



Report on Progress Achieved, 2019

Savushkin Product, JSC



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REPORT OF GENERAL DIRECTOR



Dear friends!

Savushkin Product, JSC is a Company that develops its business being guided by social responsiveness principles. **Notwithstanding** the rampant development of the market, our main principles and values have remained the same for more than 40 years, and they are oriented to creation and concern for people. We are unfailingly committed to our mission—to make people happy and healthy producing natural milk products for healthy nutrition.

Our business is focused on care for consumers, environmental protection, responsible attitude to people, partners and our employees, respect for their rights, and honest and transparent business.

Being the leader of Belarusian milk industry, we responsibly make our every step comply with global business standards.

Today, we present our other "Report on Progress Achieved in 2019" reflecting the most essential social and educational and charity projects implemented by our Company as well as everything we have managed to do to make the world, people, and the nature better.



Aliaksandr Savtchits,
General Director of Savushkin Product, JSC







THE COMPANY IN FIGURES:







our production is divided into 3 zones (green, yellow and red) regarding the risk of possible product contamination

Average daily product yield:



SAVUSHKIN PRODUCT TODAY



Savushkin Product, JSC is one of the largest manufacturers of natural dairy products in the Eastern European region. It is at the head of ranking of the most effective foodstuff companies of the Republic of Belarus. It also makes the top three biggest dairy companies in the CIS and Russia.

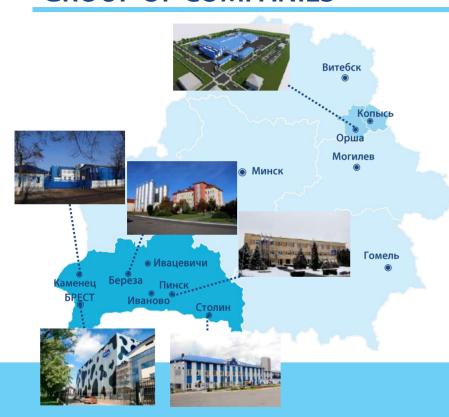
Throughout our business activities, we make an honorable business: we provide people with dairy products which help them strengthen their health, if they consume them regularly. The Company is always oriented to quality and naturality.



Savushkin Product, JSC is one of the largest manufacturers of natural dairy products in the Eastern European region

GROUP OF COMPANIES





Group of companies Savushkin Product is comprised of 9 manufacturing sites – high-tech plants of the European level.

Each site has its own specialization:

- whole-milk products, a wide range of dry whey and juice products are produced in Brest;
- •cheeses (hard and processed), butter and pasteurized milk are manufactured in Pinsk, where the cheeses are also cut (into bars and slices) and prepackaged;
- •The production branches in Stolin, Kamianets and Kopys specialize in cheese production;
- •The branch in Biaroza produces cheeses and whole-milk products;
- •The plant in Orsha, after completion of a global modernization in late spring yearly summer 2020, will specialize *in production of fresh cheeses*.

The total average daily volume of milk processing in 2019 exceeded 3100 tons per day.

THE COMPANY PRODUCTS





The Company produces about 350 products

The Company produces about 350 products under Savushkin, Brest-Litovsk, Teos, Optimal, SuperKid, Aleksandriya, Apeti, Laskovoye Leto, Beriozka, Aktivil, and Na100yashchiy brands.

All dairy products are manufactured exclusively form high-quality cow milk. To ensure quality and safety of the products manufactured, we purchase the only the best dairy raw materials from environmentally pristine regions.

The Company uses best production technologies in the global milk industry providing rather long shelf life of natural dairy products without preserving agents if transportation and storage conditions from +2 to +6 °C are strictly observed.



THE KEY FACTORS OF STABLE DEVELOPMENT OF SAVUSHKIN PRODUCT, JSC INCLUDE:

- smart investment policy;
- high-quality raw milk;
- strict quality control system;
- release of competitive natural products without any preservative agents;
- wide brand portfolio, 11 strong brands;
- own commodity distribution network;
- smart transport logistics;
- diversification of markets;
- concern for people and environment.





THE COMPANY'S INVESTMENT POLICY





The Company's investment policy is aimed at constant technical production reequipment and implementation of state-of-the-art technological processes

The Company's investment policy is aimed at constant technical production reequipment and implementation of state-of-the-art technological processes. It guarantees a consistent high quality of the foodstuffs produced by the Company, as well as manufacture of natural dairy products with long shelf life without any preservative agents.

Management of the production technological processes is fully computerized. No contact of milk with the outside environment guarantees the safest products and has a positive effect on the finished product quality.

We constantly seek for increase in production capacity purchasing high-tech equipment that helps excluding manual operations and facilitates work of employees in all production process areas.

The Company's manufacturing sites are

constantly upgraded, new equipment is installed, and current technologies are implemented. In 2019, in the process of modernization of the production branch in Biaroza, a glazed curd cheese production line, centralized washer equipment, and a machine for curd prepacking and film packing were installed.

An automatic line for cheese packing into shrinkable film under soft and hard vacuum, a machine for cheese portion cutting, an automatic packing machine, a packing machine for butter were installed in Pinsk.

THE COMPANY'S INVESTMENT POLICY





All products are manufactured by means of state-of-the-art production equipment from world-leading manufacturers

A nanofiltration unit for concentration and partial demineralization of whey, a pasteurization unit for whey, and centrifugal separator for whey were put into operation in the production branch in Stolin last year.

A machine for sour cream prepacking, Hassia machine, continuously-operated aerator, belt conveyer, ultrafiltration unit, set of equipment for the dosing and cooling area with

control system and thermizer, etc., were installed in Brest.

