



**Stakeholder Engagement Plan  
Baryshevska Grain Company LLC  
2020**

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## **1. PURPOSE AND SCOPE OF THE DOCUMENT**

Effective stakeholders' participation has a beneficial effect on the project development processes, creates strong relationships with local communities and reduces the likelihood of project delays due to pre-resolved issues that arise in the production process of the Company.

Stakeholder Engagement Plan (SEP) is the Company's approach to involving interested parties, including the public, in disclosing information related to current plans for the development, construction and implementation of new investment projects.

The Company's management considers stakeholders engagement as one of the most important aspects of best business practices and business responsibility, and one of the instruments to improve the quality of projects.

Effective engagement with the public is a key prerequisite for successful risk management, reducing the impact on the population affected by the Company's production activities, and increasing the associated benefits to the public.

Stakeholders Engagement is a manipulation-free process. It is a continuous process throughout vital activity of the Company. The goal is to provide the region with a stable environmentally and society friendly object of economic development and create new jobs.

The purpose of this document is to identify and describe local requirements for consultation and disclosure, to identify key stakeholders, to provide strategies and instruments for information exchange and consult with each of these groups; describe the resources and responsibilities for the implementation of the SEP and details of reporting/documentation of consultations and disclosure of activities-related information. The SEP is designated to identify and consult all the stakeholders during project development and implementation. In addition, the Stakeholder Engagement Plan has been prepared in accordance with the requirements of the EBRD's public information policy (2008), and includes the following:

- identifying all stakeholders, understanding their interests and planning interactions with them (such as landowners, land users, local communities, public authorities, local media, academic and research institutes, organizations);
- providing the stakeholders with timely, reliable and up-to-date information on issues of interest, in understandable language and in a convenient format;
- use of information received from the stakeholders in the process of impact assessment and development of measures to manage and reduce these impacts in order to prevent potential negative consequences;
- creation of a mechanism for constant, preventive and effective stakeholder engagement;
- providing the stakeholders with the opportunity to express their views and concerns about the Company's activities through consultations and other feedback mechanisms,
- in working with stakeholders, the latter are given the opportunity to make suggestions, comments, recommendations, provide a summary in Ukrainian and available, accepted means;

- conducting consultations with stakeholders: listening to their opinions, issues of concern, their preferences, as well as identifying risks and benefits associated with the production activities of the Company;
- determination of the Company's resources and management structure for the implementation of the SEP;
- implementation of a mechanism for reviewing complaints and appeals in free access for all the stakeholders in order to obtain information on the claims of the stakeholders in connection with the environmental and social aspects of the Company's activities and facilitate their resolution as soon as possible;
- regular publication by the Company of reports to external stakeholders on the environmental and social activities of the Company, on the results of cooperation activities.

The SEP will be reviewed and updated on a regular basis. If the activities are changed or new activities related to the stakeholders' engagement are launched, the SEP will be updated. The SEP will also be reviewed on a periodic basis during the project implementation and updated as necessary.

## 2. INFORMATION ABOUT THE COMPANY

The company began operations in 1998, when Oleg Mykhailovych Oronov, an American of Ukrainian origin, came to Ukraine and founded Harvest Moon East (HME), which was later renamed into the Grain Alliance (Baryshevska Grain Company LLC). Initially, the company had no land, only equipment. Today it is a powerful enterprise that leases significant amounts of land in Kyiv, Poltava, Chernihiv and Cherkasy regions. The geography of the company is constantly expanding, which indicates the confidence of landowners in it. Baryshevska Grain Company LLC grows and sells grain, oil and industrial crops, and produces meat and milk. It provides services on reception, primary processing and storage of grain in Baryshivskiyi and Yahotynskiyi districts of Kyiv region, Pyriatyn and Nizhyn. It has a bank of elevators with a total drying and storage capacity of 250 thousand tons. In addition, it carries out intermediary commercial activities for the purchase and sale of agricultural products. Profile crops of agricultural enterprises - corn, wheat, sunflower, soybeans. However, the company's strategy is not to make a profit above all, but to manage wisely through the optimization of sown areas, soil conservation, respect for employees and landlords.

