOM.RF

Across the organizations reviewed, management decisions are shaped by external constraints and driven by access to capital and the sector's export orientation

Decisions common to most sectors

1. Substitution of imported software and equipment, migration to domestic IT systems.
2. Adoption of artificial intelligence and automation of core processes. The depth of adoption varies, from isolated pilots to proprietary generative models.
3. Redirecting sales and partnerships toward Asia, the CIS, and the Global South. Characteristic of oil and gas, chemicals, metals, utilities, and IT.
4. Vertical integration and value-chain control. Pronounced in retail, finance, metals, and utilities.

Differences across sectors

1. Retail, finance, and IT are pursuing M&A deals, launching products, and expanding ecosystems. Management activity here is offensive in character.
2. Transport, hydrocarbon extraction, and part of the metals sector are focused on preserving stability, controlling costs, and forced localization.
3. Activity within sectors is uneven. Hydrocarbon extraction is stagnant amid product realignment in chemicals. In metals, companies split between those investing in growth and those reducing debt. In IT, the number of simultaneous transformation tracks grows with the scale of the ecosystem.

A significant share of decisions is driven by sanctions, the closure of external markets, and regulatory localization requirements. In the disclosures of the organizations reviewed, these decisions are presented as strategic priorities

Major retail players have shifted focus from simple product sales to controlling key links of the value chain

Management Decisions in the Retail Industry

M&A and consolidation
Buying assets for growth

- **Magnit** Acquisition of Azbuka Vkusa, entry into the premium segment
- **Lenta** Acquisition of regional grocery chains
- **Rusagro** Acquisition of production assets for value-chain control

Network scaling
Growing store density

- **X5 Group** Plans to open over 1,300 stores
- **Fix Price** Opening around 600 and revamping 400 stores
- **Magnit** Opened 1,958 new outlets, including 351 in new localities

Omnichannel and delivery
Online trade

- **Ozon** Acquisition of partner warehouses in China and the UAE
- **M.Video** Multi-category marketplace; expansion to 1 million SKUs
- **X5 Group** Joint grocery delivery via Ozon

Assortment and margin
Managed through SKU and private label

- **Fix Price** Testing new price tiers and expanding the grocery SKU
- **NovaBev Group** Development and expansion of the “VinLab»
- **Magnit** Laying the groundwork to raise the private-label share to 25% by 2030

Digitalizing operations
Automating the core business

- **X5 Group** AI and robotics for up to 30% of retail, logistics, and delivery processes by 2028
- **VseInstrumenti.ru** ML-ML pricing
- **M.Video** Rollout of an AI feedback module, automating up to 93% of business processes

SKU – (stock keeping unit) unique listings
Private label – store brand

Source: reports of Fix Price, Ozon, X5 Group, VseInstrumenti.ru, Lenta, M.Video, Magnit, NovaBev Group, Rusagro, analysis by Andrey Kalimbetov

Financial institutions are rebuilding their growth model around recurring fee income, a technology platform, capital discipline, and deal-driven ecosystem expansion

Management Decisions in the Financial Industry

Revenue diversification
Reducing conventional lending

Zaymer
Transformation into a multi-product fintech group

Bank DOM.RF
Developing corporate & investment banking and financial markets; targeting 17% of the loan book in CIB

Sber
Growing fee, insurance, and investment services

M&A and ecosystem growth
Buying assets for growth

T-Technologies
Integration of Rosbank; investments in Yandex, Selectel and Tochka

Zaymer
Acquisition of banks and stakes (“Euroalliance», 51% «Seller Capital,” and others)

MGKL
Network growth through opening and buying branches

AI-native opera-ting model
AI to cut costs

Sber
AI integrated across all processes; AI impact — RUB 475B in 2025

T-Technologies
Developing proprietary AI solutions; 42% of B2B code generated by in-house AI

Zaymer
Automated credit pipeline, scoring, call-center robots

Digital customer service
Building digital channels

Bank DOM.RF
Unified personal account for project financing

Bank of Russia
Developing the digital ruble and G2C / G2B payment platform

T-Technologies
Integration of transfers with Alipay and WeChat

Geographic expansion
Growing regional presence

Sber
Expanding presence in underserved territories

DOM.RF
Scaling regional project and mortgage financing

Source: reports of Bank DOM.RF, Zaymer, Sber, T-Technologies, DOM.RF, MGKL, Bank of Russia, analysis by Andrey Kalimbetov

Oil and gas companies are shifting to a model of preserving stability, cutting costs, and temporary stagnation, while the agribusiness and chemical sectors are pursuing product realignment

Management Decisions in the Oil & Gas, Agribusiness, and Chemical Industries

Export reorientation
Middle East and the Global South

Gazprom
Plans for a new gas pipeline to Kazakhstan; supplies to Uzbekistan and Kyrgyzstan

PhosAgro
Expanding presence in BRICS and premium markets

SIBUR
Acquisition of production assets for value-chain control

Capacity growth*
Commissioning new units, mega-projects

SIBUR
Startup of an ethylene unit and RUB 0.5T of investment in Tatarstan

PhosAgro
Expansion of the aluminum fluoride plant, RUB 60B investment program

Novatek
LNG projects to preserve export potential

Technology localization
Protecting continuity of operations

Gazprom Neft
Localization of technology solutions and services

PhosAgro
Building a proprietary data center in Volkhov; migration to Russian ERP

Gazprom
Migrating the e-procurement system to import-independent software

Product expansion
Creating new brands

PhosAgro
Fertilizers with micronutrients (boron, zinc), trials of molybdenum and

SIBUR
Radiation-resistant polycarbonate (56 new grades launched in a year)

Uralkali
Expanding granulation capacity and proprietary distribution

Digital management
Business automation

PhosAgro
Established a dedicated AI Solutions Department; the AIKhimik project with Sber

SIBUR
Over 130 AI projects with an economic effect of RUB 13B; deployment of AR-AR technology

Gazprom
Deployment of neural-network-based hydrodynamic modeling

*Capacity growth excludes oil extraction. Oil output has been gradually declining, from 535Mt in 2022 to 512Mt in 2025.

Source: reports of Gazprom, Novatek, Rosneft, SIBUR, Dorogobuzh, Uralkali, PhosAgro, analysis by Andrey Kalimbetov

Metals and mining companies concentrate management decisions on lowering cost of production, strengthening the resource base, expanding product complexity, and building technological autonomy in production

Management Decisions in the Metals and Mining Industry

M&A Russian and foreign assets
Buying assets and stakes

- **Polymetal** Acquisition of the Sibay GOK; development of the Veduga and Polyarnaya Med projects
- **RUSAL** Acquisition of 30% Hebei Wenfeng (China) and 26% Pioneer Aluminium (India)
- **Severstal** Consolidating distribution under “Severstal Networks”; acquisition of “Ventall»

Cost control
Protecting margins

- **MMK** Lowering steel production costs and improving production efficiency
- **Severstal** Targeting a cost gap of at least 15% below competitors
- **Mechel** Prioritizing extraction at the most economical assets

Product expansion
More complex products

- **MMK** Launch of SteelArt Design — patterned galvanized steel
- **RUSAL** New alloys, aluminum wire rod, foil, ingots MaxiDiForge
- **TMK** Development of high-tech pipe and engineering solutions

Asset modernization
Investment in capacity

- **Polymetal** Launch of a GMK in Yakutia, launch of a cake
- **RUSAL** Modernization of aluminum smelters and rollout of next-generation electrolyzers
- **Severstal** Investment in development projects and the quality management system Sherlock (RUB 2B)

Technological autonomy
Proprietary software and technology

- **Severstal** Deployment of AI solutions and digital twins
- **MMK** Digitalization strategy through 2029, automation of production processes
- **RUSAL** Digital twins SysCAD (effect >RUB 600M); RUB 2.9B for R&D