All products are manufactured by means of state-of-the-art production equipment from world-leading manufacturers, including Tetra Pak, Westfalia, Grunwald, Alfa Laval, Obram, Bosch, General Electrics (GE), etc.





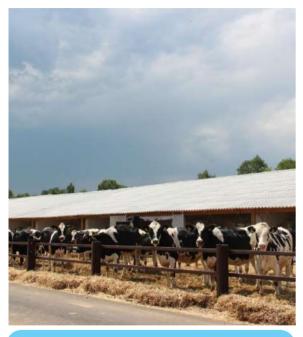
THE COMPANY'S MISSION IS "TO MAKE PEOPLE **HAPPY AND HEALTHY!"**

The values of the Company:

- leadership (commitment to be the best in the business)
 quality (labour activities of every employee impact quality and safety of the
- responsibility (close attention to safety of the products manufactured)
- honest and open business policy (customer orientation, sterling service, naturality and high quality of the products)
- tactful attitude towards people (people are the main value of the Company)
- professional competence (we appreciate professional skills of our team and

HIGH-QUALITY RAW MILK





IMPORTANT!
95% of all milk delivered to the
Company corresponds to "extra" and
highest grade.

The Company manufactures all dairy products from fresh cow milk without any artificial fillers and preservative agents. In the course of its existence, Savushkin Product has never used dry reconstituted milk.

The quality and taste of the products depends largely on the quality of the raw materials incoming. Savushkin Product buys the raw milk only from reliable and conscientious suppliers. The Agricultural Development Department of the Company carries out daily activities on increase of milk quality and milking herd productivity.

The Company's raw material area comprises more than 150 farming units, namely 450 commercial dairy farms. Many of them are located close to Biełavieżskaja Pušča National Park which indicates ecological purity of the raw materials. In 2019, the Company processed about 1 150 000 tons of milk.

Savushkin Product provides a strict control and guarantees comfortable conditions of livestock keeping, balanced feeding for the livestock, as well as correct treatment for cows. Thanks to special European loafing technologies, we have managed to avoid pronounced seasonal fluctuations in volumes of the milk incoming for processing. This is that allows the Company to work only with whole cow milk throughout the year.

Every milk batch undergoes a thorough laboratory analysis before it is delivered for processing. The first quality test is performed by the farming unit itself. The raw materials that successfully pass the tests are delivered to sterile tanks of proprietary milk trucks being immediately sealed and sent to Savushkin Product.

QUALITY CONTROL SYSTEM

Our Company controls the milk quality over the entire route from a cow to a shop shelf, therefore, our consumers can be sure that they select the best products for themselves and their families.

All raw materials undergo a rigorous check before they are delivered for production at Savushkin Product: at the plant, the raw material samples are sent to an incoming control laboratory. This is a check for compliance with 50 necessary quality and safety parameters.

Inspection of one milk batch takes maximum 20 minutes. The state-of-the-art laboratory equipment used at all manufacturing sites provides the milk analysis within a minimum period: to determine weight ratio of fat, protein, lactose, acidity, plate count, amount of somatic cells. All raw materials are obligatory tested for residues of antibiotics, pesticides, mycotoxins, etc. If even a minimum divergence from the standard is found, the milk is returned to the supplier with the corresponding accompanying

document.

After the high-quality milk is piped to the production area, the milk truck tank is cleaned, treated with hot steam, sealed and sent for a new batch of fresh cow milk!

Considering strict requirements for quality and safety of finished products applied in the Company, we perform the incoming control not only of the entire raw materials delivered to the plants, but also of the packing materials.

Advanced equipment and highest level of production culture of Savushkin Product allows production of assured high-quality and safe products. The Company's laboratories exercise a strict control of the entire technological process, verify compliance of the finished products with the declared physical and chemical parameters, and give permissions for sending of the high-quality finished products to sales networks.



Only milk with 100% quality is delivered for production

QUALITY CONTROL SYSTEM



Our Company, as a self-respecting manufacturer caring for the consumers' health, knows and complies with the rules of safe organization of all production processes. To ensure high-quality and safety of the foodstuffs produced, our Company implemented and uses the following management systems:





- •Quality Management System for Foodstuff Production, certified for compliance with requirements of STB ISO 9001-2015;
- •Foodstuff Safety Management System, certified under international certification scheme FSSC 22000;
- •Environmental Management System (EMS) which includes national ecological conformity certificate STB ISO 14001 and international ecological conformity certificate ISO 14001.

SMART LOGISTICS





It is interesting: Loading of one 20-ton semi-truck takes about 30 minutes!

When the batches of finished products are certified for quality after the taste control and scheduled laboratory control, they are delivered to a one-of-a-kind logistic centre. The work process in this centre is entirely automated. Orders are completed on automated lines. Stock of the finished products is controlled in an online mode. This allows tracing of real residual stock at the warehouse and correct organizing of shipment considering the residual stock. Exclusion of the human factor helps to avoid errors.

The products are loaded into refrigerated trucks and delivered to trade branches and supermarket chains at the temperature from +2 to +6 degrees. Thus, the Company completely controls the cool chain: from raw materials to shelves.

Our Company has its own commodity distribution network: trade branches in all regions of the Republic of Belarus and in Pinsk, as well as a sales representation in Russia. The Company's interests are represented abroad by numerous partners. This ensures the smart logistics of our Company and provides timely delivery of products to all sales networks.

EXPORT SUPPLIES



The high quality and safety of the products manufactured are guaranteed by a perpetual export license for delivery of all product range to countries of the European Union held by Savushkin Product.