In 2008, the company was joined by Swedish investors Grain Alliance, which became full shareholders of the company. The company is currently headquartered in Stockholm, but all operations are concentrated in Ukraine. It is worth noting that the Ukrainian head office is located in the small town of Berezan, about 80 kilometres from Kyiv.

With the arrival of Swedish investors, a new stage in the development of Baryshevska Grain Company LLC began. During the first years of operation, more than \$ 40 mln was invested in the development of the Company, which is aimed at technical re-equipment, introduction of new production technologies and selection of highly qualified personnel.

The company's staff today has more than one thousand employees.

For 20 years, the company has been actively developing and already has high achievements. In 2015, in the ranking of Forbes magazine, Baryshevska Grain Company LLC took the second place in terms of efficiency in the agrarian business (in terms of profitability).

The agricultural enterprise attaches great importance to the culture of agriculture, development of all branches of agro-industrial complex, creation of new jobs. An important point is cooperation with local communities, creating good conditions for work, recreation and development.

Baryshevska Grain Company LLC carries out production activities in the following areas:

- **Crop production:** the company currently leases almost 58,000 hectares of agricultural land in Kyiv, Cherkasy, Poltava and Chernihiv regions. The whole cycle of growing cereals is carried out by our own equipment.
- **Livestock:** in the Poltava region there are two dairy farms of 1,000 cattle. Thanks to selection work, investments in farm equipment and a quality fodder base, we increase the quantitative and qualitative indicators of milk and maintain the profitability of production.
- **Elevators:** the company has 5 elevators in Kyiv, Poltava and Chernihiv regions with a total storage capacity of 250 thousand tons. The Berezan and Yahotyn elevators have been modernized and their production capacities have been increased by 50,000 tons. The construction of the Pyriatyn elevator

for 100,000 tons of storage has been completed. For the Nizhyn elevator the project for the second stage of construction has been developed.

- **Calibration facility:** a modern grain calibration facility made in Japan is located in the village of Baryshivka with a capacity of 8 tons/hour. It enables to prepare high-quality sowing material and bring the quality of soybean grain to the requirements of world standards.

### Information on the activities of Baryshevska Grain Company LLC

<i>The area where the land is leased</i>	<i>Structural unit</i>
<b><i>Kyiv region:</i></b>	
Baryshivka urban-type settlement	Baryshivskiy Elevator Division
Berezan	Head office, production base of Kyiv region, garage, Berezan Elevator Division
Yahotyn	Yahotyn Elevator Division
Sotnykivka village, Yahotynskiy district	Central repair base of agricultural machinery
<b><i>Cherkasy region</i></b>	
Mykhailivka village, Drabivskiy district	Production base of the Southern region
<b><i>Poltava region</i></b>	
Ovsiuky village, Hrebinkivskiy district	Commercial Dairy Farm
Chutivka village, Orzhytskiy district	Commercial Dairy Farm
Piznyky village, Chornukhynskiy district	Production base of Poltava region
Pyriatyn	Pyriatyn Elevator Division
<b><i>Chernihiv region</i></b>	
Nizhyn	Nizhyn Elevator Division
Chemera village, Kozeletskiy district	Production base of Chernihiv region

Property	Swedish company "BZK GRAIN ALLIANCE" - 100%
Employees	The total number of employees is 1,085 people (average number for 2020)
Main products	<ul style="list-style-type: none"> <li>- Production of grain and oilseeds.</li> <li>- Milk production</li> <li>- Provision of seed calibration services</li> <li>- Providing services to farmers to bring grain to marketable condition</li> </ul>
Increasing production capacity	The expansion program provides: <ul style="list-style-type: none"> <li>- Construction of the second stage of the Nizhyn elevator</li> <li>- Increasing the area of leased land to 100 thousand hectares</li> </ul>

