

BUSINESS QUARTERLY

Association of European Businesses Quarterly Magazine

CONNECTIVE. INFORMATIVE. EFFECTIVE.

Healthy Lifestyle





Dear readers,

At the start of a new business season, let me kindly present the Autumn 2019 Business Quarterly to you. This time we combined the efforts of the AEB Food Processing Committee, Retail Trade Committee, Health & Pharmaceuticals Committee, and Safety, Health, Environment & Security Committee to produce a publication highlighting the topic of healthy living.

How to promote a healthy lifestyle so that it could be regarded as a permanent process of shaping the right habits in our daily lives rather than as a goal to be set and reached in the distant future? Why do corporate social responsibility programmes related to healthy living turn to be an effective strategy for businesses?

You will find responses to these essential questions in the articles which abundantly share with us projects and initiatives implemented by companies to raise awareness of people and inspire them to action.

Much attention is paid to nutrition issues and gastronomy behaviour of consumers. Several articles focus on the well-being programmes of employees and disease prevention campaigns for adults in general. A remarkable trend is to encourage careful attitude towards health among children and teenagers through a variety of educational projects.

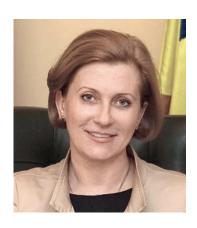
I am grateful to all the contributors – representatives of the AEB Food Processing Committee, Retail Trade Committee, Health & Pharmaceuticals Committee, and Safety, Health, Environment & Security Committee – who submitted valuable inputs to the publication.

I would like to express my sincere appreciation to Anna Popova, Head of the Federal Service for Surveillance on Consumer Rights Protection and Human Well-being, and to Maxim Protasov, Head of Roskachestvo, for providing substantial forewords.

As always, the second part of the magazine covers AEB updates and news items from members, as well as information about the companies which have recently joined the AEB.

Enjoy your reading!

Frank SchauffChief Executive Officer, Association of European Businesses



Dear readers,

On behalf of the Federal Service for Surveillance on Consumer Rights Protection and Human Well-being, I am pleased to welcome you to the pages of this special issue dedicated to healthy lifestyle.

In the 21st century, bad eating habits are among the top global risk factors linked to diseases, disabilities, and even death.

It has been proven that poor eating habits increase the risks of cardiovascular diseases, diabetes, osteoporosis, obesity and some forms of cancerous tumours from 30 to 50%. Good eating practices, on the other hand, help prevent a wide range of health conditions.

The Decree of the President of the Russian Federation of May 2019 sets the improvement of the nation's health as one of the key objectives. This goal cannot be achieved without people having easy access to well-balanced and varied diets. This is why the issues of providing safe and high-quality products and promoting healthy eating are the key components of the Russian Government's social policy.

Rospotrebnadzor pays particular attention to the problem of poor eating habits, including through the national Demographics project.

Rospotrebnadzor has put forward a series of measures aimed at promoting healthy eating habits, reducing micronutrient deficiency and providing healthy products for all Russians, especially for children, who are the most vulnerable group.

The Federal Service is working on improving the existing regulations and methodology; introducing a system for monitoring the nutrition of different categories of people in Russia's regions; increasing control over the quality of products sold in stores; and developing targeted educational and awareness programmes that would help people to change their eating habits for the better.

It is also very important to involve Russian businesses in the life of communities. Disease prevention, promoting a healthy lifestyle, good eating habits and physical activities should become key points in corporate social responsibility programmes.

A complex approach to promoting healthy eating habits will create an environment that encourages a healthier lifestyle, reverse the trend in obesity, contribute to creating healthy generations with longer life expectancy and a higher quality of life, and help to achieve sustainable development goals.

Anna Popova

Head of the Federal Service for Surveillance on Consumer Rights Protection and Human Well-being



Dear colleagues!

Healthy lifestyle, the topic that the current "Business Quarterly" magazine is dedicated to, has been a key issue for the Russian Quality System (Roskachestvo). After all, one of the organisation's main goals is creating relevant values in Russia and, as a consequence, increasing life expectancy and quality of life.

A healthy lifestyle, as defined by the World Health Organisation (WHO) is "optimal quality of life determined by motivated personal behaviour aimed at maintaining and strengthening one's health".

Undoubtedly, Roskachetsvo's work promotes this behaviour. First, by developing responsible consumption in the country, and, secondly, by creating the necessary conditions for the appearance of an increasing quantity of high-quality and safe products on the market.

In pursuing these goals, Roskachestvo is gradually creating a class of professional consumers, or "prosumers", by actively informing the population of the results of its tests on goods and services and working with consumers' persistent misconceptions. The comprehensive tests Roskachestvo performs on goods and services are reported each year in more than 100,000 publications. Each test reaches an audience of over 13 million people.

People can thus receive all the information they need to make the right choices regarding consumption and their lifestyle as a whole.

However, the comprehensive product tests performed by Roskachestvo are just one area of work that promotes a healthy lifestyle.

Another important part of this work is the development of the healthy food market. The main tool here is the development of advanced quality standards, which have already become a point of reference for the business, and a quality indicator for consumers.

The Russian Quality Mark, awarded to goods that meet these strict requirements, has become a sort of soft power element. Consumers buy these products, retailers give them priority spots on the shelves, and, as a consequence, manufacturers have to constantly improve the quality of their products.

Out of the 120 industry standards developed by Roskachestvo, 33 have already become preliminary national standards. In March 2021, consideration will be given to converting them into national standards. Moreover, in 2019 Roskachestvo began developing State Standards GOST R based on the industry standards. Nine first drafts – to be approved in September 2019 – are ready.

A mandatory step in saturating the market with healthy products is the development of the organic and eco-friendly segments, which, until recently, were not regulated in Russia in any way. To solve this issue, the Centre of Excellence for organic production was established under the auspices of Roskachestvo, and the first standards for eco-friendly products were developed.

In summary, I can say that for our organisation, a healthy lifestyle is not just words. It is a whole set of values that we believe in. And we will do everything in our power to promote them.

Thank you!

Maxim Protasov
Head of Roskachestvo



Dear friends,

Let me greet you on behalf of the AEB Food Processing Committee and invite you to learn more about our activities aimed to promote healthy lifestyle in general and healthy eating habits in particular.

The Food Processing Committee that I am honoured to chair unites very different companies: dairy, confectionery, pet food, fruits and vegetable preserves production, frozen products, as well as different food ingredients and dietary supplements. It would be difficult to find common topics of interest for such a variety of businesses, however, drive to support healthy lifestyle unites all of us.

We are what we eat. This saying is not only true in relation to our health, but also to our socially responsible position. Our generation is the first one to make sensible choices and

vote for the world we want to live in through the food and drinks we buy and consume. In this issue of the AEB magazine you will learn what good practices our members implement in order to make food processing transparent, responsible and supportive towards our society and our Planet.

Food and healthy nutrition are topics affecting everybody, and we are here to bring something new and useful for you and your families. Enjoy reading the magazine and remember that we are always at your disposal to provide more information on the topics related to food!

Marina Balabanova

Chairperson of the AEB Food Processing Committee; Regional Corporate Affairs VP, Danone Russia & CIS



Dear friends,

The Retail Trade Committee cordially invites you to dive into the topic of healthy food and nutrition presented in this magazine.

Being the most common interface between food producers and food consumers, modern trade strongly engages in this issue. As a matter of fact, trade performs a very sensitive and important mission to bring the right products to the right consumer at the right time and place in due quality at an affordable price. Here, trade acts with high responsibility contributing to healthy food consumption together with all our partners in the food chain.

Building healthy food assortment requires proper understanding of consumers and consumer trends, on the one hand, and of food industry capabilities and innovations, on the other hand. This respectively shapes the basis for selecting relevant products and manufacturers.

Quality assurance plays a special role in cooperation with food producers and in trade business processes, including efficient logistic systems. Proper communication to customers and back "connection" from customer to food producers are an additional value contributed by trade.

All this is especially valid for promoting healthy food in the Russian food market as it still faces challenges as to consumer purchase power, scope of assortment, quality and efficiency. Healthy nutrition has to be supported to become a sustainable lead trend in consumption. Healthy food must be made widely available and affordable for people. This development must be carried by healthy business models along the whole food chain.

There is still a lot to be done and it is the purpose of this magazine to provide you information and insights that may be helpful to make this way together.

Wish you a motivating reading!

Alexey Grigoriev

Chairman of the AEB Retail Trade Committee; Head of the METRO AG Representative Office, Moscow



Dear readers,

It is my pleasure to introduce the first ever edition of the "Business Quarterly" magazine dedicated to healthy lifestyle and longevity matters.

Only a decade ago, the healthy lifestyle was not that popular. But it is not another hype. More and more people consider their lifestyle is a key component to disease prevention.

Unfortunately, chronic diseases account for some of the most common health problems. Yet, the good news is that many of them are preventable and people have the power to help preventing chronic diseases. It is not easy to make a major lifestyle change. It takes time to form new habits. By understanding the stages of change, starting small and setting realistic goals, we can learn to make healthier choices and in the process, reduce the risk for chronic diseases. This edition of the "Business Quarterly" magazine covers a number of areas that give tips to

readers about how they can improve or augment actions in their life to have a healthy lifestyle. On this note, I wish you a pleasant reading.

Yury Litvishchenko

Chairman of the AEB Health & Pharmaceuticals Committee; General Director, Chiesi Pharmaceuticals



Dear readers,

Activities of the Health & Safety Subcommittee within the AEB Safety, Health, Environment & Security Committee cover a broad range of interests, and it is not always easy to find topics that are meaningful in your respective industries. The subject of healthy living, however, matters to all of us.

From a workplace perspective and considering the value of the human factor, people in the business, it is without saying that all industries need to have a focus on providing a work environment allowing for choices and opportunities for people to embrace healthy living standards. The workplace is a key factor in the chain of social partnership to support and engage healthy living. The benefits are obvious, but often not so easy to be translated into tangible actions.

Active exchange and open discussion helping decision-makers to create opportunities is vital and will benefit all of us over time. From a safety point of view, the right frame of mind, people being alert and acting accordingly, feeling healthy and in balance are key ingredients to act safe. Small changes and atmospheric issues make all the difference. Let us act together finding ways and solutions that can work for all.

Konstantin von Vietinghoff-Scheel

Chairman of the AEB Health & Safety Subcommittee; Managing Director, Corporate Counselling Services

AEB BUSINESS QUARTERLY, Autumn 2019

Healthy Lifestyle

Healthy nutrition from A to Z: partnership for a better future

SERAFIMA EREMENKO,
Digital Marketing & PR Manager,
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MARINA SHALAK,
External Communications Manager, Danone

Healthy lifestyle in gastronomy: trends and partnership with retail

EVGENIYA SHCHERBAKOVA, Head of Branding and Marketing Communications Division, METRO Cash & Carry Russia

How to promote a healthy lifestyle among employees

MARIYA REUTSKAYA, Internal Communications Manager, Servier

Healthy lifestyle? A way of doing things for the better!

KONSTANTIN VON VIETINGHOFF-SCHEEL, Chairman of the AEB Health & Safety Subcommittee; Managing Director, Corporate Counselling Services

Buying healthy!

THIERRY GEOFFROY, Quality Director, Auchan Retail Russia

20 years of work to foster a healthier generation

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AEB at the St. Petersburg International Economic Forum 2019



Presentation of the investment potential of Kazakhstan

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Healthy nutrition from A to Z: partnership for a better future



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MARINA SHALAK
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hat can bring together such different players as a dairy producer, an expert in plant-based food, and an education guru? A nationwide project with an important and ambitious mission — and a significant social impact! Danone, Bonduelle, and the National Open School are now successfully jointly implementing a digital educational project — Healthy Nutrition from A to Z — with the aim to help children and their parents form healthy eating habits.

Nutrition as a path to health

According to the Institute of Nutrition, 5.7% of Russian children are obese, while 40% are overweight or suffer

from other nutrition-related diseases.¹ This is the result of a lack of eating culture and low awareness of healthy eating among children, parents and teachers.