As a matter of fact, our Company is the only dairy enterprise of the Republic of Belarus that, since July 2013, carries out regular deliveries of traditional dairy products and a dessert group to the UE countries. This is caused by not only the quality guaranty, but also a solid reputation of the manufacturer able to set the bar high in ensuring naturality, safety and ecological properties of the finished products.

The Company's export market covers more than 30 countries. They include: Russia, Kazakhstan, Azerbaijan, Ukraine, the United Arab Emirates, Jordan, Singapore, South Korea, Israel, EU countries, PRC and Japan.

The growth rate of export supplies in 2019 vs 2018 expressed in US dollars was 116.7%.













Principles of corporate social responsiveness, labour relations, provision of comfortable labour conditions in Savushkin Product are primary components of successful work of the Company and high results. Our Company is guided by international principles in labour relations:

- the business community must support freedom of association and real recognition of right for collective bargaining;
- the business community must advocate for liquidation of all forms of forced and compulsory labour;
- the business community must advocate for full liquidation of child labor;
- the business community must advocate for liquidation of discrimination in employment.

SAVUSHKIN PRODUCT IN FIGURES



(6286) employees

2116000 [174000] [290000 s



the number of the Company's employees



average age of the staff



employment benefits in 2019



training and professional development of the Company's employees (2019)



paid for provision of worthy health services for the Company's employees (2019)

SOCIAL GUARANTEES

Savushkin Always from fresh milk

Being the Company's employee means working in a team of co-thinkers who prioritize professionalism and commitment.

The Company provides every employee with hot meals and medical services, services of dentists and massage therapists. The head office in Brest and production branches have health units which provide free medical services every day.

The Company respects interests and hobbies of all team members. The employees visit a gym and swimming pool, as well as theatrical performances and concerts free of charge. The trade union organization of Savushkin Product provides possibilities of both physical and intellectual development, that is why it organizes a lot of cultural events, including collective visits to theatres, excursions and tourist trips on non-working day, corporate holidays, Health Days, tourist rallies, team building events.

The Company provides opportunities for advance in knowledge and professional

development for everyone. Thanks to active program of continuous professional training, the employees, regular corporate trainings, travels to international professional conferences, training seminars and career development course are organized.

Savushkin Product has established a Collective Labour Contract which is one of the best in Belarus. The collective labour contract is a document setting additional social guarantees, compensations and benefits for the Company's employees. Thanks to the collective labour contract, every employee of the Company being a member of the trade union organization can reckon upon financial aid and accommodation in the Company dormitory, compensation for medical expenses, permit to a children's recreation camp or health resort for adults, etc. The collective labour contract also covers the essential issues regarding labour payment, labour safety, production and ecological safety, medical services, health resort treatment and provision of housing.



Savushkin Product has established a Collective Labour Contract which is one of the best in Belarus

IMPORTANT!

the trade union organization of Savushkin Product comprises 99.9 % of the Company's employees.

LABOUR SAFETY





The main principle and main task of labour safety in our Company is to preserve these values by means of prevention of occupational injuries and occupational morbidity, as well as provision of comfortable labour conditions

There is nothing more valuable and important than life and health of people. The main principle and main task of labour safety in our Company is to preserve these values by means of prevention of occupational injuries and occupational morbidity, as well as provision of comfortable labour conditions.

To do this, our Company has developed and uses a policy regarding operational health and safety in accordance with requirement of standard OHSAS 18001. This policy is aimed at creation of necessary conditions of labour safety as a whole, support of workplace safety, prevention of injuries and accidents.

LABOUR SAFETY







In 2019, according to the labour safety event plan being an appendix to the Collective Labour Contract, the Company fulfilled 27 activities, including:

- modernization of inflow exhaust ventilation in equipment area of the production branch in Stolin;
- replacement of an air conditioning system with more powerful one in the washing room of the workshop for production of soft cheeses and curds;
- replacement of lighting with LED lamps in cheese ripening chambers and cheese storage in Stolin, in main production workshops in Pinsk;
- a movable platform for maintenance of boiler shop equipment was acquired;
- a set of safety equipment for organization of work inside underground wells by water supply and air conditioning service staff was acquired;
- modernization of ventilation system in the microbiological and chemical laboratory in Stolin, etc.

The Company's employees are provided with personal protection equipment, washing and decontaminating agents, bottled water.

Hazard identification and risk assessment are carried out in each division of our Company. Preventive activities for every risk are developed and used, which provides prevention of injuries.

Instruction in labour protection is provided annually:

- for construction, tyre repair works;
- for work at height and earthwork operations;
- for work with chemical substances;
- for work on mobile platforms;
- with social inspectors for labour protection;
- on environmental management systems;
- on occupational health and safety management system, etc.

INFORMING OF EMPLOYEES



Savushkin Product develops pages in Vkontakte, Instagram, Facebook, Odnoklassniki social networks. The information published in the accounts or on the official website of the Company is available both for the employees and other visitors.

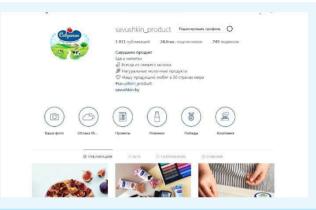
The corporate website of Savushkin Product contains full information on the Company, products, current events, history of development, etc. Besides, internal portal sps with the internal documents of the Company is available for the employees.

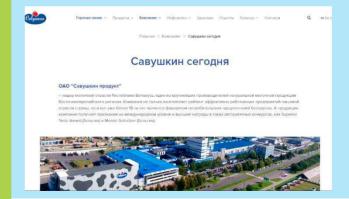


The internal life of the Company is public and open for all employees of the Company and persons interested

The Company publishes internal "Savushkin magazine". Main milestones, events, prominent people, holidays and everyday life of Savushkin Product are reflected on pages of the internal magazine published since 2008 (at first as a newspaper, and as a magazine since 2019).