### 3. LEGISLATIVE REQUIREMENTS AND STANDARDS FOR SOCIAL CONSULTATION

Baryshevska Grain Company LLC is governed by the Ukrainian legislation, provisions and regulations governing the Company's areas of activity. Also, all structural divisions of the Company adhere to international standards and norms of doing business, environmental and social policy of the European Bank for Reconstruction and Development, in particular:

1. *The Law of Ukraine "On Information" and the Law of Ukraine "On Access to Public Information"*:

regulate the right and access of citizens of Ukraine to information of public interest and provide for the possibility of free receipt, use, dissemination and storage of information necessary for them to exercise their rights, freedoms and legitimate interests, tasks and functions.

2. *Art. 9 of the Law of Ukraine "On Environmental Protection"*:

gives the right to citizens of Ukraine to participate in the discussion and submission of proposals to draft regulations, materials on the location, construction and reconstruction of facilities that may adversely affect the state of the environment; participation in the development and implementation of measures for environmental protection, rational and integrated use of natural resources; participation in public hearings or open meetings on the impact of planned activities on the environment at the stages of placement, design, construction and reconstruction of facilities and conducting public environmental expertise.

3. *The Law of Ukraine "On Citizens' Appeals"*:

gives citizens of Ukraine the right to apply to public authorities, local governments, associations of citizens, enterprises, institutions, organizations regardless of ownership, media, officials with comments, complaints and suggestions, statements or petitions for the implementation of their socio-economic, political and personal rights and legitimate interests and a complaint about their violation.

Baryshevska Grain Company LLC adheres to the best international practices of effective involvement of the stakeholders in its activity, namely:

- a. transparency and openness of activity;
- b. providing meaningful information in a format and language that is understandable and adapted to the needs of target stakeholders;
- c. providing information before consultations and decision-making;
- d. providing information to stakeholders in easily accessible ways, as well as at the appropriate cultural level
- e. respect for local traditions, languages, terms and decision-making processes;
- f. two-way dialogue, which provides an opportunity for both parties to exchange views and information, listen, address problematic questions and hear answers to them;
- g. forming a dialogue, establishing a convenient feedback format;
- h. providing a wide range of views, including age, women and men, vulnerable groups and/or national minorities;
- i. carrying out activities without intimidation, coercion or encouragement;

- j. clear mechanisms for responding to problems, suggestions and complaints of the population;
- k. creating, where appropriate and possible, project or program feedback and reporting to stakeholders.

Baryshevska Grain Company LLC implements the Social Partnership Policy through its own corporate charity foundation, which cooperates with village councils and united communities on the territory of which the Company operates. The Foundation has developed a number of community support programs.

Programs include specific projects that have the greatest impact on the community. Decisions to include projects in the annual program are made collectively through the company's Board of Directors, considering the views and wishes of local authorities, community activists, shareholders, local experts and leaders, opinions, local representatives, vulnerable groups (retirees, people with special needs).

Information about the activities of the foundation is posted on the website:  
<http://www.rozvitoksela.org/>



#### 4. ANALYSIS OF THE STAKEHOLDERS

The Stakeholders are any person or group of persons or organizations that influence the activities of the organization or feel the impact of these activities, as well as any person or group of persons who can help develop proposals for improving the commercial and social efficiency of the enterprise.

To identify the key stakeholders, the following definitions are applied:

- Stakeholders: any person, group of persons or organization interested in the results of the work;
- Key stakeholders: any interested parties who have a significant influence or significantly influence on the work and where these interests and influences should be recognized if the work is successful.