Source: reports of MMK, Mechel, Polymetal, RUSAL, Severstal, TMK, analysis by Andrey Kalimbetov

Management activity in the sector correlates with ecosystem scale: the broader a company's business perimeter, the more transformation tracks it pursues at once

Management Decisions in the IT IndustryIT

M&A and consolidation
Buying assets for growth

Softline
20 deals in 2022-2025; building the FabricaONE.AI and "SF Tech" clusters

VK
25% of "R7" (office software); control of "Skillbox" and "Inticket»; 90% «Lectarium»

Arenadata
100% of "UBIC"; 20% of "Reshenia Garmonia"; buyout of rights to the Prosperity

Proprietary AI models
Building AI products

Yandex
The Alice AI family and the AI Studio platform; ~RUB 55B invested in Alice AI over the year

VK
The Diona family of models; a platform for search, recommendations, and advertising

Cian
CianGPT and "Cian.Assistant"; over a third of code is AI-written

Platform expansion
CIS, BRICS, SE Asia

IVA Technologies
Entry into Malaysia, Uzbekistan, Vietnam, South Africa, India, Indonesia

VK
Expansion of RuStore into Japan, Vietnam, South Korea, India

Cian
Migration of the traditional business model to a transaction-based one in new markets

Product diversification
Experimental projects

Yandex
Autonomous transport within Yandex B2B Tech; a SIEM/SOAR/VM security product line

VK
Launch of the MAX messenger; growth of social commerce and influencer marketing

IVA Technologies
IVA Mail as a replacement for Microsoft Exchange

Tech sovereignty and infrastructure
On-premise, robotics

Arenadata
Launch of the open-source project Greengage — an AI assistant for data management

Yandex
Serial robot production (20,000 units by 2027); a robotic dark store for Lavka

HeadHunter
Launch of an AI assistant, with monetization starting in 2026

On premise – hosting software on the client's own servers

Source: reports of Arenadata Group, IVA Technologies, Softline, VK, HeadHunter, Cian, Yandex, analysis by Andrey Kalimbetov

Management priorities in the utilities sector center on renewing production assets, developing foreign markets, and expanding demand areas

Management Decisions in the Utilities Industry

New generation and modernization
Commissioning capacity

- **Inter RAO** — Construction of the Novolenskaya TPP; modernization of capacity under KOMMod
- **En+** — Construction of over 1.7 GW of generation
- **Rosatom** — Construction of new nuclear plants in Russia; development of wind power

Foreign expansion
Technology exports

- **Inter RAO** — Management of foreign assets (Sangtuda HPP-1)
- **En+** — Acquisition of 26% of Pioneer Aluminium in India ($246M)
- **Rosatom** — Nuclear plants in Kazakhstan (surveys underway), Uzbekistan, Vietnam, Ethiopia

Diversification of business lines
Moving beyond the core market

- **Inter RAO** — Buyout of power-machinery assets; proprietary IT segment
- **En+** — Launch of a virtual mobile operator (2026) under “En+ Telecom”
- **Rosatom** — Nuclear icebreaker fleet; charging-station network (up to 11,200 by 2030)

Digitalization and AI adoption
Process automation

- **Inter RAO** — “Digital sales” — sales operations running without human involvement
- **En+** — AI-based inflow forecasting; predictive diagnostics for hydro plants; 85 digitalization projects
- **Rosatom** — “KII CERT” certification system; the “Meteor” hardware-software system for road safety

Environmental modernization
Reducing environmental impact

- **Inter RAO** — Reducing specific CO_2 emissions
- **En+** — Environmental modernization of aluminum smelters
- **Rosatom** — Development of wind power and next-generation power systems

Source: reports of Inter RAO, Rosatom, En+, analysis by Andrey Kalimbetov

Management decisions in the transport sector are largely adaptive in nature and driven by external constraints

Management Decisions in the Transport Industry

Regional expansion
Growing geographic footprint

- **Aeroflot**
  New routes to cities in China, Southeast Asia, and Africa
- **Delimobil**
  Entry into Chelyabinsk, Yaroslavl, Krasnodar (14th–16th cities); target of 3 new cities per year

Service integration
Proprietary infrastructure

- **Aeroflot**
  Building in-house aircraft maintenance capabilities
- **Delimobil**
  Proprietary service-station network and an auto-parts distribution center near Moscow

Technical sovereignty
Software import substitution

- **Aeroflot**
  The "Kupol" system (airworthiness maintenance); migration to 1C ERP
- **Delimobil**
  Proprietary Guido software for fleet management and distributing cars across service stations

Tariff structure
Strengthening the brand

- **Aeroflot**
  A "business pass" for frequent flyers; a premium card with Sber
- **Delimobil**
  "Rent" and "Intercity" tariffs; "Deliservice" (repairs for private car owners)