Current informational materials on events and issues of public and socioeconomic life of the country, region and Company are located on the stands in the administrative building, workshops, dormitories, in all production and trade branches, on electronic displays, and shared by means of e-mails to all employees.





CORPORATE SPORTS

Savushkin Product is a Company caring for health of its employees. This area together with cultural activities always remain a priority. Sport is essential for good health and mood of the employees, which means their high performance in the workplace and labor productivity. In 2019, Savushkin Product held the 4th Corporate Sports and Athletic Contest in all production and trade branches of the Company. The competitions of such kind have become a good tradition of our team.

The Corporate Contest includes competitions in various sports with consideration of wide interests of the employees: track-and-field athletics, badminton, volleyball, futsal, table tennis, checkers and chess, swimming, billiard, petanque and darts.





In 2019, nine teams from different divisions and branches of the Company took part in the Corporate Contest: about 500 participants and just as many spectators. The leader in all contest stages was the production team. The sales management and logistic service team won the second place, and the support service team took the third place.

Competitions form team spirit and improve psychological climate in the team. Relay-races and healthy competition help to get off the everyday routine.

TEAM SPIRIT





Savushkin Product pays great attention to formation of team spirit of the Company. In 2019, the employees visited Sula History Park, Biełavieżskaja Pušča National Park, Ded Moroz Residence, etc. Events dedicated to a professional holiday - the Day of Agriculture and Processing Industry of Agroindustrial Complex - as well as the Defender's Day and International Women's Day were organized.

In late December 2019, Savushkin Product launched children drawing contest "New Year's Tale with SuperKid". Children of the Company's employees at the age from 4 to 12 participated in the contest. As a result of the competition, online voting by the Company's employees determined the winners of three age categories. A festive event was organized for the participants and their parents. All contestants got presents and memorable gifts. Such events and competition bring the employees together and strengthen the team spirit.

All employees of Savushkin Product know that they will gain support and help in any complicated situation. Our Company have been running internal program "Time to Give the Good" for two for two years in succession. On the eve of Christmas, the employees raise money to provide charitable support for their colleagues who suffer any illness or whose family members do, and face a difficult situation. In 2019, 12 employees in need of support got corresponding help. The funds were provided for purchase of expensive medical drugs and equipment, treatment and rehabilitation. The Company runs this program on a permanent basis.

Savushkin Product remembers about every its employee. Greetings on the employees' birthdays, as well as on various holidays and awards are demonstrated on the Company's displays. Such holidays include the International Women's Day, Defender's Day, Victory Day, Independence Day, Mother's Day, professional holidays, New Year, Christmas, etc.

SUPPORT OF LABOUR VETERANS

Savushkin

Savushkin Product, JSC actively supports labour veterans and people retired from the Company. The Day of Older Persons was celebrated on the 1st of October as part of a tradition.

The labour veterans visited the Company that day to talk with their colleagues and see how the Company grows and develops. Lots of them took an excursion in the production area, and the others decided to watch a presentation and film about the Company, to get to know about the Company's success and intentions.



The Day of Older Persons was celebrated on the 1st of October as part of a tradition

At the end of the meeting, the labour veterans met at the festive table. They obtained congratulations and material aid for the holiday. The holiday was held in Brest, Pinsk, Stolin, Kamianets, as well as in Biaroza, Ivanava, Ivacevičy and Malaryta.

Savushkin Product also organized congratulations on the New Year and Christmas for labour veterans who live alone or are disabled persons of degree I, II, II or bedridden patients, as part of program "Good Deeds". The Company's employees together with the head of the Council of Veterans congratulated the labour veterans on the holidays and presented gifts.













Our Company takes good care not only of processing of milk delivered to us, but also of preservation of the environment

Savushkin Product shows great consideration for the environmental protection and is guided in its activities by international principles in this sphere:

- the business community must support a precaution approach to ecological issues;
- the business community must take initiatives aimed at increase of environmental responsibility;
- the business community must promote development and spread of environmentally friendly technologies.

Our Company takes good care not only of processing of milk delivered to us, but also of preservation of the environment. We use waste-free production. Today, Savushkin Product completely processes byproducts (cheese and curd whey, and butter milk) making them competitive and commercially successful products. In 2019, the Company processed 758 thousand tons of whey.

Savushkin Product pays careful attention to ecological safety of production minimizing harmful emissions into the atmosphere. We focus on maximum extraction of secondary material resources from the production waste produced, organization of separate collection of production waste and their classification with regard to hazard types and classes in order to provide an environmentally safe disposition or their use as secondary material resources. The following materials are subject to collection for further processing: non-contaminated waste of cardboard, polyethylene, polystyrol, PET bottles, used lead-acid batteries with remaining electrolyte, waste synthetic and mineral oils, scrap metal, iron-and-steel and nonferrous waste, wood waste, etc.



The Company implemented and uses:

- Environmental Management System (EMS) in accordance with the requirements of standards STB ISO 14001-2017, ISO 14001:2015.
- National Conformity Certificate No. BY/112 06.01.074 00043 as of April 8, 2005 issued by Ekologiyainvest, RUE, an inspection control for confirmation of conformity is carried out annually.
- International Conformity Certificate No. BY 228715E-U as of November 10, 2006 issued by Bureau Veritas, IOOO, an inspection control for confirmation of conformity is carried out annually.

In accordance with the requirements of the Environmental Management System, to reduce a negative impact of production activities of the Company on the environment, target and planned ecological parameters are established every year, environmental protection activities aimed at implementation of resource- and energy-saving technologies, sustainable use of material and energy resources are developed.