Baryshevska Grain Company LLC has partnership relations with the following groups of individuals and legal entities:

- Creditors
- International stakeholders;
- Public authorities;
- Local communities;
- Suppliers;
- Customers;
- Employees;
- Landowners (landlords)
- Social groups (schools, hospitals, culture)

<b>Groups of stakeholders</b>	<b>Stakeholders</b>	<b>Degree of influence</b>	<b>Form of stakeholder engagement</b>
Creditors	JSC “Credit Agricole Bank” JSC “UkrSibbank” JSC “OTP Bank”	high	Annual reports, meetings, accounting reports, presentations, business meetings
International stakeholders	European Bank for Reconstruction and Development	high	Annual reports, meetings, accounting reports, presentations, business meetings
Bodies of state executive power	<ul style="list-style-type: none"> <li>▪ Baryshivska District State Administration</li> <li>▪ Yahotynska District State Administration</li> </ul>	medium	Consultations, seminars, official correspondence,

Groups of stakeholders	Stakeholders	Degree of influence	Form of stakeholder engagement
	<ul style="list-style-type: none"> <li>▪ Drabivska District State Administration</li> <li>▪ Zolotoniska District State Administration</li> <li>▪ Lubenska District State Administration</li> <li>▪ Chornukhynska District state administration</li> <li>▪ Chernihivska District State Administration</li> <li>▪ Nizhynska District State Administration</li>   <li>▪ Kyivska Regional State Tax Inspectorate of the Main Department of the State Tax Service of Ukraine in Kyiv Region</li> </ul>		round tables, telephone hotline
Bodies of local self-government	<ul style="list-style-type: none"> <li>❖ <b><u>Kyiv region:</u></b> <ul style="list-style-type: none"> <li>• Boryspilskyi district: <ul style="list-style-type: none"> <li>- Studenykivska TC;</li> <li>- Yahotyńska TC;</li> </ul> </li> <li>• Brovaryskyi district: <ul style="list-style-type: none"> <li>- Baryshivska TC;</li> <li>- Berezanska TC;</li> </ul> </li> </ul> </li> <li>❖ <b><u>Cherkasy region:</u></b> <ul style="list-style-type: none"> <li>• Zolotoniskyi district: <ul style="list-style-type: none"> <li>- Velykokhutirska TC;</li> <li>- Gelmiazivska TC;</li> <li>- Drabivska TC;</li> <li>- Novodmytrivska TC;</li> <li>- Shramkivska TC;</li> </ul> </li> </ul> </li> <li>❖ <b><u>Poltava region:</u></b> <ul style="list-style-type: none"> <li>• Lubenskyi district: <ul style="list-style-type: none"> <li>- Grebinkivska TC;</li> <li>- Lubenska TC;</li> <li>- Orzhytska TC;</li> <li>- Pyriatynska TC;</li> <li>- Chornukhynska TC;</li> </ul> </li> <li>• Myrhorodskyi district: <ul style="list-style-type: none"> <li>- Lokhvytska TC;</li> <li>- Romodanivska TC;</li> <li>- Senchanska TC;</li> </ul> </li> </ul> </li> <li>❖ <b><u>Chernihiv region:</u></b> <ul style="list-style-type: none"> <li>• Nizhynskyi district: <ul style="list-style-type: none"> <li>- Vertiiivska TC;</li> </ul> </li> <li>• Prylutskyi district: <ul style="list-style-type: none"> <li>- Varvynska TC;</li> </ul> </li> <li>• Chernihivskyi district: <ul style="list-style-type: none"> <li>- Ivanivska TC;</li> </ul> </li> </ul> </li> </ul>	high	Conferences, round tables, social and charitable programs, publications in mass media, printed materials (posters, booklets), feedback through the company's website, telephone hotline, meetings at Village Holidays, meetings of communities and shareholders, meetings of Advisory Councils of territories, corporate publications