Not all teachers and parents today know what healthy nutrition means and how it contributes to children's growth and development, disease prevention, and improved school performance.

The situation gets even more complicated due to teachers' work overload at Russian schools.

Time to act

In this environment, companies aiming to change the world for the better have combined their expertise and resources in order to act. In 2018, Danone and the Louis Bonduelle Foundation in cooperation with the National Open School and leading experts in education, teaching, nutrition and psychology launched a nationwide interactive course for primary school children on the basics of healthy nutrition, promoting healthy eating habits. This is called Healthy Nutrition from A to Z (https://zdorovoe.menu/).

"People increasingly are starting to care about the quality of their life and the quality of the products they consume. In this changing environment, Danone, one of the major global producers of food and water, is committed to supporting consumers in their efforts for a healthy lifestyle. We believe that the Healthy Nutrition from A to Z project would help us lead a food revolution, and in the next few years the course will become part of any Russian school's curriculum," says Marina Balabanova, Regional Vice-President on Corporate Affairs at Danone Russia & CIS.

An important part of Bonduelle's social commitment is the promotion of healthy nutrition. "The company established its own foundation: the goal is a long-term change in eating behaviour, with maximum care for people and our planet. The Louis Bonduelle Foundation was founded in 2004 in France and came to Russia in 2017. We already have experience in healthy nutrition

 $^{^{\}mathrm{1}}$ According to the Institute of Nutrition research, 01.01.2011-31.12.2011

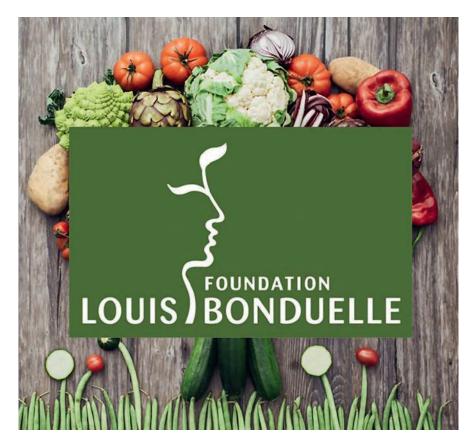
lessons, as we have provided such lessons at schools offline in cooperation with the Research Institute of Hygiene and Health Care of Children and Adolescents. The next step is digitalization of education. Healthy Nutrition from A to Z is in full compliance with our strategy to develop awareness of healthy nutrition and create well-being through a better diet with more plant-based foods," says Serafima Eremenko, who is in charge of the Louis Bonduelle Foundation in Russia.

"The main driving force of the project is cooperation among teachers, parents and children in this common goal of forming healthy eating habits. The successful pilots at schools in the Krasnodar region attest to its high effectiveness, and this was namely thanks to the parents involved in this educational process. School is not some kind of a 'storeroom' for our kids. We, parents, are equally responsible for the education, studies and well-being of our children, just like our education system. You can't create a healthy environment only at a given school - the child has to apply those new skills at home as well. And it's impossible without support from parents," says Anton Sazhin, CEO of CORE.

Proven results

The pilot of the project has already involved more than 3,000 children in six regions: Krasnodar, the Moscow region, Novosibirsk, Vladimir, Veliky Novgorod, and Samara. The programme received very positive feedback from school employees, parents and children.

Organisers of the project asked Ipsos Research Agency to evaluate the effectiveness of the programme using questionnaires for kids and parents



before and after the course. According to their research, there is a significant positive shift in food behaviour and most of the children liked the course, with 90% of them having shared the new information with their parents. Easy and well-structured materials, promotion of the course within the Departments of Education, and ongoing technical support for teachers are all factors that led to the successful pilot.

Further development

The next challenge is to make Healthy Nutrition from A to Z larger in scale and more sustainable. There are three directions for its development planned for the next year.

First, we intend to include more schools and regions in the current course for primary schools after a successful pilot. The next step would be to create and launch the course at secondary schools. Those lessons will provide more advanced information that is relevant and interesting to older children.

The third step is to develop an online course for parents. This one would help today's parents teach their kids to make informed food choices and stay away from fast food and unhealthy products.

Project organisers are open to new partners who share similar values in order to boost the development of this initiative. For example, they have recently reached cooperation agreements with the Russian Quality System (Roskachestvo). This will enable them to include more expertise when it comes to the quality aspect of healthy nutrition.

Healthy lifestyle in gastronomy: trends and partnership with retail



EVGENIYA SHCHERBAKOVAHead of Branding and Marketing
Communications Division,
METRO Cash & Carry Russia

he global trend for a healthier lifestyle has long been a hot topic both from a consumer standpoint and in terms of business development.

Healthy lifestyle is leading a general 'green' movement in many sectors, from restaurants to retail.

Just five years ago, restaurants began to create healthy menus. These often came as inserts in the main menu. About the same time, the first Fresh 'healthy eating' restaurant opened (which has now grown to three restaurants and a delivery service). And that was just the beginning. In recent years, demand for healthy food led to the opening of many healthy-lifestyle restaurants: Myod i Reven, Richter,

Healthy Social Club, and KM20. The biggest players in the hotel/restaurant/café market also took part in the trend. Arkady Novikov opened a How to Green corner in the Around the World gastro market, followed by the Avocado Queen restaurant. Boris Zarkov introduced organic meat in all of his projects: now you can order a burger with lettuce leaves instead of the bun and a patty made of pea protein, which you cannot distinguish from real beef. His Gorynych restaurant also offers meals made with organic eggs, which sell better than their counterparts made with ordinary eggs.

The global trend for healthy eating has created a smaller trend for one's own production. For example, LavkaLavka collaborates with farmer cooperatives that grow local produce specifically for the project. Meanwhile, the Berezutsky brothers (Twins restaurant) have established a farm of their own, which supplies fresh vegetables, meat and herbs grown without pesticides and other harmful chemicals to customers' tables.

Healthy lifestyle is one of the top five global trends in the retail market. Healthy food sales have tripled in recent years.

As a wholesale company, METRO works in close connection with leaders of the restaurant industry. We have seen the rise of this trend firsthand,

with healthy product range sales growing 30% over several years.

Today we can see the expanding presence of healthy products on store shelves. These items are frequently highlighted with decorations, special signs on the shelves, and special headers. Large supermarkets often have standalone halal and diabetic food counters. Specialty product ranges are actively developing, with customers being offered catalogues focused on eco-, bio- and organic products and slimming lines. The number of buyers in this category increased by 20% in 2018 alone. This year, many supermarkets in Moscow showcased local dairy products. All major players now provide special decorations for shelves with various 'healthy' products and also started private-label production. For example, Azbuka Vkusa launched its own healthy food brand.

Specialty 'green' stores are also showing great sales performance. For example, Gorod-Sad, one of the most famous health food stores, opened 12 retail outlets in three years. Healthy-lifestyle stores have a unique format in which you can buy food for any diet: vegetarian, pescetarian, glutenfree, etc. The stores also carry massmarket goods, such as mineral water and soy milk, private-label goods, rare products and deli products.

One example of successful cooperation between the retail and restaurant



sectors is the METRO EXPO exhibition, which in 2019 focused on the topic of healthy lifestyle. A special venue dedicated to healthy lifestyle featured more than 40 workshops. Among the speakers were restaurant managers and healthy eating institution owners. Panel discussions were also held with influencers, covering topics like 'Healthy Lifestyle as a Business' and 'Healthy Lifestyle for Restaurants', moderated by Elena Usanova, a TV host and healthylifestyle advocate. METRO's partnership with the Federal Agency for Tourism's project 'Gastronomy Map of Russia' is worth a special mention. This initiative gave a presentation at METRO EXPO,

Healthy lifestyle is leading a general 'green' movement in many sectors, from restaurants to retail. It is one of the top five global trends in the retail market. Healthy food sales have tripled in recent years.

introducing 30 local suppliers from various parts of Russia and conducting workshops using farmers' products.

Overall, the popularity of healthy food is expected to rise in the future. METRO is planning active expansion of healthy products, taking into account its professional customers' interests while intensively promoting these goods to its buyers, highlighting them on store shelves, building special offers and catalogues, and developing cooperation with the suppliers of these products.

How to promote a healthy lifestyle among employees



MARIYA REUTSKAYAInternal Communications Manager,
Servier

rapidly changing and increasingly complex world creates stress and uncertainty that we have to live with. This new reality requires us to be more flexible, patient and stress-resistant. And while we can't change that in general, we can help our employees adapt and show them ways to better cope with everyday challenges. What benefits will it bring to business and how can it help employees?

Over the past few years, more and more people are choosing a healthy lifestyle, playing sports, eating healthier, and taking a conscious approach to their own physical and mental health. Well-being programmes have already gained great recognition among top companies and are becoming best practices all over the world. In a contemporary world of constant battles

for the best talent, companies offer a diverse range of programmes that can engage and motivate their employees. So, what is the role of well-being programmes for employees? Do they make a difference for organisations? Are they recognised by employees? Is it just hype, a trend in corporate fashion or do they bring great value to the company? Let's try to find out.

Hype or an effective tool to increase engagement

According to a recent study by the Global Wellness Institute, corporate wellness programmes amount to nearly 8 billion USD in the US, and it is expected that by 2021 this segment will grow by another 7.8%. Globally, the revenue from well-being programmes is 40 billion USD. Not bad, right? Why are organisations around the world willing to spend huge sums to maintain the health and well-being of their employees?

A study by the Centres for Disease Foundation showed that employee illness and injury cost employers 225.8 billion USD annually, or 1,685 USD per employee. In addition, 1 billion USD is spent annually on the treatment of employees' chronic illnesses, according to the Milken Institute.

Some more statistics. A study by the University of Louisville found that every dollar invested in a well-being programme brought in 7 USD in health savings. The study also found that

changing certain behaviours reduced the average number of health risks among employees from 5 or more points to 0-3.

This means that, according to the above data, investing in the health and well-being of employees brings additional profits to companies through savings on medical costs and reduced man-hour losses due to absenteeism and sick leave. Among employers that offer well-being programmes, more than half reported a decline in absenteeism due to illness, and 66% reported increased productivity.

Why do employees need well-being programmes? Servier's expertise

To achieve maximum performance, employees need to be passionate about their work, share the values and goals of the company, sincerely believe in them and understand that their contribution is significant. The question is how the company can promote greater employee engagement. One of the possible tools is to take care of the health and well-being of employees.

In 2018, Servier Russia developed and implemented an employee well-being programme built around the company's core values – dare to innovate, commit to succeed, care and grow by sharing. The programme covers such aspects of health and well-being as disease prevention awareness, healthy lifestyle in-



Investing in the health and well-being of employees brings additional profits to companies through savings on medical costs and reduced man-hour losses due to absenteeism and sick leave.

cluding physical activity, environmental initiatives for employees, and charitable and volunteer activities.

The goals of our programme are:

• Dream Employer: well-being programme as the company's competitive advantage that distinguishes it from other competitors.

- Increasing employee engagement: helping employees to be fit, healthy and motivated by creating a work culture that promotes healthy living.
- Aligned approach: implementing a well-being programme for all Russian employees, including office, plant and fields, so they have a strong sense of community and can join through vari-

ous channels – either in person or virtually.

 Reflecting the company's core values through the lens of caring for employees.

Disease prevention awareness campaigns

Being the 2nd largest French pharmaceutical company in the world, Servier has great expertise with a focus on five therapeutic areas – cardiovascular diseases, diabetes, cancer, immunemediated inflammatory diseases, and neuropsychiatry. Having the best knowledge in the treatment of these diseases as well as the support of leading experts who can share their unique expertise, the company started its well-



being programme by raising employee awareness of these diseases.

As an example, May 2019 was dedicated to the May Measurement Month initiative aimed at raising employee awareness of hypertension. As a part of the initiative, employees could measure their blood pressure and get advice from a guest expert right in the office. They were invited to create a photo with the special title 'Please measure your blood pressure' designed for further sharing with family and friends both on social media and in hard copy.