IMPORTANT!

-power consumption per 1 ton of raw materials (kW.h.): 2018 – 52, 2019 – 50; -water consumption per 1 ton of raw materials (m3): 2018 – 2.8, 2019 – 2.3





Savushkin Product conducts a policy of environmental protection, operational health and safety

Savushkin Product conducts a policy of environmental protection, operational health and safety. The company's activities are based on compliance with the following obligations:

- to observe legislative and other requirements for environmental protection and operational health and safety applied to the Company's activities;
- to implement measures aimed at improvement of working conditions and labour safety, reduction of risk of occupational injuries and diseases, prevention and reduction of negative impact of the Company's production activities on the environment;
- to constantly carry out analyses, improve efficiency of the Environmental Management System, Operational Health and Safety Management System, to provide necessary means and resources for ensuring of system functioning:
- to perform risk determination, assessment, control and reduction with regard to operational health and safety, ecological aspects;

- •to involve the Company's personnel in active achievement of goals with regard to environmental protection and operational health and safety;
- to improve technological processes, to implement resource- and energy-saving technologies, to be committed to sustainable use of material and energy resources;
- to constantly upgrade professional skills of the Company's employees on the basis of continuous training in environmental protection and operational health and safety; • to maintain an open dialog with the Company's staff and public on the Company's activities regarding the environmental protection and operational health and safety:
- to inform the Company's staff, contractors, and all parties concerned on policy requirements for the environmental protection and operational health and safety.



Every year, Savushkin Product, JSC develops a plan of environment protection measures. In 2019, the following measures were taken to the full extent:

- production ecological surveys with regard to the environmental protection, sustainable use of natural resources were conducted no significant violations were found;
- an analytical control regarding the environmental protection was performed (measurements of pollutant emission from stationary emission sources, measurements of pollutant emission from mobile emission sources, control of efficiency of local sewage water treatment units, measurements of discharge of pollutants into sewage water, measurements of pollutants in the atmosphere on the boundary of a sanitary protection zone);
- instrumentation control of efficiency of gas-cleaning unit of the Company, including the production branches; no excessive values were found.



Every year, Savushkin Product, JSC develops a plan of environment protection measures





Corruption control





We are committed to an honest and transparent policy of business relations, business moral standards building long-term and stable relations with all interested parties on the basis of mutual confidence, complete fulfillment of obligations and openness

Savushkin Product supports high ethical business standards, cares of its goodwill and uses only the methods based on openness and humanism principles accepted by the global community:

The business community must fight against any form of corruption, including extortion and bribery.

We are committed to an honest and transparent policy of business relations, business moral standards building long-term and stable relations with all interested parties on the basis of mutual confidence, complete fulfillment of obligations and openness.

The Company makes every effort to create and support the corporative culture based on confidence and intolerance to any forms of corruption, including extortion, bribery, as well as prevention of illegal payments to the employees. The salaries are transferred to banking cards of Belagroprombank, Belarusbank, BelVEB and Alfa-Bank.

Savushkin Product stands for transparent business and strict compliance with the requirement of national anti-corruption legislation, as well as legislation of all partner countries. Both internal relations and external communication relations are based on the principles of honesty, fairness and conscientiousness.

Today, Savushkin Product keeps up business relations with lots of organizations in Belarus and other countries building the relations on the basis of confidence and mutual respect, as well as sound fulfillment of contractual obligations. The Company uses a tender system for purchases and conclusion of service agreements. All payments with the partners are made on a cashless basis.

The transparent business system of Savushkin Product dismisses a possibility of fraud by the employees and any third persons. The Company's property and funds are used only for achievement of the Company's goals.







SOCIALLY RESPONSIBLE BUSINESS

Savushkin

Savushkin Product is committed to the main idea of the socially responsible business: achievement of commercial success with respect and preservation of universal human values.

Carrying out our activities, we abide by international principles of human rights:

•the business community must support and respect protection of human rights announced at the international level:

•the business community must not be involved in violation of the human rights.

The primary priority and part of the corporate culture of Savushkin Product is to ensure safety and quality of the foodstuffs. The daily task of the Company is to maintain consumer confidence, which starts from provision of product with the highest quality and excellent taste, as well as openness to the consumers and partners.

In 2005, Savushkin Product, JSC organized large-scale national social program "Savushkin - for the nation's health". Every year, this program is replenished with various social projects primarily aimed at care of health of Belarusians through promotion of healthy nutrition principles with focus on its important part – natural dairy products, and promotion of healthy style of life.



Savushkin Product is committed to the main idea of the socially responsible business: achievement of commercial success with respect and preservation of universal human values

THE CLUB OF MILK EXPERTS

In 2019, Savushkin Product launched the Club of Milk Experts project. The Club members had meetings every month throughout the year, and anyone could participate in it. The project subject is from formation of general idea of modern technologies in milk production to an ability to choose healthy food and read the labels correctly.

Savushkin Product launched this project to attract consumer attitude to the issues of healthy style of life and nutrition, as well as to provide people with reliable information on the dairy products and their role in the healthy style of life.

Every club member could participate in a free-of-charge masterclass held by a medical practitioner, to take part in an excursion in the production area of Savushkin Product together with the Company's chief technologist and get to know how the dairy products are produced, and to try healthy dishes from professional chief cook from one of Brest cafes, to communicate with other participants and receive a recipe book on healthy food as a gift. Such health professionals as a general practitioner, pediatrician, dentist, oncologist, cardiologist, nephrologist, endocrinologist, dermatologist made speeches during the event. The doctors told about influence of dairy products on the human body and their benefits for health.