Groups of stakeholders	Stakeholders	Degree of influence	Form of stakeholder engagement
	<ul style="list-style-type: none"> <li>- Kiptivska TC;</li> <li>- Kozeletska TC;</li> <li>- Kulykivska TC;</li> <li>- Mykhailo-Kotsiubynska TC;</li> <li>- Olyshivska TC;</li> <li>- Osterska TC;</li> </ul>		
Suppliers	<ul style="list-style-type: none"> <li>❖ Agrii Ukraine LLC</li> <li>❖ Agrorozkvit LLC</li> <li>❖ Balance Agro Center LLC</li> <li>❖ Green Express LLC</li> <li>❖ Kernel-Trade LLC</li> <li>❖ Klov LLC</li> <li>❖ International Transport Management LLC</li> <li>❖ Pöttinger Ukraine LLC</li> <li>❖ RDO Ukraine LLC</li> <li>❖ Syngenta LLC</li> <li>❖ Seed Trading House LLC</li> <li>❖ Trading House Fontex-agro PE</li> <li>❖ Ukragro NPK PrJSC</li> <li>❖ Firm Eridon LLC</li> <li>❖ Jupiter 9 Agroservice LLC</li> </ul>	medium	Consultations, annual and periodic reports, business meetings in various formats, social networks, company telephone hotline
Customers	<ul style="list-style-type: none"> <li>❖ Agroprosperis Trade</li> <li>❖ Bunge S.A.</li> <li>❖ BZK Grain Alliance AB</li> <li>❖ Cargill International S.A.</li> <li>❖ Inerco Trade S.A.</li> <li>❖ Louis Dreyfus Company</li> <li>❖ Posco International</li> <li>❖ Sierentz Global Merchants S.A.</li> <li>❖ Globyno Processing Plant LLC</li> <li>❖ Kernel-Trade LLC</li> <li>❖ Nizhyn Fat Complex PrJSC</li> <li>❖ Orzhytskyi Dairy Plant LLC</li> <li>❖ Pyriatyn Cheese Factory LLC</li> <li>❖ Posco International Ukraine LLC</li> <li>❖ Suntrade Subsidiary with foreign investment</li> </ul>	low	Consultations, annual and periodic reports, business meetings in various formats, social networks, company telephone hotline
Employees	Full-time employees of the Company	high	Meetings, thematic seminars, corporate events, corporate publication, questionnaire, collective

<b>Groups of stakeholders</b>	<b>Stakeholders</b>	<b>Degree of influence</b>	<b>Form of stakeholder engagement</b>
			agreement, code of corporate ethics, training, hotline applications, social networks
Landlords	Landowners who have leased their land to the Company	medium	Landlords' meetings, individual meetings. Consultations. Corporate newspaper. Corporate publications, website
Social groups	Residents of the settlements where the Company operates, social infrastructure facilities	low	Business meetings, consultations, information through mass media
Other stakeholders		low	Use of land resources. Compliance with environmental and sanitary standards

## 5. PERSONS RESPONSIBLE FOR COMMUNICATIONS WITH THE STAKEHOLDERS

To ensure effective stakeholder engagement, the Company has appointed officials in the fields of communication:

Viktor Bezsmertnyi, Director General of Baryshevska Grain Company LLC, coordinates and is responsible for full communication with the stakeholders.

<b>Communication issues</b>	<b>Responsible person</b>	<b>Contact details</b>
<b>Personnel issues</b> (employees)	Vadym Kovalchuk	07541, Ukraine, Kyiv region, Baryshivskiyi district, Berezan, 22 Panasa Myrnogo St. E-mail: <a href="mailto:vadym.kovalchuk@grainalliance.com">vadym.kovalchuk@grainalliance.com</a>
<b>Land issues</b> (landlords)	Yurii Kaminetskyi	07541, Ukraine, Kyiv region, Baryshivskiyi district, Berezan, 268 Shevchenkiv Shliakh St. E-mail: <a href="mailto:yuriy.kaminetskiy@grainalliance.com">yuriy.kaminetskiy@grainalliance.com</a>
<b>Occupational health and safety</b> <b>Ecology</b>	Viktor Rudkovskiyi	07541, Ukraine, Kyiv region, Baryshivskiyi district, Berezan, 11 Pryvokzalna St. E-mail: <a href="mailto:rudkovskiybzk@gmail.com">rudkovskiybzk@gmail.com</a>
<b>Public relations</b>	Yana Dnistrianska	07541, Ukraine, Kyiv region, Baryshivskiyi district, Berezan, 268 Shevchenkiv Shliakh St. E-mail: <a href="mailto:cf.i.dnistrianska@grainalliance.com">cf.i.dnistrianska@grainalliance.com</a>
<b>Communications with suppliers and customers</b>	Tahir Musaev	07541, Ukraine, Kyiv region, Baryshivskiyi district, Berezan, 268 Shevchenkiv Shliakh St. E-mail: <a href="mailto:tahir.musayev@grainalliance.com">tahir.musayev@grainalliance.com</a>
<b>Record and registration of applications</b>	Natalia Smolii	07541, Ukraine, Kyiv region, Baryshivskiyi district, Berezan, 268 Shevchenkiv Shliakh St. E-mail: <a href="mailto:office@grainalliance.com">office@grainalliance.com</a>