An opinion leader expert gave a lecture on hypertension, speaking about risk factors, prevention and steps that should be taken to minimise the risk. Those employees who couldn't join the session in person had an opportunity to watch the video recording. A booklet with tips on hypertension was developed and distributed among staff to raise awareness not only among employees, but also their families.

In July 2019, a special video contest on hypertension was launched by Ser-

vier's headquarters. Russian teams created very inspiring and touching films. One of them became the Servier global winner thanks to recognition from the company's employees worldwide.

Of course, topics covered in the wellbeing programme are not limited to these specific areas. In the coming months, we would like to talk more about stress resilience, sleep and other topics that would be of great interest to employees.

Healthy lifestyle promotion

Being aware of illnesses – including symptoms, risk factors and prevention – is a good thing. But we want to take a step further to keep our employees fit and healthy. That's why we actively promote a healthy lifestyle by giving lectures about the principles of good nutrition and encouraging employees to participate in various sporting activities supported by the company. These include participation in charity marathons and bike rides. We have football and volleyball teams at

Servier, and employees join various competitions organised among pharmaceutical companies.

Participation in sporting events helps us solve several tasks at once – to help strengthen the physical health of employees, increase the level of engagement through team building and establish partnerships with other industry players.

Every Friday we organise healthy breakfasts where employees can grab fruits, vegetables and other healthy foods. In addition, the theme of work-life balance is actively supported at the company policy level.

Employee well-being programmes help to significantly reduce the risks associated with one's health, translate the company's values about the importance of caring for employees and ultimately increase their motivation and engagement. This, in turn, affects the company's performance and helps it achieve its business goals. As we are all aware, engaged employees work better and with greater efficiency.

Healthy lifestyle? A way of doing things for the better!



KONSTANTIN VON VIETINGHOFF-SCHEELChairman of the AEB Health & Safety

Subcommittee; Managing Director, Corporate Counselling Services

urrently, the topic is receiving ever-growing recognition and attention. The discussion has gone from trendy lifestyle aspects to considerably more fundamental concerns about public health and key aspects of societal developments.

Recently, a presidential decree was published in Russia, addressing concerns about how living conditions, negative lifestyle and lack of awareness substantially impact economic factors due to increased mortality and morbidity rates which, in comparison with other countries, leave considerable room for improvement. The business community has also actively taken up the discussion, addressing issues of a healthy lifestyle as a key economic factor, and offering structured support for healthy living with the ultimate goal of improving employee engagement and workability.

The insurance industry, reacting to this demand, is seeking to integrate elements of healthy living by integrating such concepts with their voluntary supplementary insurance offers. This goes hand-in-hand with the concept of "Employee Benefits". The rationale is simple and straightforward: providing more information, specific assessment of illnesses, choices and support in developing healthier lifestyles ultimately benefits not only the individuals concerned, but the employer as well; and, of course, the insurer benefits too, since health claims decline.

This sort of discussion is obviously not new. The study of 'Non-communicable diseases' (NCDs) has been engaged by the WHO (World Health Organisation), and was picked up by the World Economic Forum in Davos several years ago, providing evidence of the negative impact of unhealthy behaviour. The main culprits leading to poor health are frequently addressed in academic papers, weekly articles in magazines and newspapers around the globe, as well as being the topic of many discussions led by interest groups and Public Health

The business community addresses issues of a healthy lifestyle as a key economic factor.

authorities. The FMCG industries, the beverage and hospitality industries, as well as pharma and other major players have all shown a keen interest, offering various levels of advice and guidance. The large social media companies also are full of initiatives and offers of all kinds of support. Just think of the fitness and lifestyle measures which are offered through

the wearable devices so many companies are now promoting. The developments at this level are amazing. From the early motion detectors, which just measured the amount of steps you took running or walking, and then translated that motion into a measurement of burnt calories, equating it to dietary advice, we are now seeing more and more sophisticated measurements, from blood pressure variability (VCR), assessment of sleep patterns, all the way up to blood sample analysis, allowing more precise monitoring of chronic disease patterns, such as Diabetes 2 conditions. Devices such as special sports watches and other wrist attachments, connected to smart phones and potentially some cloud services receiving the stream of collected data, providing the end user with sophisticated interpretations of these measurements, now allow for complex guidance and advice in terms of better monitoring and evaluation of your health behaviours.

In the early 1990s, the EU member states adopted national policies to ban public smoking. Tobacco consumption (specifically cigarettes) has been identified as one of the major reasons for cancer, killing large numbers of people every year. But other factors have also been assessed and evaluated. Poor dietary habits, significant consumption of alcohol, a lack of physical movement, complacent tendencies in our societies have all been linked as contributing factors to the development of ill-health, adding a significant cost and burden to the economy.

Employers are starting to see the benefits of investing in educational and

support strategies, engaging their workforce in healthier lifestyle choices. This comes in many shapes and forms. There is no 'one solution fits all', and, unfortunately, there is also a considerable lack of consistent, datadriven solutions that employers or, for the same reason, insurers seem to adopt. Evidence-based approaches, showing their true benefits, are often

Employers are starting to see the benefits of investing in educational and support strategies, engaging their workforce in healthier lifestyle choices. Still, there is a lack of consistent, datadriven solutions that employers seem to adopt.

overshadowed by more 'belief-based' approaches, or purely commercially driven offers.

The field is full of all sorts of commercial interests of various actors, ranging from esoteric and belief-driven approaches, reflected in the ever-growing flood of dietary advice

and guidance, to efforts just focused on physical fitness as the main key to successful change. Modern concepts of positive psychology, mindfulness, body-mind approaches, struggles between traditional Western medicine and traditional Eastern philosophies, creating a better integration and focus, are very prevalent. Generally, we are speaking more and more about the work-life balance as the key. It is true that, in our present day situation, fewer people are suffering from musculoskeletal strains due to ill-adapted physical labour; however, more and more, psycho-social risk factors are considered to be the key elements creating stress and imbalance.

Research is showing that more and more people are feeling stressed, combining the different roles they have in their lives. Work demands, the pace of work, the continuous impact of all the communication technologies, virtually constant availability, struggles and competition, the pressing time demands of combining work and private life are leading people to burn out and become psychologically and ultimately physically exhausted. One of the key discussion points is how much is it in the hands of the individual to create and lead a healthy lifestyle? Or is it fundamentally the drive of our modern economies, with their never-ending battle for doing more with less, using technologies, from robotisation to AI structures, which is making the pace for humans more and more challenging?

Generational issues in the work place and in society in general are contributing to the growing feeling of being overwhelmed and exhausted. The technological progress over the last 10 to 15 years alone has created major new demands. Different generations absorb and integrate things differently. However, the social media, so massively prevalent today, not only open up many new opportunities, they have also fundamentally changed how we relate and communicate. For some younger people, their virtual relationships via the social media have replaced their desire to meet and interact with real people. This has had a dramatic impact on their communication behaviour in general, and has also impacted the work place. Shaped by all the virtual experiences, the younger generation in particular has adopted very different attitudes in terms of aspirations. On the positive side, there are so many more choices and opportunities to grow and expand; however, with a lack of proper guidance, things often become overwhelming, creating a special complacency and desire for immediate demand satisfaction. How do we reach and educate this younger generation in terms of healthy lifestyle, and how does this combine and relate to people from older generations, potentially more at risk from the effects of unhealthy behaviour?

From a public health perspective, all the much improved technology,

the significantly improved large volumes of data, we are better able to analyse and combine through algorithms and deeper understanding of the combined effects of different components of influence, allow us to develop tools and strategies tailoring behavioural changes to fit individuals in their drive to achieve and maintain a better and ultimately healthier way of life.

If this gets adequately matched with changes in the way we can work, there is a good chance that we will see ultimate progress on a larger than individual scale, allowing people to live healthy lives.



Buying healthy!



THIERRY GEOFFROYQuality Director, Auchan Retail Russia

s it possible in the modern world to remain in harmony with nature and oneself? How do you find a balance? Today these questions interest every second inhabitant of the planet. For some, the solution lies in exhausting sports or a proper eating and drinking regime, while others focus on reducing their impact on the environment. Experts advise combining all efforts: reduce stress, learn to relax, think positively and make an informed choice about things that improve one's quality of life.

For example, let's pay attention to what we eat and how we make food choices when shopping. Do we always buy what is really healthy? And how can we even determine the level of benefit we get?

Every day, an average person who doesn't play sports needs 1,750 calories to meet the body's needs and maintain energy. Then one's weight, height, gender, activity level and even mood are taken into account. As a result, we get seven different dishes and three drinks per day.

In the store, people are happy to spend time between shelves full of offers from manufacturers, participate in tastings and purchase newly released products. As a result, at checkout there is usually a full cart and an endless receipt. Is it possible to refuse anything, or once in the store to understand that this very product is poison for the body?

The answer is yes! We offer you a three-step method.

Step one: Choose food consciously. That means buying only those products that you really need, ones that will not be thrown into the trash after the expiration date.

Step two: Make a menu for a week in advance.

Step three: Read the label carefully. That will help you find the perfect nutritional value and healthy ingredients.

maximum amount of information is indicated on the label.

- There is good news for those who monitor their salt intake. In 2018, Auchan Retail Russia together with its private label suppliers conducted research to review the bread recipe and reduce the sodium level to less than 1.8%.
- Especially for those who have a sweet tooth, in the product line under the company's own brand chocolate with natural sweetener stevia is produced.
- Active work is underway to replace taste enhancers (monosodium glutamate): the line of seasonings "Red Bird" has been released, which includes only natural spices.
- Sauces under Auchan Retail Russia own brand without monosodium glutamate have gone on sale.
- The combination of sugars and sweeteners is prohibited in products of private label specifically designed for children, added sweeteners are carefully avoided.

Experts advise combining all efforts: reduce stress, learn to relax, think positively and make an informed choice about things that improve one's quality of life. Let us pay attention to what we eat and how we make food choices when shopping.

Auchan Retail Russia, for example, has developed the Freshness Guarantee programme, which enables customers of hypermarkets to store purchased goods in the refrigerator for a certain time and prepare delicious dishes. And if you look for products marked with a bird – ones that are released under the company's own brand – then be sure that the

• Auchan Retail Russia is working to replace some food coloring. Those are used in the production of drinks, confectionery, lollipops under the company's private label. Thus, at the moment, the food additive E111 (coloring orange GGN) has been replaced.

Make your shopping benefit both your health and your budget.

20 years of work to foster a healthier generation



SVETLANA SMOLINACorporate Marketing Projects Lead,
Nestle

ALEXANDRA MAKEEVAHead of Educational Programs
Departments, Nestle

How can business help promote a healthy lifestyle in society?

For this purpose, Nestle Russia took an educational approach. In 1999, the company launched an educational project for children called the 'Good Nutrition Programme'. The Programme aims to develop healthy eating habits as a component of healthy living.

With the support of the Russian Ministry of Education, the Institute of Developmental Physiology of the Russian Academy of Education developed an educational model that was successfully implemented in the Russian education system. The curriculum is scientifically based and takes into account both the differences in the children's age groups and Russian culinary traditions. The course includes activity books for kids, methodical materials for teachers, posters and brochures for parents. All the materi-

als are provided for free and contain no references to Nestle brands.

How it all began

At first, the Programme encountered some difficulties: people were suspicious of business-initiated social activities, which were frequently seen as 'hidden advertising'. The food culture was also very low. Moreover, authorities, teachers and parents frequently believe that healthy eating habits depend on the level of income and tend to underestimate the role of knowledge and skills.

The very first results showed that the project was highly effective and much needed. Throughout the years, the project steadily underwent comprehensive development. The length increased from 1 to 3 years and a number of innovative tools were implemented. Annual activities assembled the Programme's participants from across Russia.