Source: reports of Aeroflot, Delimobil, analysis by Andrey Kalimbetov

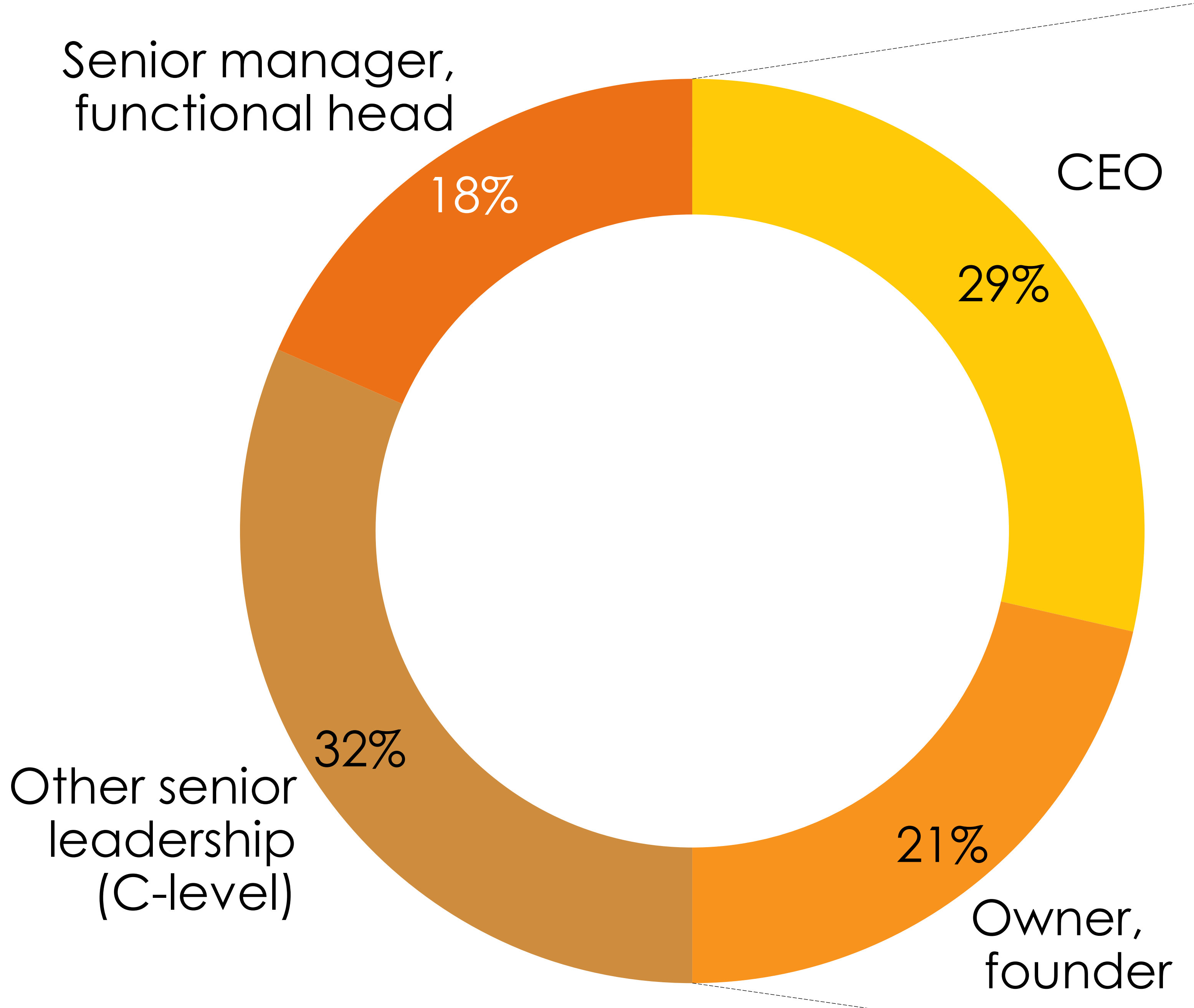
Survey Results

Russia's Business Environment 2026

05

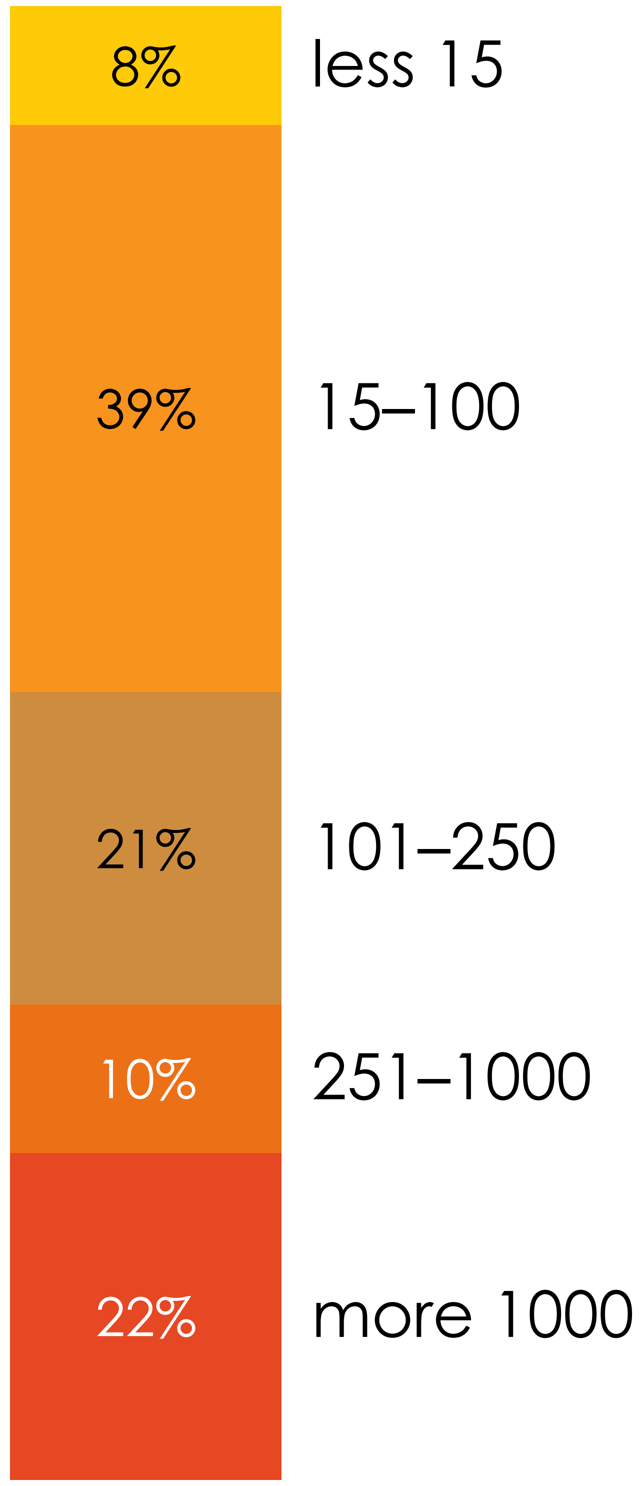
About the Survey: Respondents, Industries, and Companies

Respondent role



Organization's industry
(multiple choice)

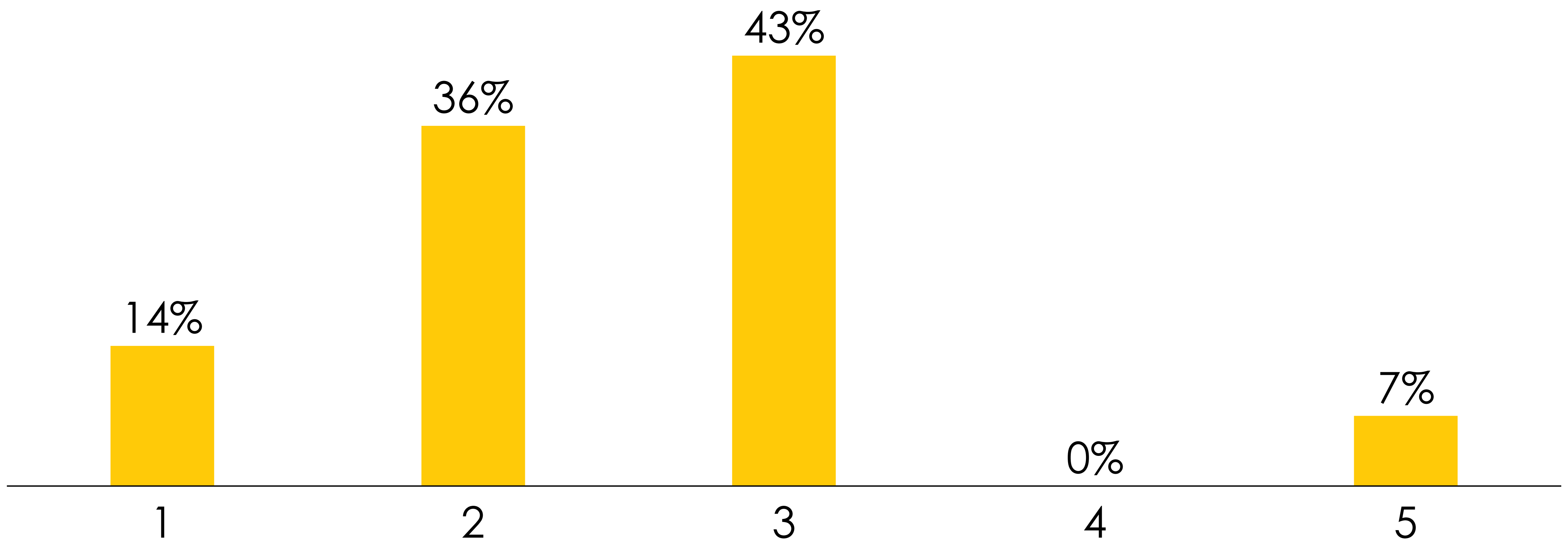
Number of employees



Customer market

Predictability, Timeliness of Decisions, and Confidence in the Future

Predictability of Russia's business environment
(1 — not predictable at all, 5 — fully predictable)