## 6. SUBMISSION OF APPEALS PROCEDURE

The company has developed and implemented a complaint handling procedure (grievance procedure) that is available for use by all stakeholders. Any comments or remarks can be submitted in writing (by mail, e-mail or through boxes for anonymous appeals) or by filling out a complaint form, direct communication with employees through regional directors, if necessary direct communication of employees through the Personnel Department, or by telephone hotline.

Appeals are considered in accordance with the Law of Ukraine "On Citizens' Appeals". Answers are provided within 30 days.

All stakeholders can file appeals/complaints:

1. **Personally:** appeals received in any format or special form addressed to the Director General of Baryshevska Grain Company LLC;
2. **By mail:** appeals in the form of letters received in any format or special form to the address of Baryshevska Grain Company LLC;
3. **By telephone:** appeals/complaints received orally by telephone;
4. **By e-mail, through website:** appeals/complaints received in any or special form electronically using the blank posted on the website of Baryshevska Grain Company LLC, or to e-mail;
5. **Through the complaint box:** appeals/complaints received in any format or special form through the complaint boxes at locations of the company's regional offices and at the head office.

The person responsible for recording and registration of grievance processes and registers all appeals/complaints/grievances in the grievance registration log book, and then sends them for consideration to the director of Baryshevska Grain Company LLC. The Director shall appoint a person responsible for reviewing and deciding on the merits of the appeal, or personally provide instructions on settlement and response to the appeal.

The response to appeal/complaint/ grievance shall be provided to the Applicant in the same manner as it was received, unless otherwise agreed with the applicant during consideration of appeal/complaint.

All complaints must be:

- Proceeded immediately if the application was in person or by phone;
- Accepted for consideration within 3 days, if submitted by letter or e-mail;
- Responses to them are prepared no later than 30 days from the date of submission.

In case of anonymous complaints, the printed answer will be placed on the information boards of the company's structural units so that the party who filed the complaint can read the answer.

Our complaints submission procedure in no way impedes the right of the stakeholders to file complaints in other established ways. Individuals may require the confidentiality of their name; this mechanism does not preclude the right of the stakeholders to consider complaints through other court remedies.

Information on the existing grievance submission procedure and telephone number of telephone hotline for appeals is posted on the company's website and on the information stands of regional enterprises.

Baryshevska Grain Company LLC strives to create equal opportunities for all stakeholders to apply and receive answers to all questions that may arise in the course of the company's activities.

*Procedure for responding to groundless complaints*

In some cases, complaints may be frivolous, exaggerated or deliberately fabricated, they may be motivated by a desire for monetary compensation or political reasons, i.e. such complaints are groundless. However, such complaints also need to be investigated and responded to.

Such complaints are examined by the legal service of the Company for compliance with the legality of the requirements and then the facts are analysed.

To avoid unreasonable costs, the company evaluates the facts and conditions both before the start and in the process of the project activity, they are documented.

If necessary, independent expert third parties are involved to respond to complaints and assess the possible negative impact of the company.

To avoid possible groundless complaints, the clear communication with communities is conducted through exact criteria and management of expectations through engagement during consultations.