Structure of the Programme

The Programme consists of three modules for children 6 to 13 years old. Why does the course have to be so long? There are other social projects in healthy living that are no longer than several lessons. Isn't this enough? Of course not! It takes time and effort to form a positive habit. Nestle understands the importance of long-term investments in each and every participant of the Programme.

When it comes to teaching the basics of healthy eating habits, the traditional methods of 'common' lessons fall short. Moreover, today's students are overloaded, so another course could provoke antagonism. Therefore, the authors developed an educational model that could be integrated into the education system ('out-of-class activities').

The Programme employs an interactive approach in which skills are conveyed through games and creative projects. It is imperative that the parents are also involved in the projects so that the rules the children learn in school are followed at home.

Digital platforms

Lately, the project's electronic platform (www.prav-pit.ru) has grown in importance. The website offers a lot of modern and effective educational tools. As we were working on our digital platforms, we knew it would be impossible to teach a child healthy eating habits just by leaving them with a tablet. This is why all online activities are reality-based: though a child receives a task



online, they should complete it in a real kitchen, stadium or gym, etc. Teachers see the digital platform as an innovative tool, unparalleled in the Russian education system.

Within the framework of the project, teachers, parents and children enjoy various annual online and offline activities, such as competitions, seminars, round tables, culinary classes, etc.

Special assessments show the effectiveness of the Programme: children taking part in the Programme follow the rules of a healthy diet more frequently that their peers who are not involved in the Programme.

20 years of success: key results of the Programme

The Programme unites 67 partners and serves as a vivid example of effective trilateral cooperation between business, academia and government. The Programme grew to be a national project which makes tangible contributions to the culture of healthy eating among children. More than 50,000 teachers promote the Programme across 60 Russian regions. The fruits of this cooperation are that 1.4 million children learn healthy eating habits annually and over 20 years the total number exceeds 8.5 million children. The 'Good Nutrition Programme' is a unique educational experience for our country. The aims of the Programme coincide with the 'Demography' National Project, as both of them encourage people to live a healthy lifestyle. The results of the Programme serve as a strong example that informational mechanisms and educational activities should form a pillar of the government's policy in this sphere. They also eliminate the need to implement additional legal measures against food producers.

Today, the 'Good Nutrition Programme' is one of the best practices of the global Nestle project called 'Nestle. Healthy Kids', which aims to help 50 million children lead healthier lives by 2030.

Charitable and educational healthcare projects. Promotion of health conscientiousness and healthy lifestyle



EKATERINA KOLESNIKOVACommunications Team Leader PH,
CH, Bayer

In developing our CSR strategy for Russia, we were primarily focused on the challenges and issues facing Russian society today. We have a well-balanced project portfolio: Bayer in Russia implements charitable and educational projects in the field of healthcare, education, promotion of the natural sciences and responsible attitude to health.

The Heart Beat social educational programme is one of Bayer's significant CSR projects that started in 2013 and gains increasing recognition every year. This programme is focused on devel-

in Russia. Unfortunately, those suffering from CVDs are becoming younger, and the percentage of the workingage population suffering from these diseases is on the increase, making it not just a medical but also a social issue. The Heart Beat programme is implemented in collaboration with the National Medical Research Centre for Preventive Medicine under the Health Ministry of the Russian Federation and aims to significantly raise awareness among the population about CVD risk factors, the need for early preventive measures and the promotion of a healthy lifestyle.

ayer has established a global strategy for corporate social responsibility (CSR) that is common for all of its business units around the world. The key requirement for projects in this field is that they have a long-term nature and a focus on improving the lives of people in the countries where they are implemented. All CSR projects implemented are closely tied to Bayer's professional expertise in healthcare and agriculture. This global approach allows Bayer to build an effective local CSR strategy and a proprietary package of longterm initiatives that will contribute to solving urgent issues in countries and cities, where it operates.

Cardiovascular diseases are a leading cause of death in Russia. Unfortunately, those suffering from CVDs are becoming younger, and the percentage of the working-age population suffering from these diseases is on the increase, making it not just a medical but also a social issue.

oping preventive medicine and increasing awareness of people and business leaders about the risks of cardiovascular diseases (CVD). It is an open secret that CVDs are a leading cause of death

As part of this programme, Bayer partnered with Russian Public Opinion Research Centre (VCIOM) to conduct a study that identified opportunities for the development of preventive medicine



The Go Red photo exhibitions featuring Russian celebrities were held in major cities across Russia, and a nation-wide internet flash mob was organised, with participants wearing red clothes, taking pictures and posting them on social networks with the hashtag #GoRed_Russia in support of a healthy lifestyle and the need for the prevention of CVD.

The programme is developing every year to include new activities: the Heart Beat website now has a test to evaluate your knowledge and understanding of the signs of a stroke; a special socio-educational programme for children was developed and launched – Heart Beat. Kids. In

in enterprises. A survey dedicated to stroke risk awareness among Russians is also implemented. The survey canvassed the opinions of 1,600 respondents from 130 localities and showed that about a third of Russians over the age of 18 have lifestyles that may increase the risk of a stroke. That is why Bayer together with the National Medical Research for Preventive Medicine focused their efforts primarily on the working-age population and organised a series of preventive initiatives aimed at enterprises in 14 regions across Russia. About 6,000 people were screened at industrial enterprises. In addition, the National Medical Research for Preventive Medicine provided enterprises with recommendations as to how to reduce the risks of CVD among workers.

Much work has been done over the past few years, and each of the implemented projects and initiatives was focused on promoting the importance of a healthy lifestyle and conscientiousness about health, preventive measures and medical treatment. Much work has been done over the past few years, and each of the implemented projects and initiatives was focused on promoting the importance of a healthy lifestyle and conscientiousness about health, preventive measures and medical treatment.

The key initiative of the programme is the Go Red campaign. This outstanding initiative is organised with the support of the Russian Cardio Society and aims to raise awareness about CVD prevention among Russian women. It is a continuation of the major international project 'Go Red for Women', which has been running for a decade and which our country joined in 2014. Celebrities wore red dresses, took part in a photo shoot and read their favourite poems about love to highlight CVD.

2018, five iconic statues in Moscow 'went red'. On the eve of the World Stroke Day, the following statues were lit up scarlet: Worker and Kolkhoz Woman (Russian Exhibition Centre), K.S. Stanislavsky and V.I. Nemirovich-Danchenko (Kamergersky Pereulok), A.S. Pushkin (Pushkin Square), A.S. Griboyedov (Chistoprudny Boulevard) and N.V. Gogol (Gogolevsky Boulevard). This eloquent and trending campaign drew much interest and was able to underline the importance of preventing cardiovascular diseases



and heightened concern over the actions we can all take to get there.

Activities like these within the framework of the general project provided an opportunity to bring out heart health concerns, including the importance of maintaining healthy lifestyles, to a significant number of Russians.

But we are not stopping there. Bayer's activity in the framework of the Heart Beat programme is gaining momentum. This year, it will not just cover social media and a mass event to be held in Moscow on the World Stroke Day (29 October) but will also include a separate

initiative launched in 2018 with the support of the National Medical Research Centre for Preventive Medicine under the Ministry of Health of the Russian Federation that focuses on the prevention of CVD among young people and schoolchildren - Heart Beat. Kids. For this project, we have developed easily understandable informational and educational materials for children and their parents to learn about the importance of CVD prevention from childhood, including: animated videos explaining the role of the cardiovascular system in the human body and a comic book where the main character Zhora Buterbrodov tells children about the negative consequences of an unhealthy lifestyle. The materials were created based on common misconceptions about health held by modern children. The videos and the comic book are publicly available on the Heart Beat website. These materials will be used to organise healthcare classes in the form of a quest at Russian schools.

Implementing initiatives aimed at promoting health consciousness and healthy lifestyles among Russians is a challenging, yet essential task. We believe that companies engaged in corporate social responsibility programmes make a significant contribution to improving the quality of life of people.

Healthy and active lifestyle promotion for children and teenagers



MARINA TATARSKAYA
Chairperson of the AEB Public Relations &
Communications Committee;
PR Director, Ferrero Russia CJSC

ver the past ten years, corporate social responsibility has become a definite trend, with more and more companies coming on board. Such projects are especially important both for brands and society, and each manufacturer selects its own method to make a contribution to the development of the corporate and social relationship.

Implementation of social projects allows companies to demonstrate their obligations and level of responsibility towards consumers, which obviously goes beyond commercial activity. This is the response of business to the challenges faced in an age of



OLGA MATVEEVABrand Manager Kinder Bueno & Bites,
Ferrero Russia CJSC

globalisation, when marketing communications have a significant impact on shaping behaviour and consumption patterns.

In terms of business interests, such projects definitely differ from regular marketing, as they are not directly aimed at gaining profit or increasing business indicators; however, in the long term, they contribute to creating a greater confidence and loyalty among consumers and, generally, to improving business reputation.

Kinder+Sport was born in 2005, and has continued to grow with the aim of constantly improving and expanding

its programmes, channeling all its actions to reach effective targets. Ferrero is implementing Kinder+Sport Joy of Moving, the Group's international CSR programme aimed at developing physical activity among children and young people around the world by promoting the values of an active lifestyle. At the heart of the project is the strong belief that a positive attitude towards movement will make today's children better adults tomorrow.

The main goal of this project is to show children and their parents that playing sports can be joyful and interesting. Thus, the company is carrying out its socially responsible activities based on the strong belief that physical activity is an essential part of children's education, significantly contributing to their physical and cognitive development in order to prepare them for life as individuals. One hundred and thirty-two sports associations and federations from all over the world have already teamed up with the company; as part of the programme, with Ferrero sponsorship, more than 7 thousand sporting events in 23 sporting disciplines are held annually. More than 4.4 million children take part in this programme every year; the company is aiming to involve of up to 5 million children from 30 countries around the world to get active, enjoy moving, and



Implementation of social projects allows companies to demonstrate their obligations and level of responsibility towards consumers, which obviously goes beyond commercial activity.

develop life skills in an engaging and joyful way.

This year Kinder+Sport Joy of Moving was launched in Russia, sponsoring the Starkids children's competition, which traditionally opens each stage of the Ironstar triathlon competition.

As part of the project, young athletes can prepare for competitions, charge up on vivacity and fun at special Kinder+Sport areas built in five cities, which is an integral part of the Kinder+Sport Joy of Moving concept. Children will have a chance to play interesting sports games, re-

ceive memorable gifts and have their picture taken on a pedestal, because each of them is a winner! Altogether, in 2019, the project will involve more than 2000 children.

It is important to note that Kinder+Sport Joy of Moving does not involve the promotion of products related to the Kinder brand in any form. The company aims to continue developing this field in Russia, and plans to involve more and more children and teenagers in doing physical exercise and sports. This will become a real contribution by Kinder+Sport Joy of Moving to the development of human capital and building the culture of a healthy lifestyle in Russia.

AEB NEWS



Chairman of the AEB Auditing Commission re-elected

On 24 June 2019, Rene Pischel, Head of the Permanent Mission of the European Space Agency in the Russian Federation, was re-elected as Chairman of the AEB Auditing Commission.

The AEB Auditing Commission supervises financial activities and internal procedures. The Chairman of the Commission reports to the AEB Board Chairman on a regular basis. Two other members of the AEB Auditing Commission are Alexander Chesnykh from Fin-Expertiza and Igor Bruevich from KWS RUS LLC.

Rene Pischel, Chairman of the AEB Auditing Commission, Head of the Permanent Mission of the European Space Agency in the Russian Federation



L-R: **Frank Schauff**, AEB CEO; **Yana Arzhanova**, Head of External Affairs, Volvo CE; **Andrey Komov**, Chairman of the AEB Construction Equipment Committee, General Director, Volvo CE; **Yuri Shemchishin**, Vice President, Spetsavtoprom; **Jean-Claude Doucene**, General Director, Manitowoc Cranes; **Vsevolod Babushkin**, Director for Strategic Development, MIG KTZ; **Egor Tarasov**, Founder, "ROKOTT Trans".