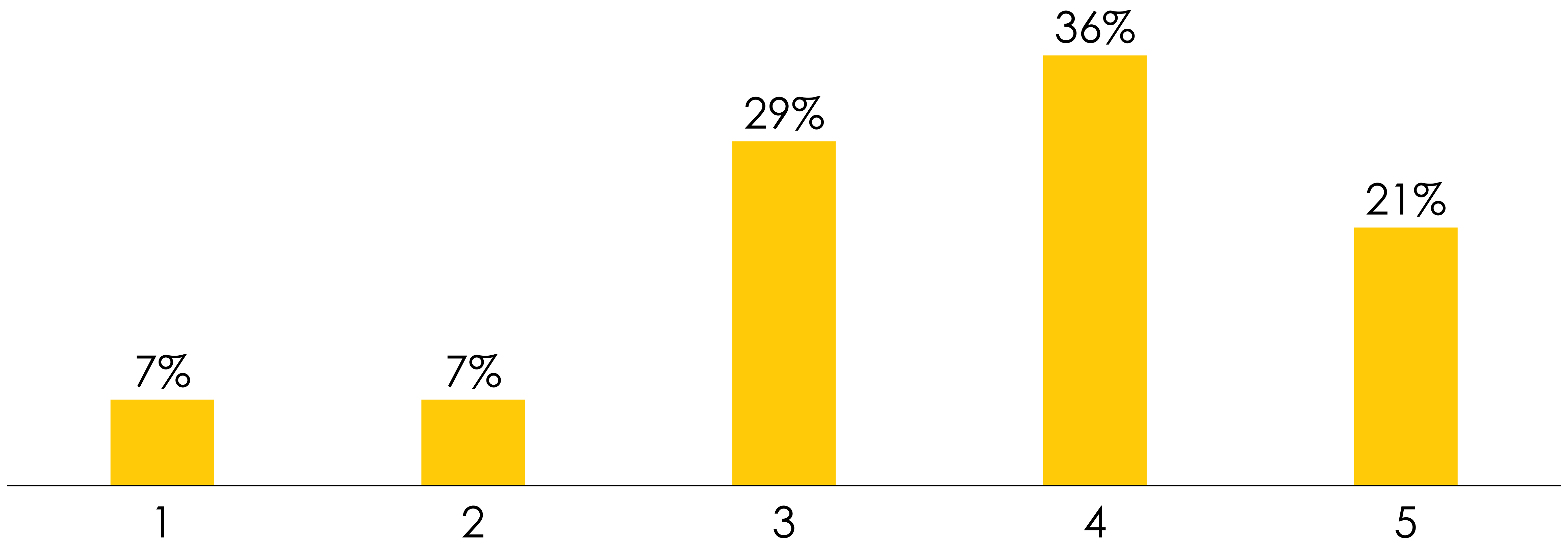
The environment is perceived as poorly predictable, yet this does not undermine management confidence

93%
of respondents rate the predictability of Russia's business environment at no more than 3 out of 5

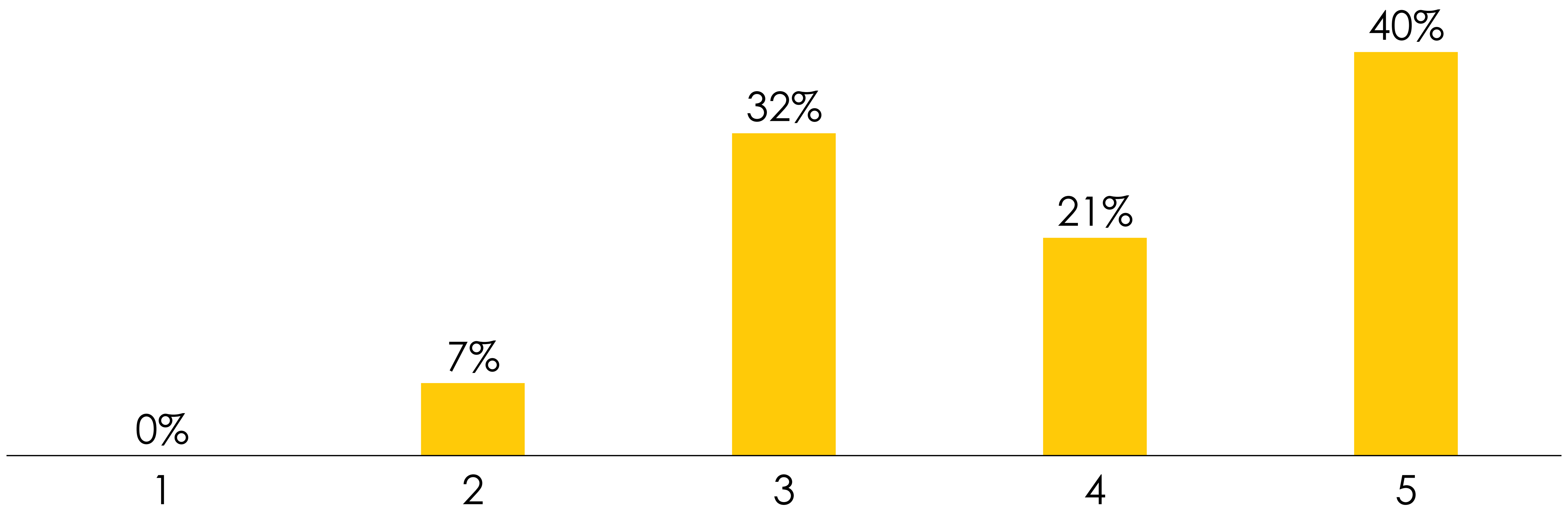
57%
of respondents say information reaches the executive in a timely manner

61%
of respondents express confidence in their company's resilience

Timeliness of information reaching the executive
(1 — almost never, 5 — almost always)



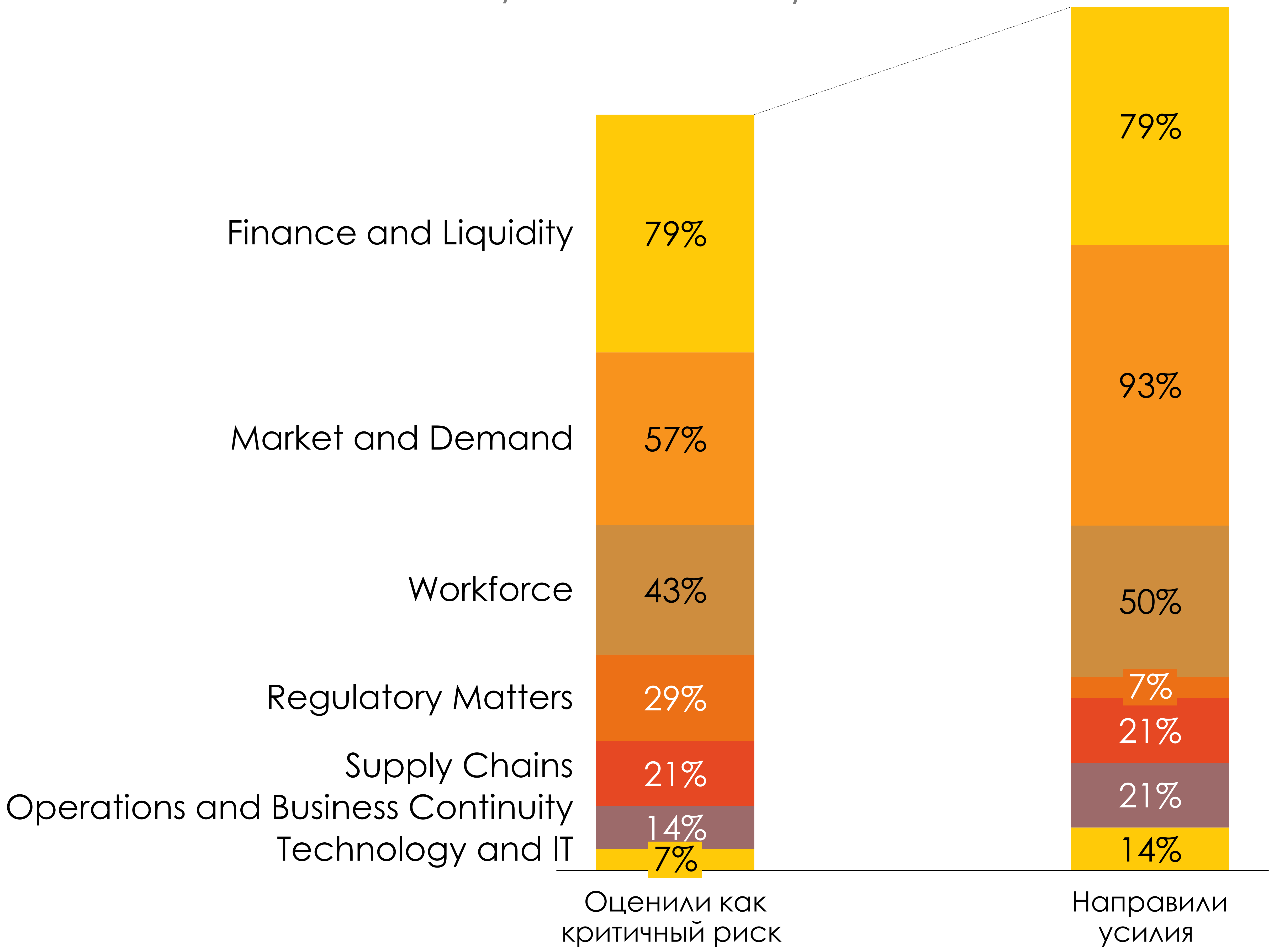
Confidence in the company's resilience (over the next year)
(1 — not confident at all, 5 — fully confident)