In 2019, approximately 300 people visited the Club of Milk Experts. The participants could revise their opinion about the dairy products and their significance for proper body functioning, made sure that it is necessary to consume the dairy products to ensure good health, and saw how the products of our Company are manufactured.

Earlier, Savushkin Product run the Club of Milk Amateurs project, with everyone having any questions about the dairy products being admitted. In 2019, the amateurs became real experts.





TEOS OPEN TRAINING

Savushkin

The TEOS Open Training is an annual project of free-of-charge training in different fitness courses. Savushkin Product and Adrenalin network of fitness club joined their efforts to promote the ideas of healthy style of life and nutrition among the Belarusians.

Throughout the year, one free-of-charge training together with a lecture on a correct diet was held by a professional trainer in one of the Belarusian cities and towns (Minsk, Homiel, Brest, Vaŭkavysk, Pinsk, Lunienec, Orsha) every month. Everyone interested in sports and healthy nutrition could take part in this project. The information on each training and registration form were published on the social pages of Savushkin Product 2 weeks before the training.

Every new training was dedicated to a new type (Step Interval – alternation of classical step aerobics with weight-lifting exercises, Functional Workout, Mix Functional Training – a complex for improvement of agility, stamina and motion coordination, Tae-Bo, Zumba, Fitness Mix combining different fitness programs and styles, circuit training, etc.).



TEOS Open Training was started with a lively discussion on diet with the trainer, then a group fitness training followed, and then – communication and TEOS tasting. The project attracted 3 times more participants than its format had supposed, as well as bloggers and journalists – they were happy to visit each training.

In 2019, more than 300 people visited the trainings. The project concept is to tell people how they can easily conduct a healthy way of life. The organizers managed to fulfil their task: they helped the participants to strengthen their health, become more confident and happier. It is confirmed by numerous positive reviews, posts in social networks, references in the mass media and on Internet portals.

BEAUTIFICATION OF PEACE PARK







Savushkin Product took great efforts on beautification of the Peace Park in Brest nearby the Company's head office. In 2019, the park noticeably changed and was a great gift to the 1000th anniversary of the city.

After the beautification activities, the Peace Park became much more comfortable for families with children, active young people, middle-aged and elderly people. Savushkin Product did its best not only preserving the greenfield area, but also replenishing it with new plants. A sport complex, playgrounds for children and adults were constructed. The Peace Park became one of the most popular places for recreation in the city.

The "SuperKid Planet" complex for children significantly expanded: now it comprises two playgrounds and entrance with an illuminated arc. Savushkin Product also organized an out-of-door sports ground with workout zone. Two exercise machines for teenagers and as many as ten machines for adults were installed. After an active training, the visitors can make a "sportive" selfie in the active photo zone.

Now you can also find a ground for petanque in the park. The park was also replenished with 30 new benches, 2 parking places for bicycles, a rain cap and "Globus" art object; 69 trees, more than 2300 bushes, 36 perennial plants, more than 28 thousand sq.m of lawn were planted.

For the New Year, Savushkin Product transformed the Peace Park into a magic forest: 12-meter high elm tree was installed, numerous zones with fairytale characters were organized, trees and lamps were decorated with New Year garlands. The total of 28 objects with festive illumination was installed in the park, and 68 trees were decorated with luminous garlands with total length more than 20 km.

MILK FESTIVAL

Brest celebrated its 1000 anniversary on the 6th - 8th of September. Savushkin Product started off this anniversary with the Milk Clouds family festival in the Peace Park on the 30th of August, with support of the Brest City Executive Committee.

The Milk Clouds was attended by a record number of participants – about 50 thousand people. Savushkin Product installed a craftsmen alley and cheese dairy, milk university, sports and children's zones with dozens of activities in the park. The milk festival was the biggest one in Europe. Siarhei Rumas, the prime minister of the Republic of Belarus, visited the Milk Clouds.

The number of festival guests grew by one fourth as compared with 2018. Most of participants are from Brest, and a lot of people came from Minsk and other cities. Free-of-charge "milk expresses" were put on from the capital: their passengers visited both the festival and production sites.





"The milk festival has become a brand of Brest, and we want to make it a place of interest for the entire country. Yes, lots of cheese festivals are held in Europe, but we hold the biggest milk festival. It is important that it remains a family event promoting the healthy way of life", stated Aliaksandr Savtchits, the General Director of Savushkin Product.

MILK FESTIVAL





The festival was held on a grand scale: the Peace Park was divided into five thematic zones with surrounding large food-court. Children and adults could enjoy 50 different activities. Many installations were devoted to the 1000th anniversary of Brest.

Thus, you could go back to the 19th century in the historical zone: to walk along the craftsmen alley, visit a theater or old-fashioned restaurant. Many visitors made photos in a retro car, enjoyed the Golden Age dances and acquired cheese-making skills.

The Savushkin zone included the milk university, where the entire production process was shown. Anyone could turn up sleeves and milk a cow. Robotic waiters demonstrated dexterity of their steel hands. The young visitors were enthusiastic about sport dances and fitness in the TEOS zone. The most active of them played Kinect games and juggled a ball with Dinamo-Brest football player.

A labyrinth, trampolines and climbing wall were installed for children on the SuperKid territory. The kids made stylish milk glasses, drew and played. In the YUKKI zone, one could make a two-meter braid, build a brick tower or make an ice-cream throwing a milk ball into a big wafer cup.

Cover bands, dancing and children groups made performances on the stage throughout the day, and famous musicians joined the evening concert. The festival ended with an impressive light show and bright fireworks.

Savushkin Product held the Milk Festival for the 4th time under support of the Brest Executive Committee. The annual event is aimed at promotion of active family recreation, healthy lifestyle and consumption of natural dairy products.