AEB CEO participated in the Construction Equipment Forum 2019

On 4 June 2019, the Construction Equipment Forum (CEF) started its work in the framework of bauma CTT Russia. Frank Schauff, AEB CEO, delivered a welcome speech comprising brief description of the current situation on the construction equipment market.

Sergey Alexandrov, General Director of Messe Muenchen Rus, and Tomas Kuchtik, Trade Commissioner, EU Delegation to Russia, welcomed the participants as well.

The plenary discussion covered the following topics: state policy in the field of construction equipment and its impact

on the current situation in the medium and long term; existing and necessary system of measures to support the industry; outlook by manufacturers of construction equipment – strategies and development plans; potential for high-tech exports; prospective directions of innovative solutions (electric, autonomous), development of technologies and their application in Russia.

The second session was devoted to innovations and breakthrough technologies in the construction equipment industry, and overviewed selected case studies.

AEB at the St. Petersburg International Economic Forum 2019

On 6 June 2019, the AEB held a panel session "Challenges and opportunities for business in Russian-European relations today and in the future".

Johan Vanderplaetse, Chairman of the AEB Board, Senior Vice President, President for Russia and CIS, Schneider Electric, moderated the discussion.

The panelists of the session were: Markus Ederer, EU Ambassador to the Russian Federation; Kris Peeters, Deputy Prime-Minister of Belgium; Peter Szijjarto, Minister of Foreign Affairs and Trade of Hungary; Elisa Markula, President, Chief Executive Officer, Tikkurila Oyj; Alexander Misharin, Deputy General Director, Russian Railways; Nenad Popovic, Minister for Innovation and Technological Development of the Republic of Serbia; Florence Verzelen, Executive Vice-President, member of the Board, Dassault Systèmes; Frans Adrianus van Houten, Chief Executive



Participants of the panel session moderated by **Johan Vanderplaetse**, Chairman of the AEB Board.

Officer, Chairman of the Management Board, Chairman of the Executive Committee, Royal Philips NV, and Alexander Shokhin, President of the Russian Union of Industrialists and Entrepreneurs.

The speakers argued that business continued to work and achieve results despite uneasy political relations between Russia and the European Union. The rapid technological development opening up new markets and business opportunities is another incentive to build on partnerships. European manufacturers try to seek new solutions to cooperate with Russian enterprises.

On 6 June 2019, Philippe Pegorier, Deputy Chairman of the AEB Board, President, Alstom Russia, moderated the Russia-France business dialogue.

The speakers emphasised that cooperation between Russia and France was developing in different ways, while an active dialogue across all platforms provided an extra boost.

Sylvie-Agnes Bermann, Ambassador Extraordinary and Plenipotentiary of the French Republic to the Russian Federation; Emmanuel Quidet, President of the French-Russian Chamber of Commerce and Industry; Pierre Morel, Co-Chairman of the Trianon Dialogue Forum, Ambassador of the French Republic to the Russian Federation (1992-1996); Patrick Pouyanne, Chief Executive Officer, Chairman of the Board, Total; Anatoly Torkunov, Rector, MGIMO University; Alexander Shokhin, President of the Russian Union of Industri-



Panelists of the Russia-France business dialogue moderated by **Philippe Pegorier**, Deputy Chairman of the AEB Board.

alists and Entrepreneurs, and other participants focused on the following questions: Which courses of economic and investment cooperation are the most promising? What could give a boost to the implementation of joint projects in new industries? How can we work together to ensure that these new forms of technology work for society and therefore help businesses to increase efficiencies and remain competitive in changing conditions?



Panelists of the Russia-Switzerland business dialogue moderated by Frank Schauff, AEB CEO.

On 7 June 2019, Frank Schauff, AEB CEO, moderated a business dialogue devoted to Russia-Switzerland relations.

Among the speakers were: Peter Voser, Chairman of the Board of Directors, ABB Ltd; Marie-Gabrielle Ineichen-Fleisch, Director, Swiss State Secretariat for Economic Affairs (SECO); Eugene Kaspersky, Chief Executive Officer, Kaspersky Lab; Petter Ostbo, Chief Executive Officer, EuroChem Group AG; Stefan Oliver Reutter, Managing Director, Regional Vice Chairman, UBS Switzerland AG; Roland Fischer, Chief Executive Officer, OC Oerlikon Management AG.

On 8 June 2019, the AEB CEO Frank Schauff moderated a panel session devoted to a proactive immigration policy as a tool for development and attracting investments.

The size of the working-age population will decline by more than 3 million by 2026. At the same time, Russia continues to be a donor of highly skilled specialists for developed countries. Immigration flows do not fully meet the needs of the economy, including future needs for skilled and highly skilled professionals.

At the panel session the speakers discussed the following topics: what measures could contribute to accelerated technological renewal and the development of the Russian economy; how high-performance jobs with fair wages could be created; what changes the Russian immigration legislation requires to attract highly qualified specialists from abroad and retain them on a permanent basis.



Panelists of the panel session devoted to immigration policy moderated by **Frank Schauff**, AEB CEO.

Among the speakers were: Kirill Adzinov, Head of Visa Department, Main Directorate for Migration, the Ministry of Internal Affairs of the Russian Federation; Gloria Macapagal-Arroyo, Speaker of the House of Representatives, Congress of the Republic of the Philippines; Ilya Torosov, Deputy Minister of Economic Development of the Russian Federation; Dmitry Yalov, Deputy Chairman of the Leningrad region government, Chairman of the Committee on Economic Development and Investment Activity; and Gennady Kamyshnikov, Managing Partner of Government Relations, Deloitte CIS.



Presenter: Yerlan Khairov, Ambassador at large of the Ministry of Foreign Affairs of the Republic of Kazakhstan.

Presentation of the investment potential of the Republic of Kazakhstan

On 27 June 2019, the AEB organised a presentation of the investment potential of the Republic of Kazakhstan with participation of officials from the Ministry of Foreign Affairs of the Republic of Kazakhstan, Embassy and Trade Representation of the Republic of Kazakhstan to the Russian Federation, Astana International Financial Centre (AIFC), Kazakh Invest National Company JSC, Project Office on Protecting Business and Investments.

Yerlan Khairov, Ambassador at large of the Ministry of Foreign Affairs of the Republic of Kazakhstan, and Frank Schauff, AEB CEO, welcomed the participants of the event. The presentation focused on Kazakhstan's recent steps to improve the investment climate, including tax and customs incentives, its programme of the state assets' privatisation, Kazakhstan's favourable geographical position at the crossroads of Europe and Asia, the country's participation in China's Belt and Road Initiative, and the Eurasian Economic Union, as well as the newly established AIFC, Kazakh Invest National company, Project Office on Protecting Business and Investments and other structures responsible for attracting foreign investors.

AEB business trip to the Lipetsk region

On 3-4 July 2019, the AEB delegation undertook a business trip to the Lipetsk region.

At the start of the official programme, the guests were hosted by the Administration of the Lipetsk region. Dmitry Averov, Deputy Head of the Administration of the Lipetsk region, shared investment opportunities of the region and spoke about preferences and measures to support foreign businesses. During the open discussion that followed, prospects for participation of European companies in the implementation of investment projects in the region as well as federal and regional assistance programmes were discussed.

The agenda also included the visit to the Special Economic Zone "Lipetsk" to get acquainted with successfully localised production of the Bekaert and ABB companies.

At the end of the trip the participants visited the experimental station of the seed-breeding company "KWS RUS".



Representatives of the Administration of the Lipetsk region and the AEB delegation.



Presenter: Vladimir Sipyagin, Governor of the Vladimir region.

AEB staff visit to Ferrero Russia factory

On 12 July 2019, the AEB team visited the Ferrero Russia factory premises in Vorsha, a village in the Sobinsky district of the Vladimir region.

The official part of the agenda started with a meeting with Vladimir Sipyagin, Governor of the Vladimir region. He spoke about the role of foreign investments in the strategic development of the region and presented the examples of successful cooperation with European businesses.

Marina Tatarskaya, Chairperson of the AEB Public Relations & Communications Committee, PR Director, Ferrero Russia, and her colleagues told about the Ferrero production unit in Russia, that was an important step for strategic development on the local market.

During the visit, the AEB representatives were offered a guide tour around the confectionery production facilities.

We would like to thank our member company Ferrero Russia for their hospitality and an intense programme.

AEB representatives participated in CLAAS Field Day 2019

On 1 August 2019, AEB representatives participated in CLAAS Field Day 2019 in the Tula region.

CLAAS is one of the leading manufacturers of agricultural machinery worldwide and an officially recognised Russian producer.

The company was the first to sign the special investment contract (SPIC) with the Russian Government.

During the Field Day, participants had a unique opportunity to see the parade of harvesters and tractors with the latest technologies developed by CLAAS engineers and experts with the full demonstration of their technical capabilities in operation.



CLAAS Field Day 2019 in the Tula region



L-R: Wilhelmina Shavshina, Deputy Chairperson of the AEB Customs & Transport Committee, Legal Director, Head of Customs and Foreign Trade Regulation Practice, DLA Piper; Sergey Udalov, COO, Autostat; Tatiana Kofanova, Automotive Group Leader in Russia and CIS, Deloitte Consulting; Alexey Mednikov, Partner, Construction Project Management Group, KPMG in Russia and CIS; Alexander Zverev, Business development director, Auto.ru.

AEB co-organised 10th International Moscow Automotive Forum

On 27-28 August 2019, the AEB jointly with the international exhibition operator ITEMF Expo organised the 10th International Moscow Automotive Forum (IMAF) entitled "Automotive industry meets the future: global prospects".

The opening remarks were delivered by Frank Schauff, AEB CEO; Michael Johannes, Vice President, Messe Frankfurt Exhibition GmbH, Brand Manager, Automechanika; and Anna Manvelova, General Director, ITEMF Expo.

On the first day, Stuart Lawson, AEB Board Member and Chairman of the Finance & Investments Committee,

Senior Advisor at EY, moderated the plenary session on the future of the Russian automotive industry. In the course of a lively discussion, representatives of state authorities, Russian and foreign industrial companies, automobile manufacturers debated on the issues of state support for the automobile industry, prospects and strategies for development of the automotive market and implementation of innovative solutions. Likewise, the topics of electric cars and autonomous vehicles production were discussed.

The second day was devoted to the issues of localisation of new technologies. Cluster policy and special economic zones, in particular, measures to support enterprises and best practices, were covered as a separate topic.

Prior to the Forum, on 26 August 2019, the AEB CEO Frank Schauff took part in the opening ceremony of the 23rd International exhibition of automotive spare parts, automotive components, equipment and vehicle maintenance products "MIMS Automechanika 2019".

AEB COMMITTEES UPDATES

Energy Efficiency Committee

On 18 June 2019, the AEB Energy Efficiency Committee organised a round table "The National Project 'Ecology': opportunities for modernisation of the Russian industry".

The National Project 'Ecology', one of the government programmes on the advanced economic and technological development of the Russian Federation till 2024, establishes targets for decrease in hazardous emissions and water pollution, and for waste reduction. The round table was chaired by Bashir Chalabi, Chairman of the AEB Energy Efficiency Committee, Senior Advisor for Energy Efficiency and Environment, Promaco TR.

The opening remarks were delivered by Alexey Uchenov, Director of the Department for Strategic Development and Corporate Policy of the Russian Ministry of Industry and Trade, who spoke about the priorities of the Russian government to raise competitiveness of the industry. He appealed to AEB member companies to work together with the Ministry on the most challenging issues.



L-R: **Sergey Zinchenko**, General Director of the Agency of Technological Development; **Vsevolod Gavrilov**, Director of the Energy Efficiency and Natural Resources Project Management Directorate at Sberbank; **Anton Peshkov**, Area Director of Tikkurila Russia and Central Asia; **Alexey Uchenov**, Director of the Department for Strategic Development and Corporate Policy of the Russian Ministry of Industry and Trade; **Bashir Chalabi**, Chairman of the AEB Energy Efficiency Committee, Senior Advisor for Energy Efficiency and Environment, Promaco TR.

