



# Public Affairs in the Ukraine War

Glyn Cozart Chaney, APCO Worldwide

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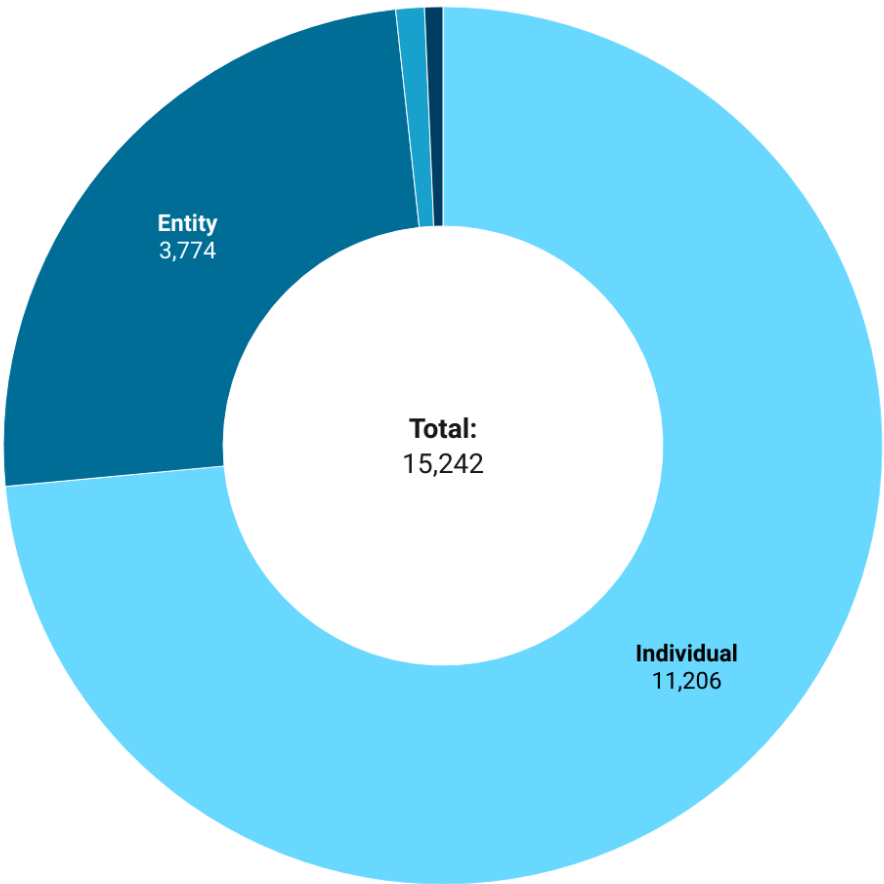




# Sanctions Targeting Russia by Type

Since 22 February 2022

Individual (11,206) Entity (3,774) Vessel (160) Aircraft (102)