Source: survey results, analysis by Andrey Kalimbetov

Risks and the Management Effort Directed at Them

Risks vs. Leadership Actions
(multiple choice of the most critical risks and the effort directed by the executive)



Source: survey results, analysis by Andrey Kalimbetov

Finance, market, and demand form the core of the management risk agenda

79%
of respondents consider finance and liquidity a major risk

57%
of respondents believe market and demand are contracting for their company

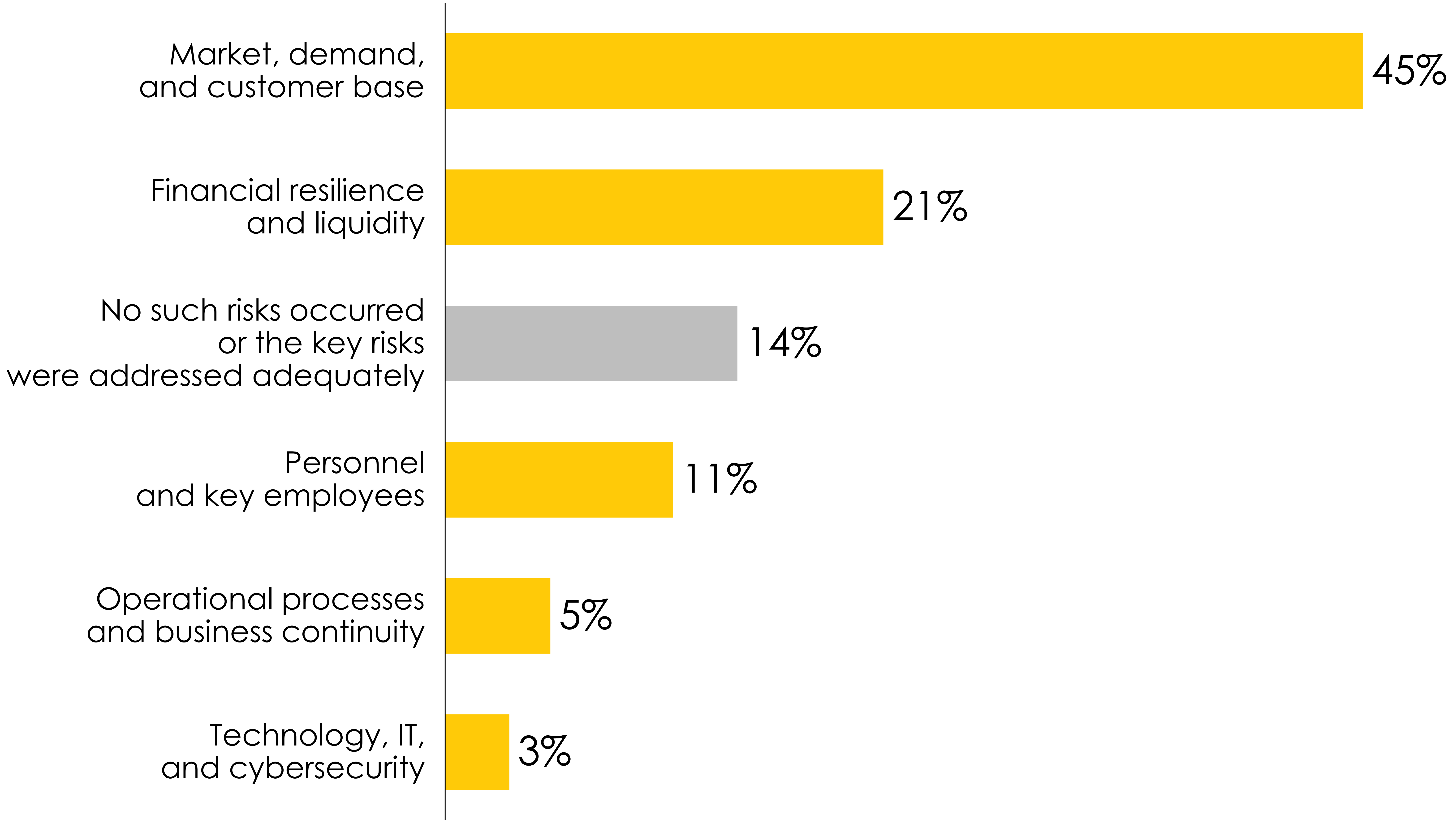
43%
of respondents report an acute need for staff

Leaders' main effort is directed at managing the risk tied to market and demand

57% vs. 93%
Nearly every executive surveyed directed their effort primarily at managing market- and demand-related issues, even though not every executive considers this the top risk

In Hindsight: Which Risk Did Leaders Underestimate

Underestimated Risk and/or Insufficient Response
(choice of the 3 most critical risks)



Despite leaders' best efforts, the top underestimated area remains market, demand, and the customer base