Sergey Zinchenko, General Director of the Agency of Technological Development, introduced this relatively new organisation and defined the possibilities of cooperation with the AEB.

Anton Peshkov, Area Director of Tikkurila Russia and Central Asia, underlined the importance of water-borne paint as the advanced material for cleaner air.

How to finance sustainable development projects? What are the opportunities for European companies for earning money on the Russian market? Vsevolod Gavrilov, Director of the Energy Efficiency and Natural Resources Project Management Directorate at Sberbank, concluded the event providing answers to these questions.

Hotels & Tourism Committee



Meetings, Incentives, Conference and Exhibitions (MICE) are crucial growth drivers for hospitality industry worldwide. On 19-20 August 2019, five German MICE agencies headed by the tour leader – Ivo Baumann, partner, Incentive Congress Journal – arrived in Moscow to learn more about MICE opportunities in the capital of Russia. The programme of the two-days visit was organised by the AEB Hotels & Tourism Committee jointly with Intourist. The guests managed to enjoy several Moscow sights: the Kremlin, the Red Square, GUM, the Novo-Devichi Convent, VDNKH, VTB Arena, Luzniki Park and Stadium. Likewise, they rendered a visit to the venues of the Moscow luxury hotels where they had delicious lunches especially made for the quests by the hotels' chefs de cuisine.

L-R: **Natalia Vilchinskaya**, Lotte Hotel Moscow; **Ivo Baumann**, "Incentive Congress Journal"; **Reinhard Schmohl**, "RS travelling events"; **Armin Eberhard**, AEB Hotels & Tourism Committee Chairman, Renaissance Moscow Monarch Centre Hotel; **Dmitry Kmytyuk**, Lotte Hotel Moscow; **Frank Schauff**, AEB CEO; **Frank Petry**, "Frank Petry International Event"; **Ursula Nauheimer**, "Meet & More"; **Martin Peterson**, "Star Club Buderus"; **Arnold Kühn**, "Rail Event"; **Pavel Soldatkin**, Intourist.

On 20 August 2019, the AEB Hotels & Tourism Committee organised an open event "Moscow as a perspective destination for MICE business" at the Renaissance Moscow Monarch Centre Hotel.

The event was devoted to MICE facilities of Russia and the ways to promote Moscow as a promising destination for MICE business and business tourism as a whole.

The first part of the event included presentations of the Moscow government, Rostourism, Intourist regarding Moscow MICE. After that, several large European MICE agencies presented their worldwide activities.

During the meeting the representatives of MICE agencies and AEB member companies were able to exchange contacts, practical information and best practices.

On 23 August 2019, the AEB Hotels & Tourism Committee had a meeting with the Moscow Tourism Committee to discuss the outcomes of the MICE agencies' visit to Moscow,



Presenter: Pavel Soldatkin, Head of Event Department, Intourist

and further cooperation between the AEB and the Moscow government to develop MICE business in Moscow.

IT & Telecom Committee



L-R: Vadim Perevalov, Associate, Baker McKenzie; Anastasia Petrova, Associate, ALRUD Law Firm; Edgars Puzo, Chairman of the AEB IT & Telecom Committee, Atos Russia & CIS CEO.

On 20 June 2019, the AEB IT & Telecom Committee organised its regular legal update to keep AEB member companies up-to-date with all ongoing and upcoming regulatory changes in the IT & Telecom area.

This time such topics as critical infrastructure (speaker – Anastasia Petrova, Associate, ALRUD Law Firm) and sovereign Runet (speaker – Vadim Perevalov, Associate, Baker McKenzie) were in the spotlight of the Committee's interests.

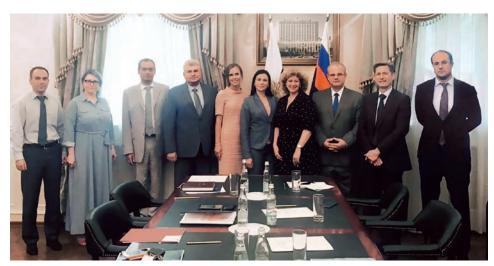
The live discussion followed the presentations.

The meeting was moderated by Edgars Puzo, Chairman of the AEB IT & Telecom Committee, Atos Russia & CIS CEO.

Migration Committee

On 17 June 2019, the AEB Migration Committee members had a meeting with Valentina Kazakova, Chief of the Main Directorate for Migration Issues under the Ministry of Internal Affairs of the Russian Federation.

The AEB representatives highlighted main topics for further cooperation between the AEB and the Ministry of Internal Affairs of Russia, which include one-window procedure, work on improvement of migration legislation related to hiring of foreign citizens on a status of highly qualified specialists, qualified specialists, electronic procedure for application of the HQS documents, regulation of disparity/proportionality in sentencing in migration sphere, migration enrollment procedure, standard procedure for processing work permits. In addition, the AEB representatives stressed the need to abolish quotas for foreign citizens and a mandatory exam for knowledge of the Russian lan-



L-R: **Kirill Adzinov**, Head of Work Permit and Visa Department, Main Directorate for Migration Issues under the Ministry of Internal Affairs of the Russian Federation; **Elena Proshina**, Head of Department on Labour Migration, Ministry of Internal Affairs of the Russian Federation; **Vitaly Yakovlev**, Head of Department of Control and Supervision, Ministry of Internal Affairs of the Russian Federation; **Sergey Manaenkov**, Deputy Head, Main Directorate for Migration Issues under the Ministry of Internal Affairs of the Russian Federation; **Ksenia Solovieva**, AEB Migration Committee Coordinator; **Valentina Kazakova**, Chief of the Main Directorate for Migration Issues under the Ministry of Internal Affairs of the Russian Federation; **Ludmila Shiryaeva**, Chairperson of the AEB Migration Committee, EY; **Ruslan Kokarev**, AEB Deputy CEO – Chief Operating Officer; **Alexey Filipenkov**, Deputy Chairman of the AEB Migration Committee, Visa Delight; **Andrey Slepov**, Deputy Chairman of the AEB Migration Committee, Beiten Burkhardt.

guage, history and law, since in fact this is often the main obstacle to obtain work permits for qualified specialists, to minimise the liability measures of the inviting party.

The AEB representatives also drew attention of the Ministry to the current practice of application of documents on the regional level, in Sakharovo and GreenWood.

It was agreed that the AEB will provide proposals on migration legislation and practice. Ms. Kazakova acknowledged the AEB request to include Ludmila Shiryaeva, Chairperson of the AEB Migration Committee, in the Expert-Advisory Council under the Ministry of Internal Affairs of Russia.

Several AEB Committees are actively involved in the elaboration of the so-called "regulatory guillotine" mechanism – a tool designed to substantially review the current (and in many cases out-of-date) legislation related to inspection of businesses by monitoring and supervisory authorities.

As part of the numerous activities organised to develop this instrument, a meeting of the working group on the "regulatory guillotine" mechanism in the field of migration took place on 2 August 2019.

Andrey Slepov, AEB Migration Committee Deputy Chairman, Partner, Beiten Burkhardt, participated in the meeting chaired by Yury Lubimov, Deputy Head of the Executive Office of the Government of the Russian Federation. The meeting was devoted to the working group activities, organisational issues, and a work plan until 2020.

During the meeting, Maxim Travnikov, Head of the division on citizens' constitutional rights procurement under the President of Russia, informed the participants about the current activities of the on execution of the "Concept of State Migration Policy in the Russian Federation 2019-2025", which was established by the Russian President in October 2018.

The AEB stressed that the improvement of the Russian migration legislation, including migration enrollment procedure, standard procedure for processing work permits, proportionality in sentencing in migration sphere has to be achieved with due account of the current practice with participation of the Ministry of Internal Affairs of Russia and its regional subdivisions on different levels.

It was agreed that the working group on the "regulatory guillotine" mechanism in the field of migration will be presented by business associations. The work on migration legislation will be divided into two levels/directions. The experts of the business associations will elaborate the proposals and meet on a regular (monthly) basis, and representatives of associations' management will present the position of the working group to the Government on a quarterly basis.



Following the meeting on the "regulatory guillotine" mechanism in the field of migration, which was held on 2 August 2019, the AEB Migration Committee representatives had a meeting with Valentina Kazakova, Chief of the Main Directorate for Migration Issues under the Ministry of Internal Affairs of the Russian Federation, to discuss a model of the federal state control (supervision) in the field of migration as part of the guillotine plan implementation. The meeting was organised by the Russian Ministry of Internal Affairs on 23 August 2019. Ludmila Shiryaeva, AEB Migration Committee Chairperson, and Andrey Slepov, AEB Migration Committee Deputy Chairman, stressed that the proposed model should not change the existing migration procedures, and should also affect the order (including the composition of documents) and the timing of work permits received by employers and foreign employees.

L-R: Ludmila Shiryaeva, Chairperson of the AEB Migration Committee, EY; Andrey Slepov, Deputy Chairman of the AEB Migration Committee, BEITEN BURKHARDT; Ksenia Solovieva, Coordinator of the AEB Migration Committee.

North-Western Regional Committee

On 4 June 2019, the AEB North-Western Regional Committee jointly with GfK Rus (the International Institute of Marketing and Social Research) presented the results of the 12th AEB Annual Survey "Strategies and prospects for European companies in Russia".

The event was kindly hosted by the Consulate General of Finland in St. Petersburg.

The survey analyses the level of comfort for European businesses operating on the Russian market, and assesses the country's investment climate.

The opening remarks were delivered by Torsten Erdmann, member of the AEB NWRC Steering Group, and Anne Lammila, Consul General of Finland in St. Petersburg.

Alexander Demidov, Managing Director of GfK Rus, presented the results of the survey. The presentation was followed by a Q&A session.

We would like to express gratitude to the companies which provided inputs to the survey. We urge more members of the North-Western region to participate in this project in the future.



L-R: Torsten Erdmann, member of the AEB NWRC Steering Group; Alexander Demidov, Managing Director of GfK Rus.



Participants of the event

On 18 June 2019, the AEB North-Western Regional Committee held an on-site round table entitled "Corporate social responsibility: experience of European companies in Russia".

The event was hosted by Danone Russia in St. Petersburg. During the event the participants got acquainted with different successful corporate social projects implemented in Russia by such European companies as KPMG, IKEA, and Danone. The presentations were followed by a tour around the Danone Russia factory premises.

The event was moderated by Elena Novoselova, Deputy Chairperson of the AEB North-Western Regional Committee.

On 28 June 2019, the International Hanseatic Economic Forum was organised in Pskov in the framework of the 39th International Hanseatic Days of the New Age.

The event took place at the "Prostoria" Multifunctional Centre and brought together around 400 attendees from different cities of the Hansa Union.

The AEB held a round table entitled "Prospects for the development of transport infrastructure as a basis for economic development".

The round table was moderated by Andreas Bitzi, Chairman of the AEB North-Western Regional Committee. The opening remarks were delivered by Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer.

The round table covered such topics as: the role of European business in the development of transport and communication interaction between countries and regions of the EU and EEC (speaker – Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer); development of the transport infrastructure of the Pskov region (speaker – Boris Yolkin, Chairman



At the plenary session of the International Hanseatic Economic Forum in Pskov.

of the Committee on Transport and Road Management of the Pskov region); railway infrastructure in the Pskov region (speaker – Roman Gorin, Deputy Head for Territorial Administration of the Oktyabrskaya Railways); development of Russia-EU 'green' road corridors (speaker – Nikolay Polyakov, Deputy Head of the Department for work with infrastructure companies, ANO Strategic Partnership North-West); development of intermodal transport (speaker – Natalya Kapkaeva, Head of the Port of Hamburg Representative Office in St. Petersburg); prospects for the transport development of the Pskov region considering regional economy development and cross-border cooperation; investors' expectations for projects in the field of transport infrastructure (speaker – Sergey Vershinin, Associated Partner, Rödl & Partner).

