

Nestlé further scales back business in Russia as public pressure mounts

Swiss multinational food and drink giant Nestlé is suspending the sale of more of its brands in Russia, including KitKat and Nesquik, but will continue supplying essential items despite mounting pressure from consumers, employees, activists and political figures to suspend business in the country completely.



Source: © Taina Sohlman - [123RF](#)

"As the war rages in Ukraine, our activities in Russia will focus on providing essential food, such as infant food and medical/hospital nutrition — not on making a profit. This approach is in line with our purpose and values. It upholds the principle of ensuring the basic right to food," Nestlé said in a statement this week.

The company said it's suspending production of multiple categories including pet food, coffee and confectionery.

Nestlé added, "Going forward, we are suspending renowned Nestlé brands such as KitKat and Nesquik, among others. We have already halted non-essential imports and exports into and out of Russia, stopped all advertising, and suspended all capital investment in the country. Of course, we are fully complying with all international sanctions on Russia."



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

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Political pressure

The move comes after Ukraine's president, Volodymyr Zelensky, publicly called out Nestlé for staying in Russia following its invasion of Ukraine. In a streamed broadcast on Saturday he accused the KitKat maker of not living up to its "Good Food, Good Life" slogan.

"'Good food. Good life.' This is the slogan of Nestlé. Your company that refuses to leave Russia," he said. "Even now — when there are threats from Russia to other European countries. Not only to us. When there is even nuclear blackmail from Russia," Zelenskiy said according to a [CNN report](#).



Over 400 companies have withdrawn from Russia - but some remain

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Ukrainian Prime Minister Denys Shmyhal also shared in a tweet last week that he had spoken to Nestlé's CEO Mark Schneider about the consequences of remaining in the Russian market, but that he did not appear to understand.

"Paying taxes to the budget of a terrorist country means killing defenseless children&mothers. Hope that Nestlé will change its mind soon," Shmyhal wrote.

“ *Talked to [@Nestle](#) CEO Mr. Mark Schneider about the side effect of staying in Russian market. Unfortunately, he shows no understanding. Paying taxes to the budget of a terrorist country means killing defenseless children&mothers. Hope that Nestle will change its mind soon.— Denys Shmyhal (@Denys_Shmyhal) [March 17, 2022](#)* ”

Calls for a boycott of Nestlé's products are circulating online under the hashtag, including from the activist group, Anonymous.

“ *[#NestleBoycott](#)*
Howcome you continue bloody business with RuSSia?? [pic.twitter.com/2EekKi6TNT](#)— Ignat Prokopchenko (@Ignat1_) [March 17, 2022](#) ”

Donating profits

Nestlé said on Wednesday this week that it does not "expect to make a profit" in Russia or pay any related taxes there for the foreseeable future, and that any profit will be donated to humanitarian relief organisations.

"This is in addition to the hundreds of tons of food supplies and significant financial assistance that we have already contributed to support the people in Ukraine and refugees in neighboring countries. And these efforts will continue. We stand with the people of Ukraine and our 5,800 employees there," the company said.

Nestlé reports having more than 7,000 employees in Russia, most of whom are locals, and six factories in Russia.