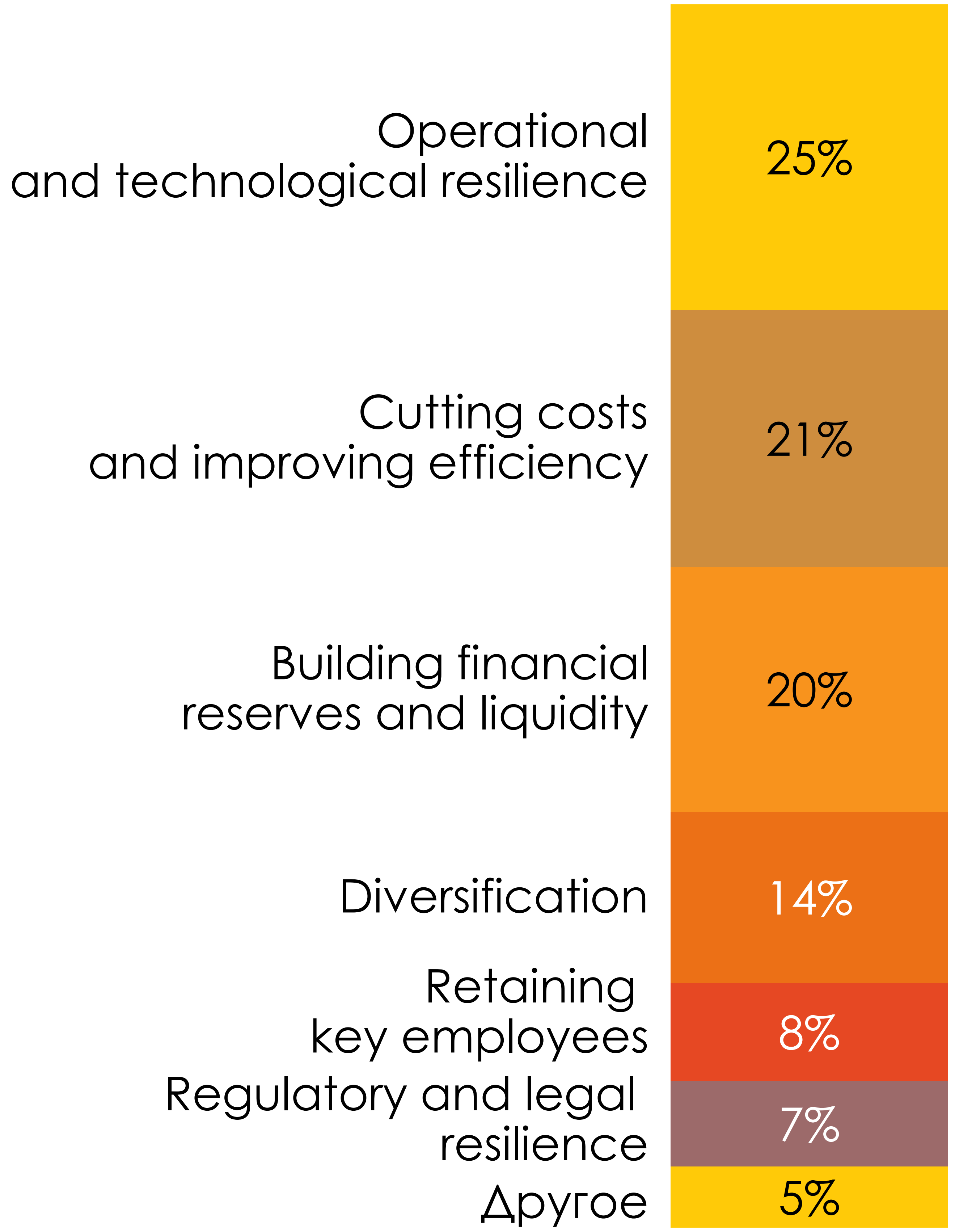
45%
of respondents cite market, demand, and the customer base as the most underestimated risk

14%
of respondents said the effort spent paid off and the risk did not escalate, or no such risks occurred

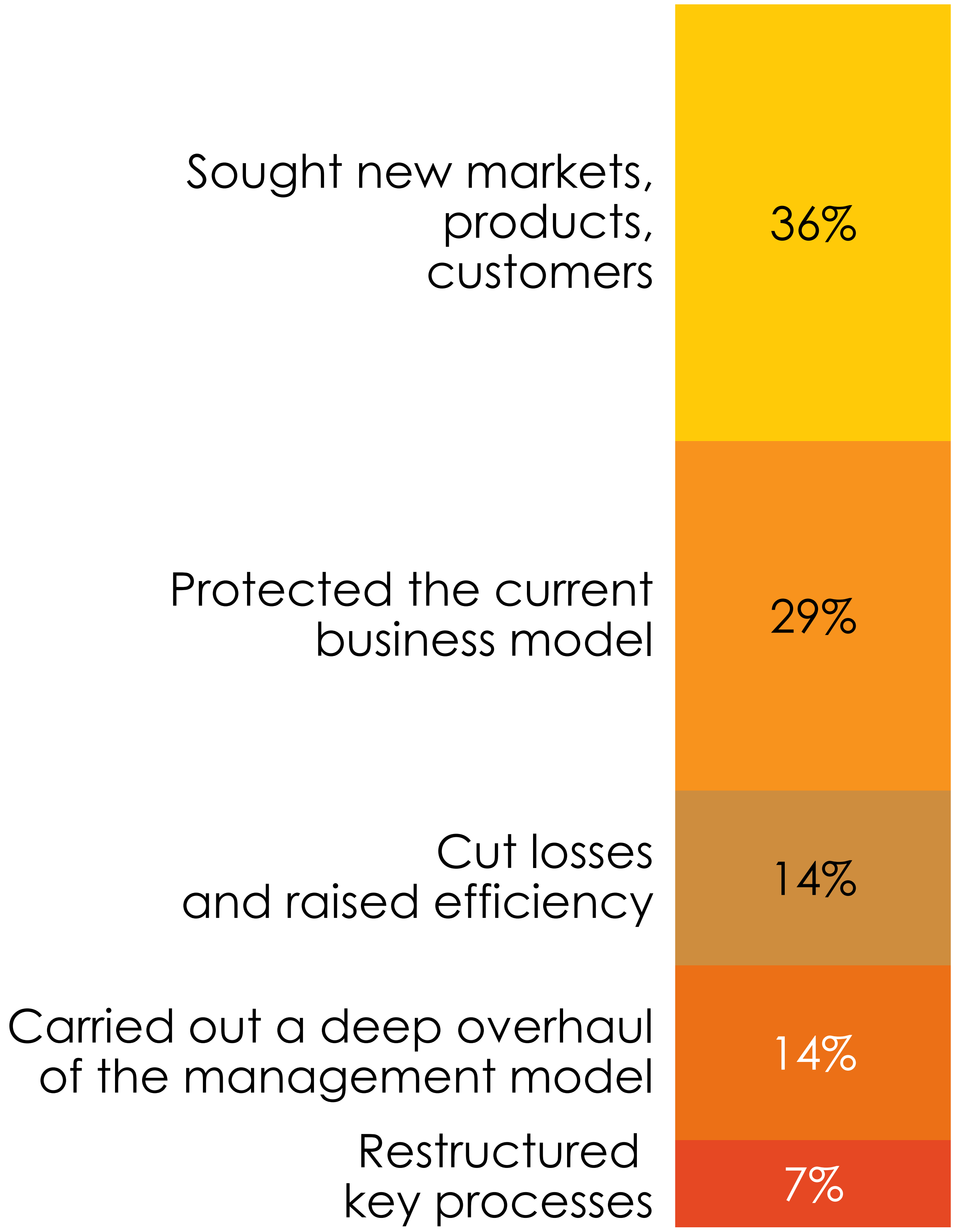
Source: survey results, analysis by Andrey Kalimbetov

Management Decisions During Periods of Economic Volatility

Companies' Main Approach to Instability
(a choice of 3 approaches was offered)



Company Behavior During Periods of Reduced Stability
(a choice of 3 approaches was offered)



Leaders most often turned to protective and adaptive strategies for the current economic conditions, and the trend toward cost-cutting became universal

86%
of respondents said they cut costs, optimized spending, and sought to build up reserves