DOORS OPEN DAY

Savushkin Product pursues an openness policy and maintains the dialogue with consumers. On the 17th of October 2019, Savushkin Product held the Doors Open Day attended by 450 guests.

The guests saw the process of milk acceptance, visited the laboratory, where the fresh milk is tested for quality in accordance with 50 parameters, appreciated the level of technical and technological equipment, and sanitary conditions of all production processes. They also obtained answers to all questions and became assured that the dairy products are manufactured by Savushkin Product under sterile conditions: in a closed cycle, with practically entire process automated.





After the excursion, the visitors enjoyed a tasty event – degustation of new products. We are pleased that all guests were impressed and sure that Savushkin Product manufactured only high-quality and tasty dairy products!

In 2019, Savushkin Product, JSC organized about 80 excursions and exhibition and tasting events for delegations and guests of the Company.

PUBLIC RELATIONS AND MASS MEDIA



The Company values the opinion of everyone. The consumers have a right and possibility to get reliable information about the Company's activities and products.

In order to provide broad informing of the consumers on the importance of healthy nutrition and corresponding role of the dairy products, answers to all topical questions, to foster customer loyalty, in 2019, Savushkin Product actively cooperated with the most popular highly rated mass media. The information was published in Komsomolskaya Pravda in Belarus (a newspaper with the largest circulation in the country), SB. Belarus Segodnya newspaper, on tut.by, binkl.by, VkusnyBlog websites, and broadcasted on ONT, Belteleradiokompaniya channels, on Brest, Radius FM, Yunistar radio stations, etc.





The Company also performed information and awareness-raising activities on its pages in Vkontakte, Facebook, Odnoklassniki, Instagram. There you can always get current information about the Company, healthy nutrition and benefits of the dairy products, know the latest events in the Company's life.

The Company has a Hot line (a phone number, e-mail, feedback on the Company's official website - the data are provided on every product package). The consumers can express their wishes and opinions, ask questions about the products and the Company's activities.

MICHELIN COOKS AND FORUM.CHEFS.BY



On the 17th - 18th of September, Minsk hosted a large conference, FORUM.CHEFS.BY, involving restaurant keepers, bartenders and cooks from 8 countries, as well as more than 400 participants. Within the framework of the Forum, top chefs from France, Germany, Spain, Japan and Russia visited the production site of Savushkin Product to see how the popular Belarusian dairy products are produce and appreciate their taste.

Bruno Dinel, the French Micheline star restaurateur, Toshiyuki Sakamoto, the Japanese chef that cooked for royal families, Diego Prado, the Spanish chef and professor for fermentation, Russian restaurateurs Ivan and Sergey Berezutskiye – the founders of Twins Garden restaurant (19th position in The World's 50 Best Restaurants 2019), and Julia Komp from Germany who got the Micheline star at the age of 27 years, came to Brest.

The Company organized a tasting breakfast for the eminent guests, where they tried both dishes and basic dairy products used for their preparation. The guests enjoyed draniki, syrniki, pancakes, cheesecake with sauces from Greek yogurt, as well as top-quality cheeses, curd, butter, sour cream and Teos yogurt. The chefs were impressed by the taste of the products. For example, all of them liked the yogurt which was rightly granted the Crystal Award and three golden stars of Superior Taste Award (prestigious international tasting competition). The chiefs mentioned that they would use it at the kitchens of their restaurants.



"The dairy products are not so variable in Europe, and they taste sourer" said Sergey Berezutskiy. "And I like the soft creamy taste of your dairy products, it is familiar to the Slavic countries. When we were going to Belarus, we knew where we were going and what deserved our attention – your dairy products: very tasty and of high quality!"

ACKNOWLEDGMENT BY CONSUMERS AND EXPERTS





Savushkin Product was awarded the Grand Prix and rank "Brand – Fortune of the Republic".

Brand – Fortune of the Republic. The best brands of the country were chosen by the consumers and professional jury. Two factors were used for assessment of the trademarks: awareness and preferences. Men and women at the age from 18 to 60 years took part in the nationwide survey. They had to name the brands they know and prefer instead of selecting from the list.

This time the winners were determined in four nomination and more than 100 categories. Both Belarusian and foreign brands participated in the competition. Savushkin Product was awarded the Grand Prix and rank "Brand – Fortune of the Republic". Savushkin also was a winner in three product categories: dairy products, yogurt and cheeses.

Savushkin Product captured gold as a "Socially Responsible Brand" winning in the "Active social position" category. Savushkin Product annually implements dozens of social projects. Their aim is to bring reliable and helpful information on the healthy lifestyle, healthy nutrition and role of dairy products for people.

"The Brand of the Year" is the first professional competition in marketing and branding in Belarus. The competition has been held already for 17 years and gathers hundreds of participants in different categories.

PRODEXPO – 2019

The last winter month is a traditional time for the CIS largest foodstuff industry forum – the international exhibition Prodexpo and tasting competitions held during it. For 26 years, leading experts give their professional conclusions granting awards for the best foodstuffs in the global industry represented at the Russian market.

The best products were determined on the basis of their quality, taste, appearance and package design. The manufacturer provided the samples during the exhibition, and the competition commission assessed them. The winners were selected in dozens of nominations - from bread to cheeses. The competition organized by the Ministry of Agriculture of Russia and Russian Federal Service for Veterinary and Phytosanitary Surveillance has an international status.

The Russian experts noted Brest-Litovsk Finsky cheese and Greek yogurt with quinoa and seeds. The jury also appreciated SuperKid yogurt with vanilla and chocolates for children. These products brought Savushkin Product a status of laureate of the competition and three gold medals. Brest-Litovsk smoked processed cheese received one more golden award and diploma of degree I for high consumer properties.



