

CPG giants Nestlé, Mars and Mondelez scale back business in Russia

Consumer packaged goods companies Mars, Mondelez International and Nestlé have followed multiple Western companies in limiting operations and business activity in Russia following its invasion of Ukraine.



Source: Reuters/Dado Ruvic

These food companies, alongside others [like PepsiCo](#), have continued trading in Russia in some capacity as suppliers of food essentials and everyday staples, and have [resisted severing ties completely](#) despite pressure from consumers and threats of boycott.

Mars

Mars, Incorporated, the owner of food and pet care brands including Snickers, M&Ms, Pedigree and Whiskas, is still operating in Russia as it views itself as an essential service provider, but is scaling back activity and diverting profits from its Russia business to humanitarian efforts.

In a statement released on 10 March, the company said, "Mars has operated in Russia for over 30 years, and we employ almost 6,000 associates who have been a vital part of our company for decades. We will continue to support them, but business as usual is not an option. This is a humanitarian crisis, and this guides all our actions.

"We have decided to scale back our business and will refocus our efforts in Russia on our essential role in feeding the Russian people and pets. Any profits from our Russian business will be used for humanitarian causes. We have suspended new investments in Russia and will not import or export our products in or out of Russia. Our social media and advertising activity in Russia and Belarus will remain suspended."

The American multinational manufacturer has committed \$12m in cash and in-kind donations to humanitarian causes assisting people and pets affected by the war in Ukraine. "Teams of Mars associates are working tirelessly to help associates who are still in Ukraine, as well as those who make it across the borders," the company added.



Major food companies curb business activity in Russia

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Mondelez

Cadbury and Oreo owner Mondelez International also has not halted Russia operations completely but is "scaling back all non-essential activities", including a suspension of new capital investments and advertising in Russia. It condemned the "unjust aggression" and added its call for an end to that war.

An email from CEO Dirk Van de Put to employees said, "As a food company, we are scaling back all non-essential activities in Russia while helping maintain continuity of the food supply during the challenging times ahead. We will also continue to support our colleagues in the market who are facing great uncertainty. We will focus our operation on basic offerings, discontinue all new capital investments and suspend our advertising media spending."

Van de Put added, "We continue to prioritise the safety of our people and our operations remain closed in Ukraine. The outpouring of care for our Ukrainian colleagues has been so heartwarming and we're continuing to provide strong financial support, border-crossing assistance and help with finding safe shelter, including in our facilities in neighboring countries."

He announced that the snack food company is stepping up its humanitarian efforts with a "multi-million-dollar commitment", including cash donations to Save The Children and other aid organisations, extension of the company's employee double-match programme with International Federation of the Red Cross (IFRC), and in-kind donations to various humanitarian organisations in the region.

Nestlé

Nestle, the world's largest packaged foods group, announced this week that it will suspend all capital investment in Russia and has halted all advertising in the country. However, it will continue to provide the nation with essential food items. The firm has three factories in the country, according to [Independent UK](#).

A spokesperson said: "As a food company and employer, we also have a responsibility toward the people in Russia and our more than 7,000 employees – most of whom are locals. We will continue to ensure a reliable supply of safe and essential food products to the local people in the country. Our diverse range of essential food products includes baby food and breakfast cereals. We have consistently stayed the course – also during difficult times – to serve the local people who need it the most."

“ pic.twitter.com/nQ9l5fasAg — Nestlé (@Nestle) [March 2, 2022](#) ”

In a statement by Nestlé CEO Mark Schneider last week, he said, "I would like to express my dismay regarding the invasion of Ukraine. I stand with the international community in calling for peace. War is not a solution. At Nestlé, we are prioritising safety and support for our employees in the region. We are committed to helping our teams and their families navigate this situation, which we know has brought unimaginable challenges for their security and wellbeing, as well as

their mental and emotional health."

Schneider also announced that the Swiss multinational is contributing towards donations to aid organisations in the region that are providing relief in the form of food, shelter, medical supplies, and other essential goods.

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