

'Disgraceful and inappropriate.' Heineken, Unilever and

WORLD NEWS

## Oreo maker Mondelez are accused of breaking promises to leave Russia 9 hours ago Amit No Comments

his war of attrition in Ukraine, but some prominent companies have been accused by investigators of breaking their promises.

Morris and Oreo maker Mondelez.

Not all companies on the list remained, but more than 1,000 exited. This has never happened before corporate exitthe winner is written by Yale professor Jeff Sonnenfeldit caused great damage to the economy of Moscow and Russia.

More than 1,000 major companies have pledged to withdraw from Russia after Vladimir Putin launched

Now, like Russia's brutal war in Ukraine burst past the 500-day mark Sonnenfeld and his team are naming and shaming many of the companies they accuse of breaking their promises to withdraw or significantly reduce their presence in Russia, including well-known companies such as Heineken, Unilever, Philip

The Yale investigation, shared exclusively by CNN, comes from prosecutors, intelligence experts, academics working inside Russia, industry documents and media reports. "These companies are breaking their promises. They're working as war profiteers," Sonnenfeld told CNN

companies of breaking the law. On the contrary, he says that by staying in Russia, he is breaking the moral code and at the same time "destroying himself."

Sonnenfeld, who testified before Congress about the companies leaving Russia, does not accuse the

"Consumers should realize that by supporting these companies, they are agreeing to what increases Putin's arsenal," he said. 'Recognition of Putin's regime'

## In March 2022, a month after the invasion of Ukraine, Heineken received praise he promises to leave

"break" with the world, a symbol of the company's cooperation with Russia.

in an interview. "It's beyond disappointing. It's shameful and inappropriate."

However, after 16 months Heineken still has seven factories in Russia and 1,800 employees, according to

The "child model" of the problem is the well-known Dutch giant Heineken, Sonnenfeld said.

Yale. Not only that, but Heineken has launched a new brand in Russia, which has greatly increased the market due to the migration of other major beer brands.

"They're not releasing it. It's increasing," said Steven Tian, director of research at the Yale Chief

Russia. Yale also awarded Heineken its highest grade of "A," reserved for companies that have made a

Executive Leadership Institute. Yale has now downgraded Heineken to a "D," finding that the company "continues to drag its heels on the exit, assuming it is awaiting Russian approvals for its sales to go through."

In contrast, other major companies – including BP and ExxonMobil – took over great writings to fulfill his

"It is nothing but cultural pride or arrogance. It doesn't make sense," said Sonnenfeld. "The symbol these days is to accept Putin's rule."

In a statement to CNN, a spokesperson for Heineken called the war in Ukraine a "terrible human tragedy" and said the company is "committed to withdrawing from Russia." Heineken said it stopped selling the Heineken brand in Russia and found a buyer for its Russian business. However, the potential deal, which

was submitted to Russian authorities in April 2023, is still awaiting approval, the company said.

Heineken said in a statement. Unilever ice cream and Mondelez snacks

In March 2022, snacks and sweets are a giant Mondelez promised to cut back "all unnecessary events in

Russia are helping to keep the food supply going." Mondelez said it will focus its work on "primary

"We expect a significant financial loss for the Heineken company. The local operation continues to ensure that the organization protects the lives of our people by avoiding bankruptcy or national bankruptcy,"

## However, Mondelez – the company behind Oreo cookies, Triscuit biscuits and Nabisco snacks – says it still employs 3,000 people in Russia. The Yale study said Mondelez is not showing "visible signs of

promise to leave Russia.

offerings."

Sonnenfeld's group.

milk in Russia.

progress" and is continuing to do business in Russia. Although the strike that hit Mondelez from European suppliers and other companies are refusing to order and store the company's products.

Mondelez did not respond to a request for comment but in a words last month the company said it had

scaled back its operations and halted advertising and commercial use in Russia.

Unilever, the company behind Dove soap, Ben & Jerry's ice cream and Lipton tea, has pledged to sell only "essential" products in Russia.

Unilever declined to comment but sent questions in February words where the company said that it continues to "oppose the war in Ukraine as a brutal and senseless act by Russia" but explained that

However, Unilever still sells Cornetto ice cream and other consumer products in Russia, according to

"Dove soap starts to look very dark if there is enough to buy a Russian tank," Mark Dixon, founder of the Moral Rating Agency, said in a statement last week.

Yet Yale researchers found the maker of Kit Kat candy, Nescafe instant coffee and Purina still selling pet food, chocolate and other junk products in Russia.

Like Unilever and Mondelez, Nestle also pledged last year to only sell "essential" products such as baby

In a statement to CNN, a WeWork spokesperson said the company remains "fully committed to ceasing operations in Russia," adding that it is "in the final stages of our divestment plan."

there. allows users to book office space in Moscow.

Nestle, WeWork and Philip Morris

Tobacco giant Philip Morris said last year it was working hard to get out of Russia. But today Philip Morris is one of the biggest the rest of Russia's various nations and \$2.5 billion including several plants there, according to a Yale study.

Several American fast food chains are still operating in Russia, a year later McDonald's and Starbucks decided to leave the country.

American fast food Carl's Jr. he is still based in Russia and also shows his food on the Russian Instagram

In his speech to CNN, the parent of Carl's Jr. CKE Restaurants Holdings admitted that the company has 17 franchised restaurants in Russia but said they are all owned and operated independently. Carl's Jr. added that the Instagram page is not owned by CKE or managed by CKE.

organization supporting Ukraine and refugees.

more problems for employees and customers based in Russia.

TGI Friday did not respond to a request for comment, but in March 2022 words the company said that only those franchisees who can choose to be free and promise to donate money from their fees to the

Some companies have defended their continued presence in Russia citing a desire to avoid creating

Similarly, Yale discovered that there are independent franchisees of TGI Fridays operating in Russia.

Calkins said there are many concerns on the minds of consumers right now and this may not be one of them.

"I suspect that companies don't feel pressured to deliver on their promises," he said.

"The idea is to increase the level of discomfort," said Sonnenfeld, "so they start asking who caused their misfortune."

Sonnenfeld rejects that argument, saying the purpose of the company's exit is to increase pressure on Putin's regime. As an example, he pointed to the financial management of large Western companies from

Source link

leaving Russia "is not straightforward" without providing resources to the government or harming workers there. The Kyiv School of Economics and Moral Rating Agency, which monitors companies' pledges to leave Russia, estimates that Unilever's contribution to the Russian economy is about \$712 million a year.

Nestle did not respond to a request for comment.

Although they promised in March 2022 to exit Russia, the giant that works together with WeWork is still

In a statement to CNN, a spokesman for Philip Morris said that "things are difficult" and the company "is under pressure from the latest developments in Russia, including restrictions that must be met for any divestment activity to be approved by the authorities – and restrictions, due to international law." "

Fast food still exists in Russia

page.

Sonnenfeld's team discovered that Sbarro Pizza still has an operating location in Moscow that appears to be there supported by a Russian language website. Sbarro did not respond to a request for comment.

"This is one of those things that's easy to say but hard to do — and there's a financial crisis that could come," said Tim Calkins, a marketing professor at Northwestern University's Kellogg School of Management.

South Africa in the late 1980s during apartheid.

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