Public Relations & Communications Committee



L-R: **Konstantin Krokhin**, Chairman of the Italian Commission of the Moscow Chamber of Commerce and Industry (MCCI), Director of the branch office of the MCCI in the "New Moscow"; **Marina Tatarskaya**, Chairperson of the AEB PR & Communications Committee, PR Director, Ferrero Russia; **Suren Vardanyan**, Vice-President, Moscow Chamber of Commerce and Industry (MCCI); **Ruslan Kokarev**, AEB Deputy CEO – Chief Operating Officer.

On 25 June 2019, the AEB open event "The role and responsibility of businesses, NGOs and media in promoting the UN Sustainable Development Goals and shaping a CSR culture in society" was held.

The event was jointly organised by the AEB Public Relations & Communications Committee and the Moscow Chamber of Commerce and Industry (MCCI).

The sustainable development concept is shaping a new paradigm for businesses nowadays. The key business approaches applied by leading European companies are being transformed

towards operating business responsibly, including through focusing on reducing the environmental impact, using renewable resources, increasing production efficiency, etc. The advanced Russian businesses also consider the global Sustainable Development Goals and CSR as an important part of their agenda. The meeting focused on the values of responsible business practices and new approaches to the management of resources, risks and impact on economic processes, society and the environment. It provided a platform for discussion and exchange of expert opinions.

Real Estate Committee

On 18 July 2019, the AEB organised its open event titled "Presentation of the Moscow Export Centre" prepared by the Real Estate Committee.

The event was opened by Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and moderated by Tatjana Kovalenko, Chairperson of the AEB Real Estate Committee, Deputy General Director, Sendler & Company.

During the event the speakers and participants discussed the development of services exports of Moscow companies, possible support mechanisms for exporters of services through the Government of Moscow, promising areas of cooperation between foreign companies registered on the territory of Moscow with ANO "Moscow Export Centre" (promotion of the brand "Made in Moscow", introduction of Moscow companies to foreign and domestic markets, promotion of Moscow companies via e-commerce, export catalogue "Made in Moscow"), and the success story of the exporter of services in Moscow.



Participants of the meeting

Retail Trade Committee

On 21 June 2019, the AEB Retail Trade Committee held an open meeting with Nikita Kuznetsov, Head of the Department of Internal Trade Development, Digital Labelling of Goods and Legalisation of Products, Minpromtorg of Russia, and Kirill Volkov, Head of the Product Group of the Centre for the Development of Advanced Technologies.

The meeting was opened by Ruslan Kokarev, AEB Deputy CEO – Chief Operating Officer, and moderated by Alexey Grigoriev, Chairman of the AEB Retail Trade Committee, Head of the METRO AG Representative Office, Moscow.

The participants discussed main issues of the state regulation of trade and problems related to the introduction of a digital marking and tracking system for certain groups of products.



Participants of the meeting

Safety, Health, Environment & Security Committee



L-R: **Sergey Prutyanoy**, Boehringer Ingelheim; **Konstantin von Vietinghoff-Scheel**, Chairman of the AEB Health & Safety Subcommittee, Corporate Counselling Services.

On 26 June 2019, the AEB Safety, Health, Environment & Security Committee organised a round table entitled "Health and safety risk assessment: experience of European companies".

The event brought together HSE experts from different industries. They shared expertise with regard to HSE risk management in Russia.

Sergey Prutyanoy, Boehringer Ingelheim, reported on the computer platform for quantitative and qualitative risk assessment tailor-made for the company's needs; Lubov Gerasimchuk, Safe Start, spoke about the new way of rethinking the risk assessment; Tatiana Borisova, Novartis Group, shared the company's recent experience in managing HSE risks.

The discussion focused on practical application of HSE risk assessment tools and European companies' respective case studies. The event was moderated by Konstantin von Vietinghoff-Scheel, Chairman of the AEB Health & Safety Subcommittee, Corporate Counselling Services.

Southern Regional Committee

On 18 July 2019, a panel discussion "Foreign economic activity of international companies in the agricultural sector in the south of Russia" was held in Krasnodar.

At the initiative of the Ministry of Agriculture of the Russian Federation a programme of professional retraining "Attache on agriculture" was launched. The programme is based at MGIMO, the Kuban State Agrarian University and the Russian State Agrarian University – Moscow Timiryazev Agricultural Academy. In July 2019, an on-site module for the programme participants was held in Krasnodar.

The AEB Southern Regional Committee organised a panel discussion which was attended by managers, business representatives and students of the programme.

Participants of the discussion were welcomed by Tatiana Polutina, Vice-Rector for international and youth policy of the Kuban State Agrarian University, and Timofey Logoyda, Director of the experimental training farm "Kuban".

The guests had a tour around the educational and experimental farm "Kuban" which is a structural unit of the Kuban State Agrarian University.



The moderator of the panel discussion was Oleg Zharko, Chairman of the AEB Southern Regional Committee, Regional Corporate Affairs Director, Group of companies Danone in Russia.

The speakers of the panel discussion were: Vladimir Druzhina, Chairman of the AEB Seed Committee, Director for Eastern Europe, KWS; Roman Prokuratov, Plant Construction Project Manager, member of the Board of Directors and Technical Director, CLAAS; and Olga Zhatko, Leading Expert on Foreign Trade, Cargill Russia.

L-R: Olga Zhatko, Cargill; Tatiana Polutina, the Kuban State Agrarian University; Oleg Zharko, Chairman of the AEB Southern Regional Committee, Danone; Roman Prokuratov, CLAAS; Vladimir Druzhina, KWS.

In August 2019, university students from twin cities of Krasnodar – Karlsruhe (Germany), Nancy (France), Nottingham (UK) – started internship in "Cargill", "KNAUF-GYPS" and "Nestle Kuban" (member companies of the AEB Southern Regional Committee).

On 8 August 2019, the Chairperson of the Krasnodar City Duma Vera Galushko and the Deputy Head of the Krasnodar City Administration Artem Doronin organised an official reception to welcome students.

The meeting was also attended by the General Director of "Nestle Kuban" Olga Polovyanova, Director of the Southern Sales Directorate of "Knauf GYPS" branch Sergey Bondarenko, Director of International Department of the Kuban State University Galina Govorova.

The project "Internship of students from twin cities and partner cities in Krasnodar" was launched in 2018. At that time five



L-R: **Olga Polovyanova**, Nestle Kuban; **Valentin Buchmiller**, Nestle Kuban; **Artem Doronin**, the Krasnodar City Administration; **Vera Galushko**, the Krasnodar City Duma.

students from Karlsruhe (Germany), Nancy (France), Harbin (China) undertook a four-week internship at the enterprises of "Cargill", "CLAAS", "Bonduel-Kuban" and "KNAUF-GYPS".

Taxation Committee



L-R: Alina Lavrentieva, Chairperson of the AEB Taxation Committee, PwC; Alexandra Kadet, the Federal Tax Service; Yulia Shepeleva, the Federal Tax Service; Natalia Kozlova, PwC; Vadim Zaripov, Deputy Chairperson of the AEB Taxation Committee, Pepeliaev Group.

On 28 June 2019, the AEB Taxation Committee held a business meeting "Development of the Russian tax system: results of the first half of 2019 and perspectives" which gathered more than 100 participants.

The event highlighted recent and upcoming amendments to the Russian Tax Code as well as various practical matters such as intra-group transactions taxation, VAT on digital services and other important tax matters. It provided an excellent platform for discussion and exchange of knowledge by professionals. Natalia Kozlova, PwC; Irina Shtukmaster, Pepeliaev Group; Nina Goulis, KPMG; Valeria Khmelevskaya, Brand & Partner; Ekaterina Lakatosh, Schneider Group; Alexander Erasov, BCLP, and Arseny Seidov, Baker McKenzie, shared their expertise and gave recommendations on important tax matters.

The event was moderated by Alina Lavrentieva, Chairperson of the AEB Taxation Committee, PwC, and Vadim Zaripov, Deputy Chairperson of the AEB Taxation Committee, Pepeliaev Group. Yulia Shepeleva, Head of Transfer Pricing Directives.

torate, the Federal Tax Service, and Alexandra Kadet, Deputy Head of Transfer Pricing Directorate, the Federal Tax Service, were the event's distinguished guests and discussed with the participants the intragroup service taxation matters.

Working Group on Modernisation & Innovations



L-R: **Michael Akim**, Chairman of the AEB Working Group on Modernisation & Innovations, Vice President on Strategic Development, ABB Russia (moderator); **Yadim Kulikov**, First Deputy Director General, Agency of Technological Development; **Yuri Simachev**, Economic Policy Director, National Research University Higher School of Economics; **Arnold Van Sinderen**, General Manager, Sulzer Chemtech LLC; **Hakan Mandali**, General Director (COO), "BSH Bytowije Pribory" (a Bosch Group company); **Anton Peshkov**, Area Director, Tikkurila Russia and Central Asia; **Dmitry Kozachenko**, Deputy Director General, Technical Director, Dassault Systèmes; **Ilya Pomigalov**, Special Projects Director, Russian Export Centre (REC); **Dmitry Anoshkin**, Acting Branch Manager in Ekaterinburg, JSC RZD Logistics.

On 10 July 2019, the AEB held its session entitled "How to develop the export potential of the manufacturing sector in Russia?" within the business programme of "INNOPROM 2019".

The session was moderated by Michael Akim, Chairman of the AEB Working Group on Modernisation & Innovations, Vice President on Strategic Development, ABB Russia. Addressing these challenges requires the possibility for

Russian enterprises to integrate into international produc-

tion and logistics chains. Thus, it determines the possibility for the development of non-oil exports.

The participants to the session discussed the specific features of the Russian market and the key drivers for repositioning of the Russian exporters in global value chains; measures to be taken to create the enterprises in Russia, enabled to compete with the leading Asian manufacturers; the technologies which are the most decisive in terms of the competitiveness of Russian manufacturers.

MEMBER NEWS

Dear members, please be informed that you can upload your news or press releases on our website in "Member News" section via personal page absolutely free of charge.

Bryan Cave Leghton Paisner Russia

BCLP Russia hosts its annual 'Welcome to the Summer' client cocktail party

In June, Bryan Cave Leighton Paisner Russia, formerly Goltsblat BLP in Russia, held its annual 'Welcome to the Summer' client cocktail party at the Moscow City Golf Club to celebrate two anniversaries: ten years since the merger with international law firm Berwin Leighton Paisner and one year since one of the biggest ever transatlantic mergers and formation of the new brand Bryan Cave Leighton Paisner (Russia) LLP.



There were about 500 guests in attendance, mostly heads of legal, general counsels and CEOs from major Russian and international companies.

The programme included: wine-tasting with the best Moscow sommeliers, whisky testing, summer cocktails, cigars by a well-known torcedor, golf and baseball master classes and many other delights. Andrey Goltsblat, Managing Partner (Russia), delivered the welcome speech and introduced the delegation from the BCLP France, Germany, UAE and UK offices.

This was one of this summer's warmest evenings, and many guests stayed right until the end of the event.

Gasunie

King Willem-Alexander opens sustainable HyStock hydrogen plant

On 26 June 2019, King Willem-Alexander opened Gasunie's HyStock green hydrogen plant in Veendam, the Netherlands. This plant is the first step in creating the hydrogen supply chain of the future, which will see green energy converted, stored and transported to customers. It is also a key, specific measure that will help making the Netherlands sustainable and carbon-neutral.



The HyStock hydrogen plant converts 1 megawatt of sustainable electricity to green hydrogen and is the first to apply this process in the Netherlands. Gasunie's daughter EnergyStock aims to achieve large-scale and profitable storage of green hydrogen in their underground gas storage facilities in the near future. The hydrogen can then be used as a sustainable source of energy when solar and wind energy are unavailable. Hydrogen can play a key role as a clean energy carrier for manufacturing, mobility and the built environment. Converting electricity into hydrogen is a way of using the expected future surpluses of sustainable electricity. HyStock hopes to kick start the future hydrogen market and therewith to contribute to achieve the goal of making the Netherlands and Europe carbon-neutral.