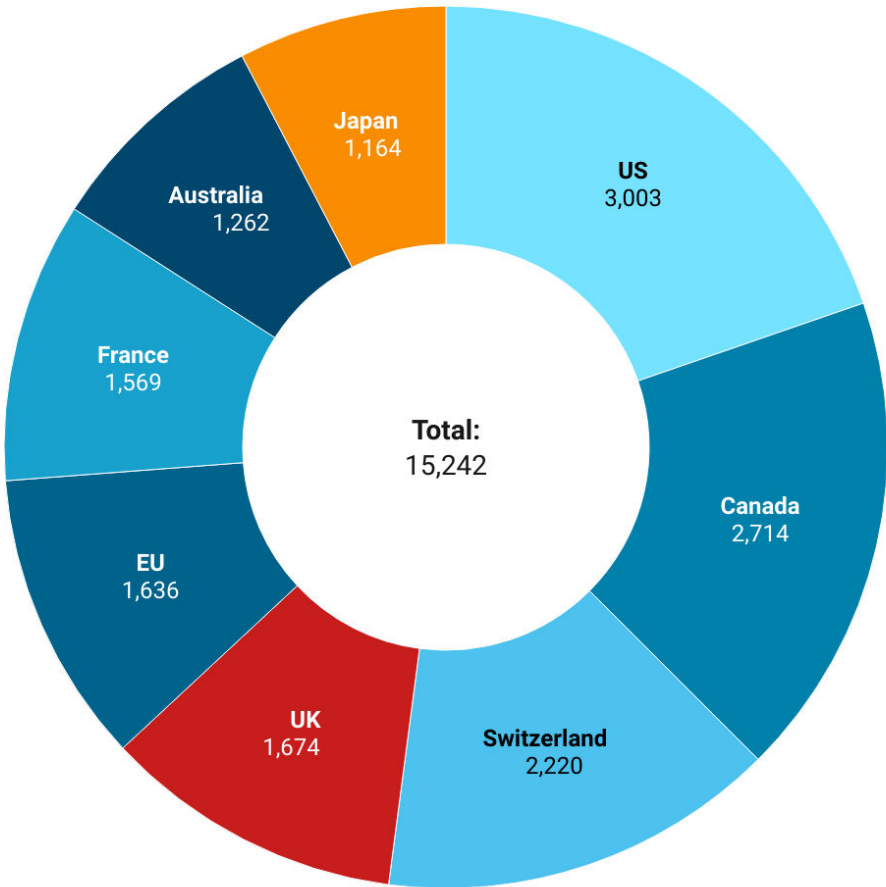


Includes designations from: Australia, Canada, EU, France, Japan, Switzerland, UK, and US.  
Source: Castellum.AI • Created with Datawrapper

# Who Sanctioned Russia

Since 22 February 2022

US (3,003) Canada (2,714) Switzerland (2,220) UK (1,674) EU (1,636)  
France (1,569) Australia (1,262) Japan (1,164)



Source: Castellum.AI • Created with Datawrapper



## Proprietary Yale CELI Russian Business Retreat Data Suggests ~40% Of Russian GDP At Risk

Yale CELI List of Companies Curtailing Operations in Russia Contains 40%+ of Russian GDP