SUPERIOR TASTE AWARD





Savushkin Product have been taking part in the toprated international tasting competition Superior Taste Award for 6 consecutive years and obtains the highest awards and appraisal of higher cuisine masters

The dairy products of Savushkin Product joined the world's best products at prestigious tasting event Superior Taste Award in Brussels involving hundreds of eminent chiefs from all over the world. TEOS Greek yogurt was granted the Three Golden Stars – the highest award from higher cuisine masters. Cheeses and curd of Savushkin Product also received the golden stars.

Savushkin Product have been taking part in the top-rated international tasting competition Superior Taste Award for 6 consecutive years and obtains the highest awards and appraisal of higher cuisine masters. In 2019, the professional jury comprised about 200 chefs from the most respected international associations, and restaurant guides Michelin and Gault Milaupersonal chefs of the Queen of England and president of France.

TEOS Greek yogurt have been winning over the professional jury for 4 years, receiving the highest awards every year: Three Golden Stars (from three possible). We are ambitiously intended to get the Brilliant Taste Award for this product. This award is granted only to the products which become winners of the prize "For Excellent Taste" 7 times within 10 years and are also marked with the Three Golden Stars. And TEOS has already received the prestigious award – Crystal Taste Award, for the stable high quality and exceptional taste.

The European chefs also liked Brest-Litovsk aged cheese granted Two Golden Stars. Golden star was also awarded to Brest-Litovsk Pinsk, a new cheese product of the Company.

It is interesting that classic curds, the product category unusual for Europe, were also appreciated. Savushkin Khutorok curd received the Golden Star for its taste.

The most stringent requirements, nonfull published evaluation criteria. everything the anonymousness in _ international tasting competition Superior Taste Award ensures choice of best of the best. And the competition awards - the Superior Taste Award Stars, became the highest acknowledgment for both manufacturers and their companies long ago.

CONTEST PARTICIPATION

Savushkin

Always from fresh milk

Best Goods. Diploma "For Stable Quality" and rank of laureate of "Best Goods of the Republic of Belarus 2018" were awarded and presented to Savushkin Product by the State Committee for Standardization of the Republic of Belarus at the International exhibition forum Brest-2019 on the 11th of April. Brest-Litovsk semi-hard cheeses, Brest-Litovsk butter, SuperKid yogurt enriched with calcium and D vitamin with milk chocolate sweets were admitted as "The Best Goods" at the Belarusian market.

Besides, in addition to the main award, SuperKid yogurt received the "New Product of the Year" status!





"One Hundred Export Roads". Another award to the Company's collection – the highest award of competition "One Hundred Export Roads" during the 5th Milk Belarus Export Forum held on 17th - 19th April in Minsk. The export forum is a major meeting of manufacturers and exporters of dairy products with potential wholesale customers and milk market experts.

The products of Savushkin Product are represented in more than 30 countries. In Russia, for example, the most popular products are our milk, curd, hard cheeses, desserts and TEOS Greek yogurts. As a matter of fact, TEOS is an absolute leader in the Greek yogurt category in Russia.

CONTEST PARTICIPATION

Savushkin

Belagro – 2019. Grand Prix and highest award – Degree 1 Diploma of the Ministry of Agriculture and Food of the Republic of Belarus were presented to Savushkin Product at the awarding ceremony for best participants of International Specialized Exhibition Belagro-2019.

560 companies from 29 countries took part in the exhibition covering the area of more than 75 000 sq.m, and the number of visitors exceeded 65 thousand people. The exposition of Savushkin Product, where everyone could get to know new products took a special place, and the specialists working at the stand gave detailed answers to all questions of the exhibition visitors.





Milk Success-2019. Savushkin curd cheese won the Grand Prix at the international competition "Milk Success-2019" in Sochi. Independent testers also announced a new product of Savushkin Product – Brest-Litovsk Finsky cheese as the best product. Savushkin Khutorok 9-% curd and TEOS Greek yogurt with blueberry were among the laureates.

30 manufacturers from different countries participated in the competition. They represented 127 dairy products. The "Milk Success" is traditionally held within the framework of the International EEU Conference for Milk Production and Processing. The competition is organized by the Dairy Union of Russia with the assistance of the Ministry of Agriculture of the Russian Federation.

NATIONAL BRAND

The best foodstuff brands were chosen in Belarus for the 7th time. The winners were determined by national vote under the National Brand Consumer Acknowledgement Prize.

The products of Savushkin Product were awarded the Grand Prix again, and the Company also won in 6 main categories: traditional dairy products, yogurts, curd desserts, hard cheeses, curd cheeses and processed cheeses.

The national vote lasted about a month. The prize organizers distributed approximately 2 mln questionnaires and questioned about 3 thousand people in all regions of the country. The questions did not contain the answer options – the people surveyed named their favourite trademarks by themselves.

The Belarusian called Savushkin Product the most favourite manufacturer of foodstuffs. With almost 22% of votes, the Company beat off other trademarks at the countries market by a long shot – by more than 5 times. The Company's products were selected by every fifth vote participant. Apart from the Grand Prix, there were also 61 categories of products to choose. Savushkin Product was the absolute leader, being the winner in 6 main categories of dairy products.

The National Brand is the only Belarusian competition without any professional jury, and consumers selecting their favourites among the manufacturers. Savushkin Product can be justifiably proud that the Belarusian consumers gives its products the highest awards, including the Grand Prix, throughout all years of the National Brand competition.



The Belarusian called Savushkin Product the most favourite manufacturer of foodstuffs



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