Co-financed by the European Union

Connecting Europe Facility

Kuehne+Nagel

Kuehne+Nagel supports the conservation of the endangered Far Eastern leopard population

With only about 90 remaining animals in the wild, mostly in the Primorye territory in Russia, the Far Eastern leopard, or Amur leopard, is the rarest big cat in the world. In recent years, the population stabilised and even started to grow again, not least due to the efforts undertaken by the autonomous non-profit organisation Far Eastern Leopards, which was established in 2011 in order to study, preserve and restore the leopard population in the border region between Russia and China.

The Eurasian Centre for the Conservation of the Far Eastern Leopard chose Kuehne+Nagel to provide door-to-door deliveries

from the US to Russia, including customs clearance, time-critical shipments and transport of technical equipment for the observation and control of the leopards in their habitat. The transports are organised and executed using the extensive logistics network of Kuehne+Nagel, both globally and within Russia.

Yelena Gangalo, Advisor to the Special Representative of the President of the Russian Federation on nature protection, environmental and transport issues, states: "Kuehne+Nagel's reliable and fast shipments are of great help to us in supplying our critical technical equipment to the place of action on time. It's logistics experts are always ready to react proactively to our sometimes rather urgent transportation demands."



Servier

Servier Russia launches environmental initiatives engaging staff and local community

Several environmental initiatives engaging staff and local community were organised by Servier pharmaceutical company within the Ecology Week in June 2019 in the Russian office. The main goal is to raise awareness among employees and our partners on social and environmental issues and enhance company's social responsibility.

During the Ecology Week a training for staff on responsible consumption and zero waste approach was organised jointly with the Charity Fund "Separate Collection", followed by presentations of Servier global ecological best practices and "Servier RUS" pharmaceutical plant ecology projects.

Moreover, an eco-charitable initiative "A new life to old clothes" was launched in collaboration with the Charity Fund "The Second Breath". Two containers to collect old or unused clothes were installed: the first one on Servier RUS industrial site and the other, in partnership with the local administration, in Krasnaya Pakhra settlement, where the plant is geographically located. The clothes in good condition are transferred to people in difficult life situation. Other clothes are recycled in order to secure environmental sustainability.



Joint ecology actions of the business, the state and the society are among key trends in solving environmental topics in Russia. Public-private initiatives on preventing and reducing impact on environment have recently taken place across the country. In this respect, Servier acts as an ecosystem contributor and proceeds to develop in line with the state goals and in partnership with local communities.

Tablogix

Tablogix Express is testing GAZelle NEXT

New van is used for cargo transportation in Moscow. Mainly it carries the products of automotive customers from the Distribution centre located in the south-east of the Moscow region. Tonnage capacity allows the van to enter the Moscow Third Transport Ring. Alexey Kryazhev, Tablogix Express manager of the transport service: "We haven't found difficulties in the operating of Gazel NEXT for 6 months. After further measurements and tests we will decide to complement the company's fleet with this model."

The cost of ownership plays an important role in choosing a commercial vehicle. Cost of ownership of GAZelle Next is 20-30% lower than that of European vans. Moreover, it is adapted to the Russian conditions: bad roads and climate. GAZelle Next is characterised by reasonable price for most repairs. As a result Avtostat agency reports that it was the most popular LCV on the Russian market in 2016.



APPOINTMENTS

Dentons



Konstantin Krol

Konstantin Kroll joined Dentons' Moscow office as a partner in the Corporate and M&A practice.

He was previously a partner at Orrick's London office, where he was the Head of Russia and CIS Desk, and before that he had practised with Jones Day and Allen and Overy in Moscow.

Konstantin is recognised as a leading lawyer in M&A and debt and equity capital markets by Chambers and IFLR 1000. Dual qualified in Russia and England and Wales, he has over two decades of experience advising corporate clients and financial institutions on complex cross-border transactions in Russia and the broader Commonwealth of Independent States (CIS).

He graduated from the Moscow State University in 1998 and obtained an LLM from the University of Manchester in 2001.

Konstantin Kroll commented on his appointment, "I am delighted to join Dentons, which has one of the best and broadest networks in the CIS region with a team of over 240 lawyers. With two offices in Russia, and offices in Kazakhstan, Uzbekistan, Azerbaijan, Ukraine and Georgia, Dentons is clearly among the few global firms that are fully committed to the region. I very much look forward to helping the Firm further develop its M&A practice and reinforce its market leadership position."

LegaLife Diaz Reus



Dmitry Bukhtenkov

In June, LegaLife Diaz Reus, the Moscow office of global law firm Diaz Reus, announced that a new attorney had joined the firm as Partner.

Dmitry Bukhtenkov gained vast experience as legal adviser, business development director and head of legal with leading Russian and international companies operating

in different sectors of economy.

"Dmitry Bukhtenkov' s vast and proven competence is a precious asset for our Moscow office's practice. We are delighted to welcome him at LegaLife Diaz Reus," said Marina Zinovieva, Managing Partner at LegaLife Diaz Reus. "Dmitry's experience and leadership are a great value added for our firm," said Massimiliano Ballotta, Senior Partner.

After a series of lectures on sanctions against Russia at MGIMO, LegaLife Diaz Reus delivered another lecture in June at the Institute of Energy of the Higher School of Economics with the newly-appointed LLDR Partner Dmitry Bukhtenkov who joined Marina Zinovieva on the topic "International sanctions in the context of the Russian fuel and energy system".

NEW MEMBERS

AECOM

AECOM LLC and AECOM RUSSIA CSD Limited (UK) Moscow Office

AECOM is built to deliver a better world. We design, build, finance and operate critical infrastructure assets for governments, businesses and organisations. As a fully integrated firm, we connect knowledge and experience across our global network of experts to help clients solve their most complex challenges. From high-performance buildings and infrastructure, to resilient communities and environments, to stable and secure nations, our work is transformative, differentiated and vital.

A Fortune 500 firm, AECOM had revenue of approximately \$20.2 billion during fiscal year 2018.

www.aecom.com



FMC

FMC, an Agricultural Sciences Company, provides innovative solutions to growers with a robust product portfolio fueled by a market-driven discovery and development pipeline in crop protection, plant health, and professional pest and turf management. This powerful combination of advanced technologies includes leading insect control products, branded herbicides and insecticides and flutriafolbased fungicides.

On 1 November 2017, FMC acquired significant part of Du-Pont's Crop Protection assets establishing FMC as a toptier, innovation-based agricultural company with 3.8 billion USD in revenue, the fifth-largest crop protection company globally with a broader product portfolio, deeper pipeline, greater regional presence. FMC has approximately 6,500 employees around the globe.

FMC has been operating in Russia since 1973.

Local production site opened in 2017.

The total number of employees in Russia exceeds 100 people now.

FMC, an Agricultural Sciences Company, has been recognised with two prestigious American Chemistry Council (ACC) Awards including the Responsible Care® Company of the Year Award and the Sustainability Leadership Award for 2019. Today's FMC has the right technologies, products, market focus and global infrastructure to grow to a 5.5 billion USD to 6 billion USD crop protection leader by 2023, focused on advanced synthetic chemistries and biologicals.

www.fmcrussia.com



Helene Moris: Business Trainer, Facilitator, Executive – Career Coach

My name is Helene Moris, I am Belgian and have been working in Moscow since 1995 for several international companies (Pepsi Cola, ABN AMRO Bank and IKEA Russia) first in several finance and then in several HR areas. After graduating as a coach from Higher School of Economics in Moscow, I took the next step and currently offer a full range of freelance services to both companies and individuals such as workshop faciliation (Organisational Design, Team Development, Vision and Strategy workshops), business trainings, Executive – Career Coaching, Burnout-Boreout Coaching.

My mission is to help teams and individuals through a changing environment, to reach better business results and to increase employees' job satisfaction. My goal is to provide tailor-made workshops for teams through highly professional performance securing comfortable working environment. As a certified facilitator in LEGO® SERIOUS PLAY® methodology, I prefer this methodology above the other classical ways, as it gives a very creative working environment and enhances full commitment and togetherness of all participants.

By offering this, I strive to have happy, motivated people working in companies whilst exceeding the business expectations.

http://helenemoris.net.ru/



Jotun

Jotun – one of the world's leading manufacturers of Decorative Paints and Performance Coatings. The company has 40 production facilities, 64 companies in 45 countries and is represented in over 100 countries around the world. The head office is in Sandefjord, Norway.

The Russian factory of Jotun began mass production of paints and coatings in May 2017. The plant manufactures Marine, Protective and Powder Coatings specifically developed to meet challenges of Russian customers. Numerous ships, industrial, infrastructure, oil and gas projects are protected by Jotun for over 25 years of successful cooperation in Russia.

jotun.ru



Lundbeck

Lundbeck is a global pharmaceutical company specialised in discovering and developing innovative treatments for brain diseases.

Lundbeck was founded in 1915 just outside of Copenhagen in Denmark, where it is still headquartered.

Since 1950s, the focus of the company has been to develop medicines for psychiatric and neurologic diseases such as depression, schizophrenia, Alzheimers and Parkinsons. Lundbeck is a fully integrated company doing research, developing, producing and taking products to markets.

Lundbeck has a unique ownership, where the Lundbeck Foundation is the largest shareholder owning approximately 70% of the shares.

The Foundation annually grants around EUR 70 million to support research within medical and natural sciences including the world's biggest neuroscience research prize of EUR 1 million, the Brain Prize.

Lundbeck has been present in Russia for more than 20 years and is headquartered in Moscow.

www.lundbeck.com/ru



Mercedes-Benz Manufacturing

The production company Mercedes-Benz Manufacturing (MBMR) has responsibility for the new passenger car production in Russia.

The plant is part of the global production network with more than 30 locations worldwide.

Production for the local market starts with the Mercedes-Benz E-Class Sedan. SUV models will follow the E-Class. Over 1,000 employees will work in production and administration. The Moscovia plant is characterised by a flexible and green production and will use modern industry 4.0 technologies. Production at the Mercedes-Benz Moscovia plant is characterised by the most modern and innovative Industry 4.0 technologies. Driverless transportation systems convey the bodies between the subsections. Automated shopping cart systems are also used in assembly. Additionally, there are forward-looking solutions for improving ergonomics and efficiency, such as human-robot cooperation when installing the windscreen without a protective fence.

https://www.mercedes-benz.ru/passengercars/the-brand/manufacturing



Mercure ibis Adagio Moscow Centre Bakhrushina

Mercure-ibis-Adagio hotel complex is ideally located on Bakhrushina street very close to the historic centre of Moscow, the Tretyakov Art Gallery as well as other museums and places of interest.

At the same time it is situated right in the heart of business district Paveletskaya with numerous international offices and business centres around. A five-minutes walking distance to the international airport Domodedovo Aeroexpress train makes it very convenient both for business and leisure tourists. There are 3 different hotel brands

in one: a 4-star design hotel Mercure Moscow Pavelets-kaya, an economy 3-star Ibis Moscow Centre Bakhrushina hotel and a 4-star Adagio Moscow Paveletskaya – the first apart hotel in Moscow for extended stays.

The guests of Bakhrushina Combo hotel have an advantage of access to all facilities of the complex, including different restaurants and bars, conference rooms, wellness centre and parking.

https://www.accorhotels.com/russia/



MonDef

MonDef is an independent expertise company which mainly deals with construction cost engineering and optimisation of financial parameters for investments.

Key services consist of feasibility reports, cost engineering, financial and technical monitoring of the projects during the construction and investment period.

Holding wide experience, we focus on not only construction processes but also look from a lender's standpoint as well.

Thanks to their many years of technical and financial expertise, our team ensures the high quality of our services. These approaches undoubtedly play a significant role for financial institutions, investment funds and developers that are highly interested in achieving the promised rate of return on their investments.

Thus, we work for realisation of their projects at the highest quality, in the shortest time and with the minimum price possible.

www.mondef.ru







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