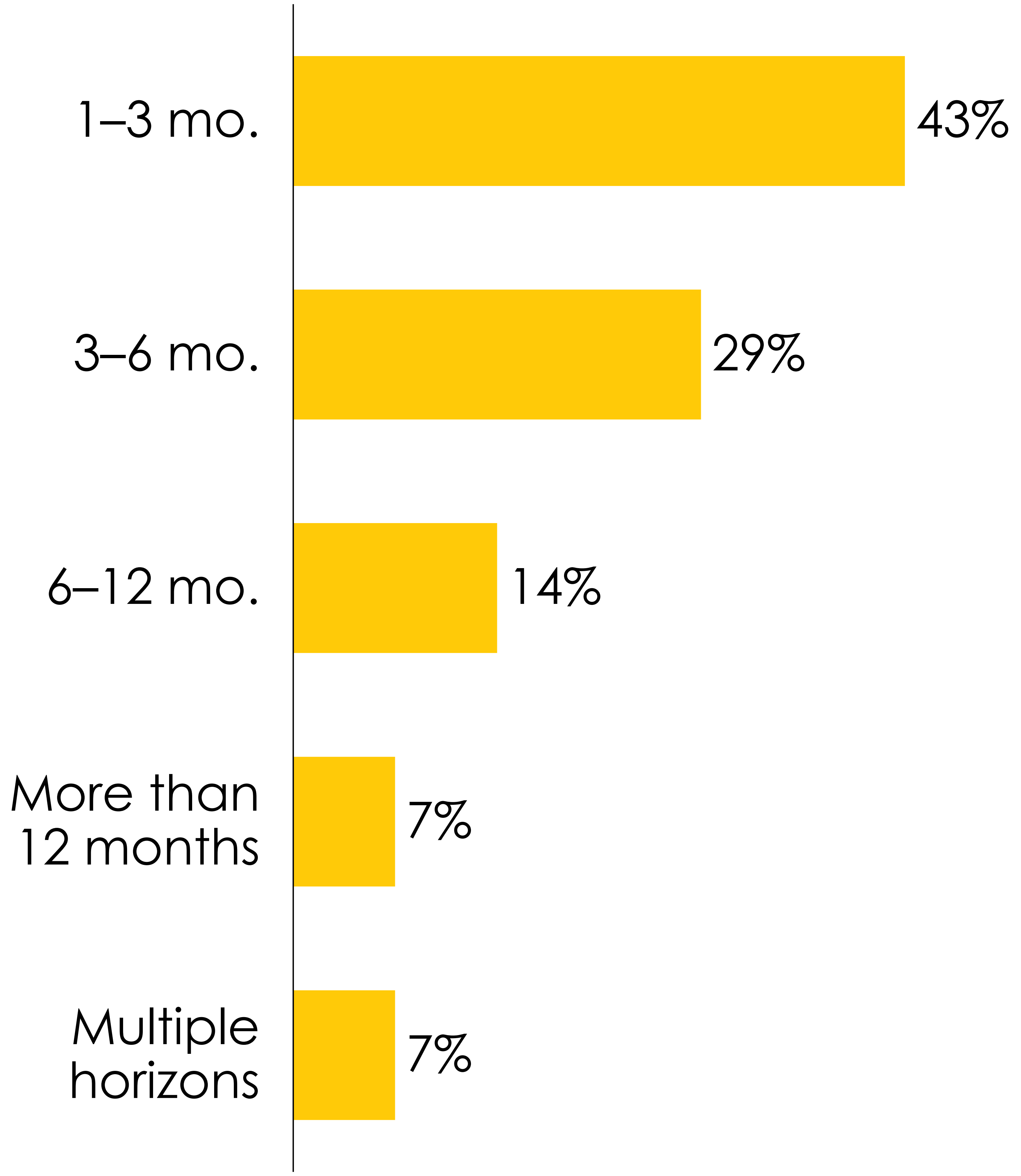
64%
of respondents said the pace of management decision-making increased, while only 20% said the pace stayed the same

36%
of respondents cite the need to find new distribution channels for their products and/or services

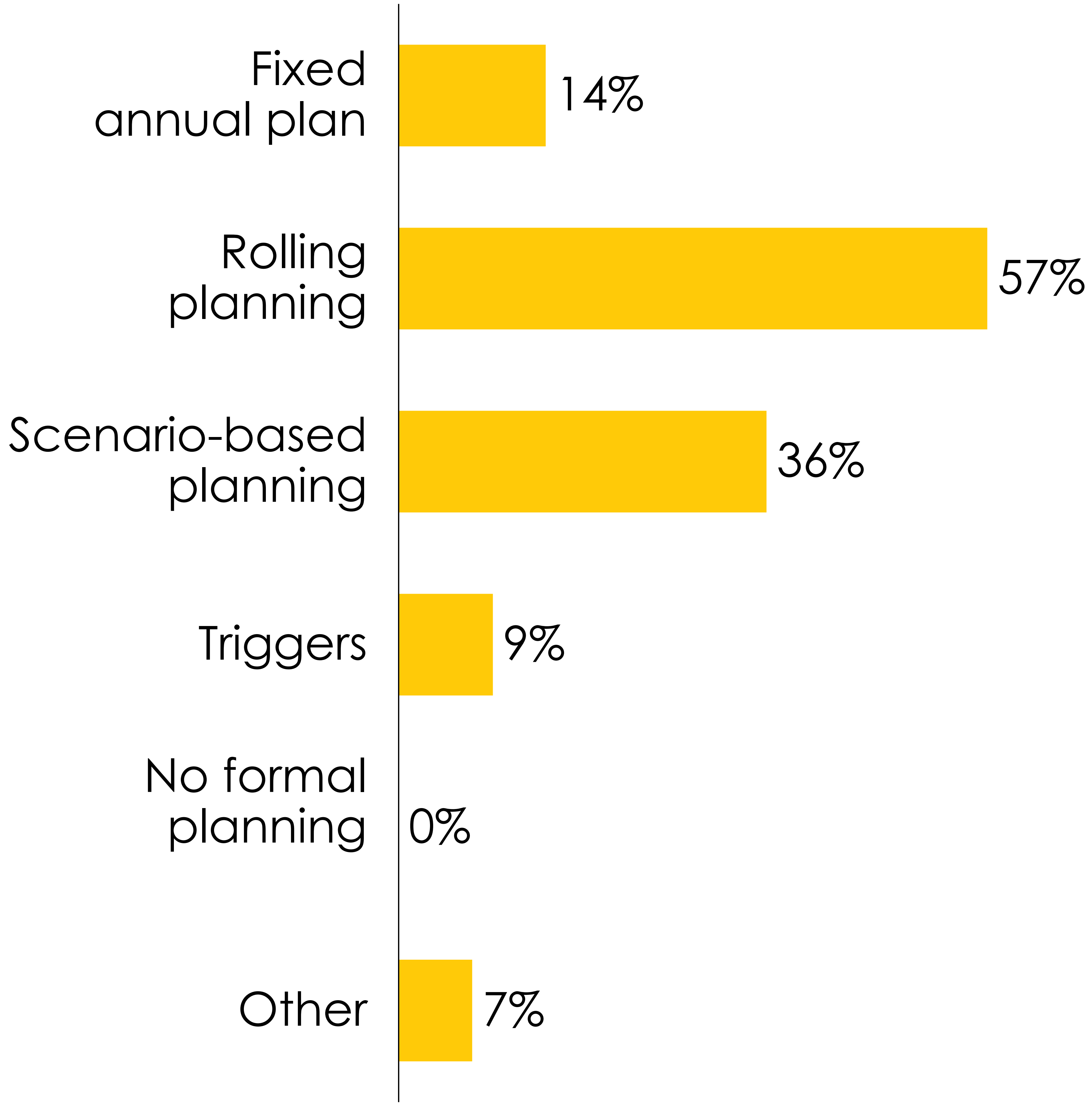
Source: survey results, analysis by Andrey Kalimbetov

Organizational Planning Horizon

Working Horizon for Management Planning
(current planning approach)



Companies' Approach to Working Planning
(multiple approaches could be selected)