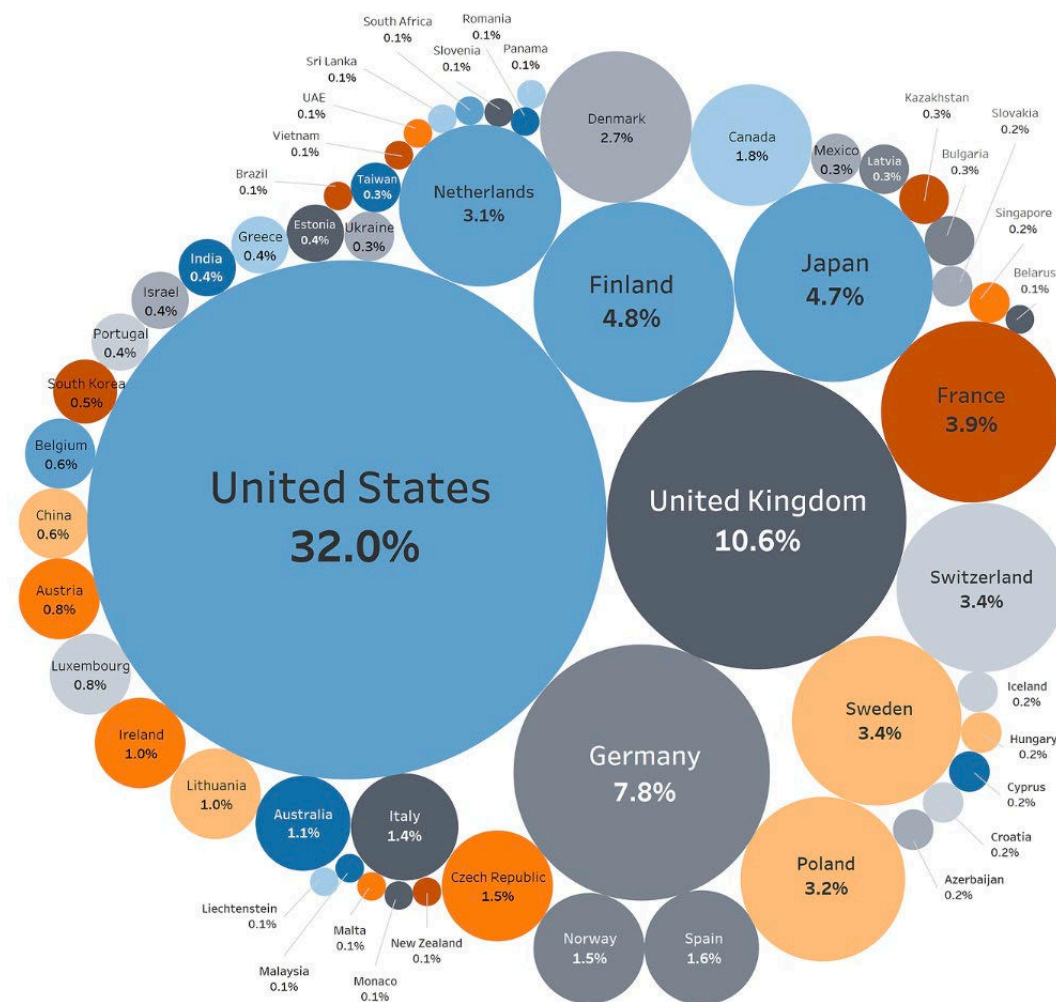


**1000+** *global companies*

**40%+** *of Russia's GDP*

**5mm+** *Russian jobs dependent on foreign investment*

## 1,028 Companies Fully Leaving Russia By Country Breakdown



Source: Yale Chief Executive Leadership Institute, As Of July 2023

"Foreigners should not be let off at full price...it should be hard for them," Moiseev said, with exceptions made when it suits Russia. "That is, when it is better for us that foreigners leave in a civilised way, rather than quitting and just locking up the business they owned."

Russian Deputy Finance Minister Alexei Moiseev

## Sale Requirements

50% discount on all foreign deals based on Russian government valuation of the business

Contribution to the Russian budget of at least 10% of the price

Approval by government commission, with certain sectors requiring direct approval by President Putin

Buy-back option limited to 2 years, anyone who buys back must pay "market price"

## Compliance Challenges

KYC -Russian government-approved buyers

Deal structures/getting paid

Opacity in Russian business structures (mandated by law)

Fast-changing policies



Food Producers / Ingredients	Sales (USDm)	Asset value (USDm)
JDEP	428	203
Danone *	1,454	760
Barry	301	c.200
CHR	27	-
Nestlé	1,725	1,200
Unilever	758	1,000
Tate & Lyle	4	-
Corbion	3	-
Suedzucker	18	-
<b>HPC</b>		
Ontex	167	29
Beiersdorf	277	-
Haleon	401	-
Reckitt	356	280
L'Oréal	603	-
<b>Beverages</b>		
CCH	870	c.280
Carlsberg*	973	c.1,100
Campari	71	-
Diageo	205	-
ABI**	-	1,143
Pernod	325	-
<b>Tobacco</b>		
Japan Tob	4,108	-
PMI	2,700	2,400
BAT	1,601	928

\* These companies' assets have been seized (under control) by Russia \*\* Russia business isn't consolidated and is shown as equity item

Source: Barclays Research estimates, Company data

# INTERNATIONAL SPONSORS OF THE WAR

## 1. International Sponsor of War (ISW) selection criteria:

There are no formal selection criteria. Yet, in practice the company in question

- a** is of foreign (non-Russian) origin
- b** does international large-scale business (has a well-known brand name, as a rule) and is present in various jurisdictions
- c** indirectly assists in or contributes to the Russia's war efforts (e.g. by paying taxes, supplying key (though not sanctioned) goods or materials, taking part in propaganda or mobilisation campaigns)
- d** (optional) makes no statements about its intention to leave the Russian market or, conversely, attempts to justify its decision to stay in Russia
- e** (optional) demonstrates increase in the Russian market presence or in profits since the start of the full-scale invasion (as a result of exodus of the market competitors, increased investments, etc.)

## 2. Legal consequences of being designated on the ISW list:

ISW designation is reputational only. Ukraine does not control the enforcement: it is the global community who acts as the judge, jury, and executioner.

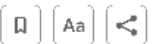
## Exclusive: 'Shameful and unethical.' Heineken, Unilever and Oreo maker Mondelez accused of breaking promises to leave Russia

By Matt Egan, CNN  
Updated 4:27 PM EDT, Tue July 11, 2023



## Oreo-maker Mondelez faces Nordic backlash over Russia business

By Terje Solsvik  
June 12, 2023 12:58 PM EDT · Updated 4 months ago



## CHOC HORROR Urgent calls for EU sanctions on top Irish fan favourite brand over presence in Russia amid bloody Ukraine war

Gary Meneely  
Published: 21:15, 3 Jul 2023 | Updated: 15:38, 4 Jul 2023



# So how do we navigate?



Compliance-first mentality



Preference towards over-communication



Understand where your priority audiences stand and what they need (including within your own business)

- Supply chain, key markets, employees, partners



Regular evaluation of your tolerance for reputational risk