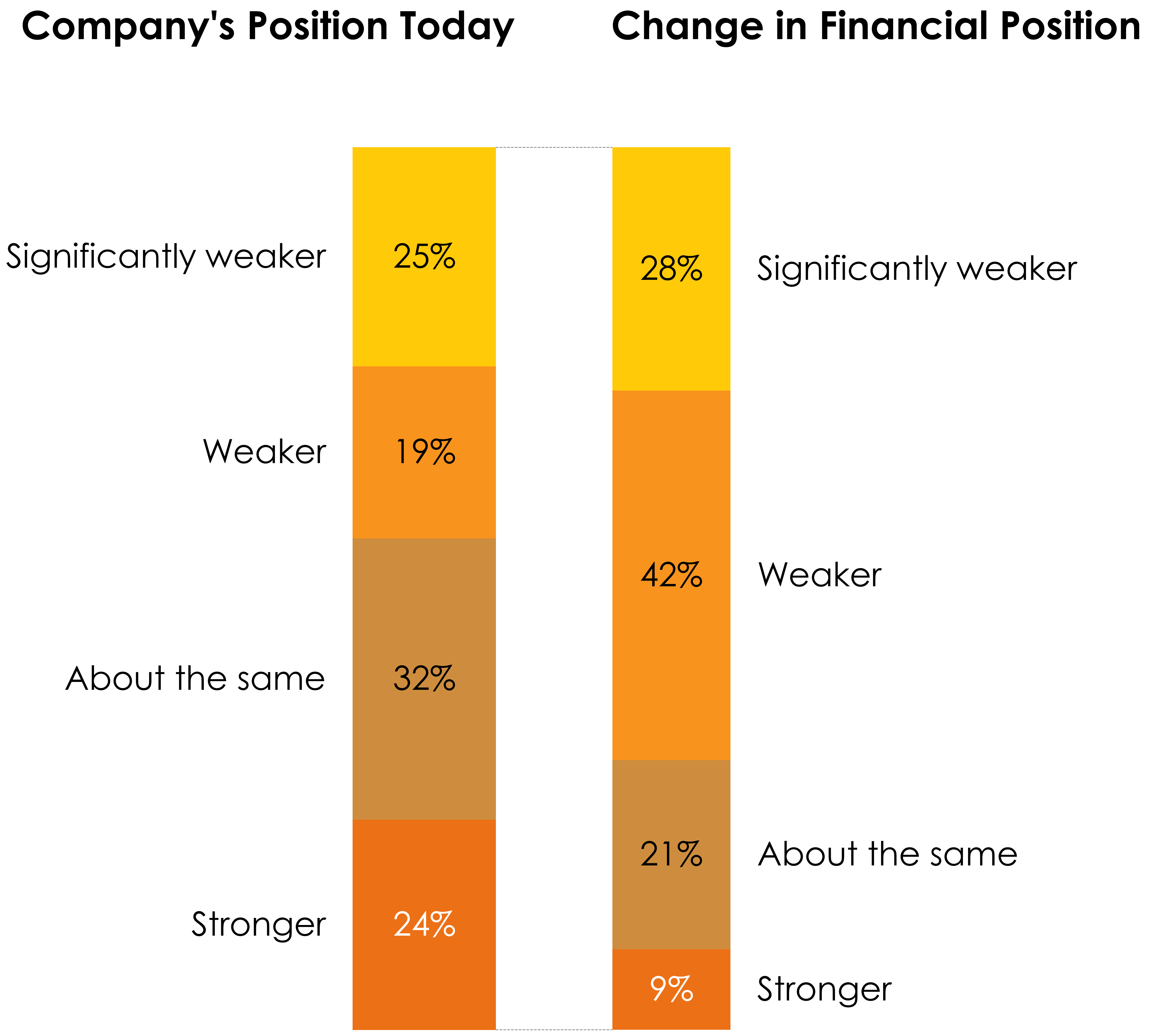
The relevance and importance of planning in business is not declining, but planning horizons are shortening, especially among small and medium-sized businesses

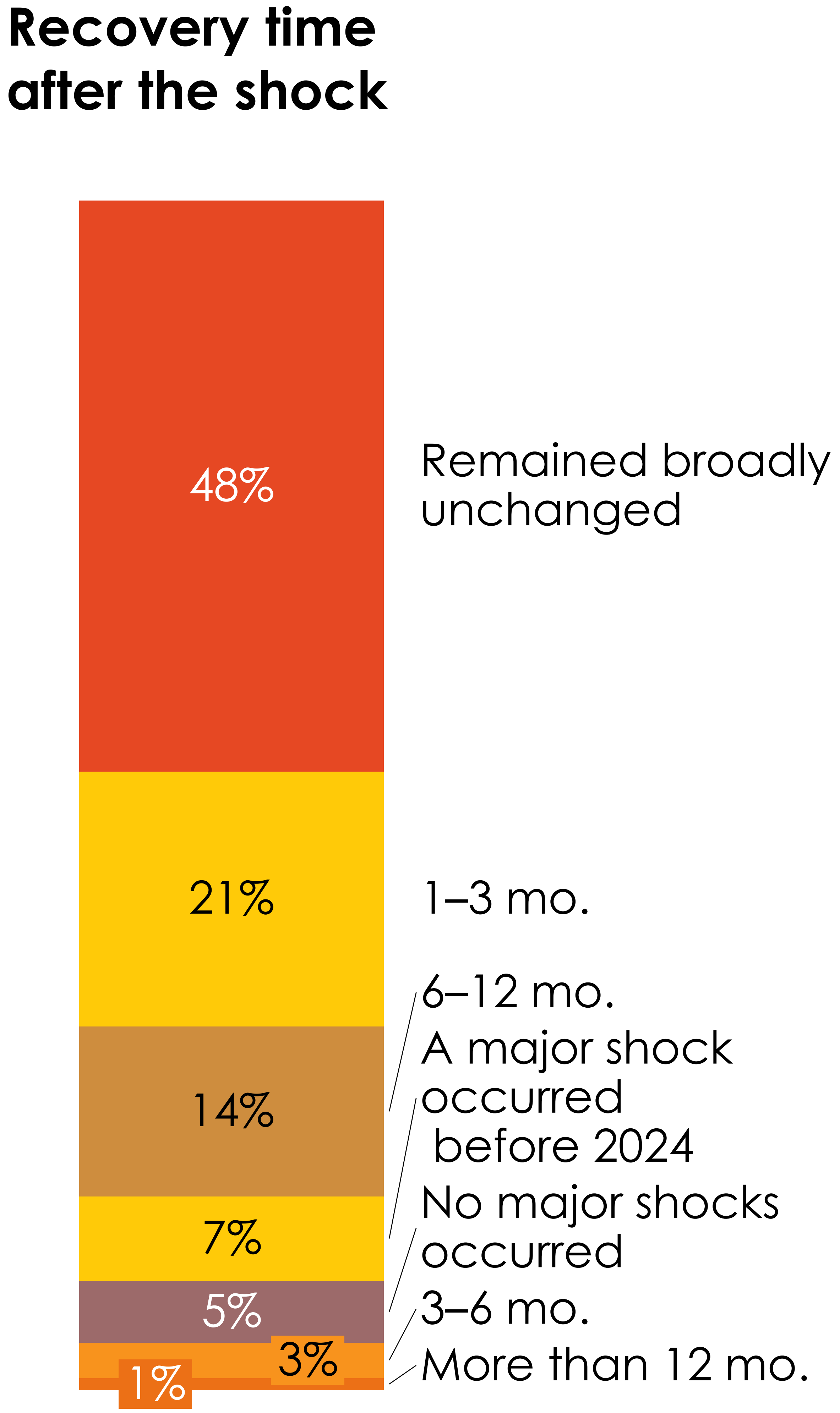
72%
of respondents said their working planning horizon is less than 6 months

In sectors with long investment cycles and capital-intensive assets (heavy industry, real estate development, oil and gas, and others), the strategic planning horizon remains long (5-10 years), since it is set by the investment cycle rather than market conditions — though the plan is revisited more often to respond immediately to shocks. Moreover, the logic has also shifted from a fixed forecast plan to scenario-based planning among SMEs

Source: survey results, analysis by Andrey Kalimbetov

Companies' Financial Position





The deterioration in financial position is widespread and prolonged. At the same time, self-rated resilience runs noticeably higher than the actual picture, creating a zone of hidden risk for companies

70%
of respondents said their financial position has deteriorated

61%
of respondents are confident in their company's resilience over the next 12 months

48%
of respondents have still not returned to normal after the shock

Source: survey results, analysis by Andrey Kalimbetov

Contacts

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Artist: Ilya Repin Painting: Religious Procession in Kursk Governorate