

ACC



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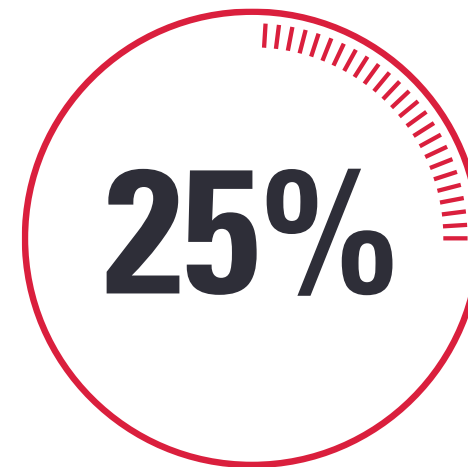
AmCham/EY Survey
**Doing Business after
15 Months of Full-Scale
War in Ukraine**



102 AmCham member companies' representatives: biggest Ukrainian and international investors



CEOs



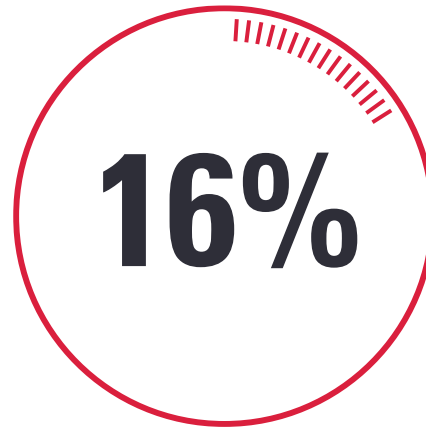
C-level

Does your organization continue to operate in Ukraine after 15 months of war?

Yes – **96%**



Fully
operational

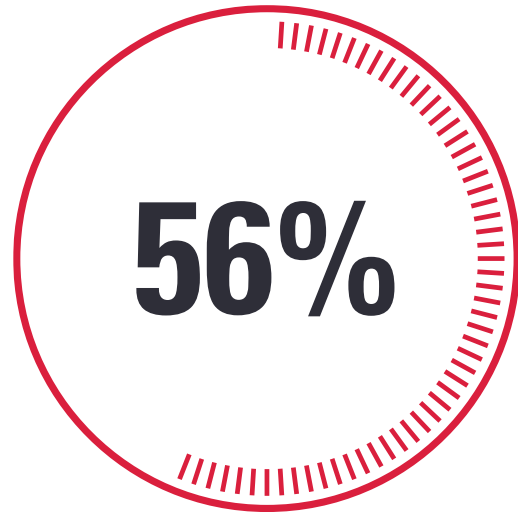


Partially
operational

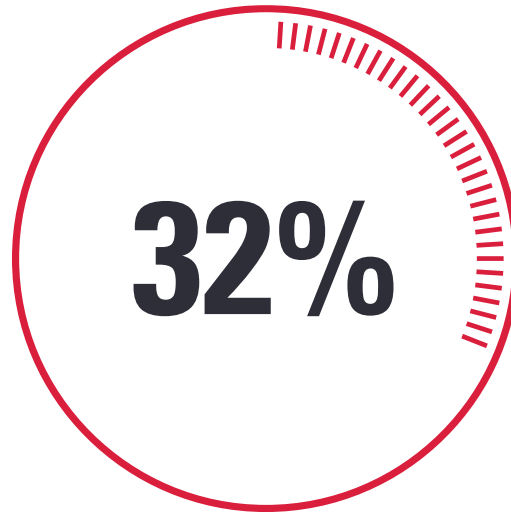
Other – 4%

- ☑ Currently launching activities
- ☑ Very limited activities
- ☑ No office in Ukraine

Have any of your organization's employees been injured or killed during 15 months of the war?



All safe, no
injured/killed

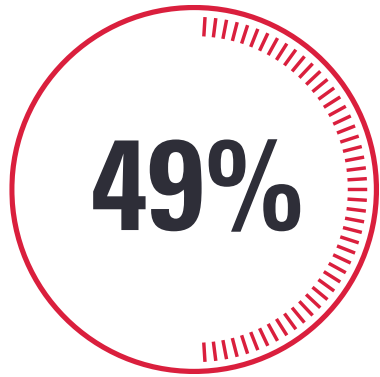


Employees
killed



Employees
injured

Have your organization's plants/factories/facilities/storehouses/offices been physically damaged during the war?



No damage



Minor damage



Major damage
(require
significant repair)

Other – 2%

- ✓ No infrastructure in Ukraine
- ✓ Remote workforce

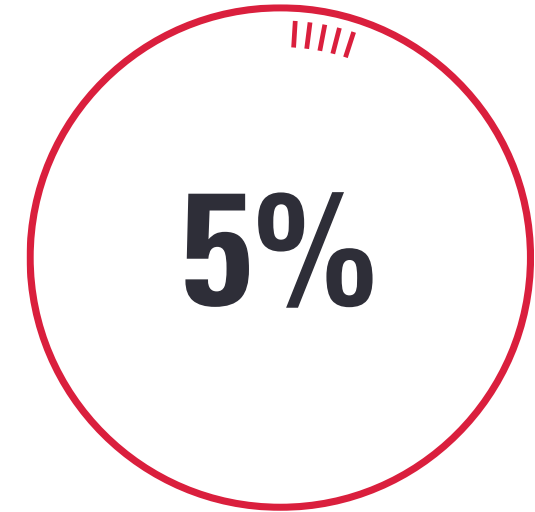
Are any of your organization's assets on territories currently under occupation?



No



Yes

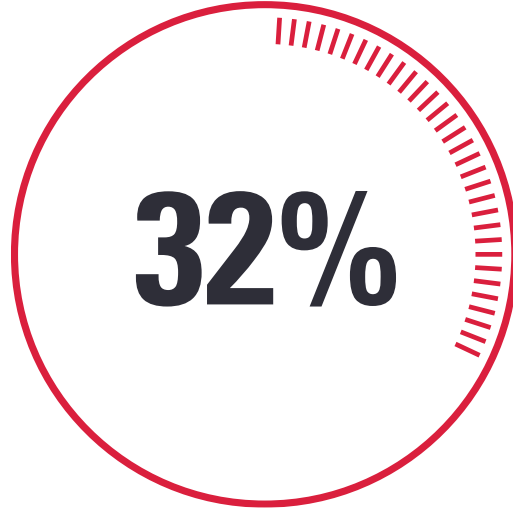


Were under occupation but
have since been liberated

Do you consider requesting compensation for direct (physical) damages or lost profits from the Russian federation?



No



Potentially – have not decided yet

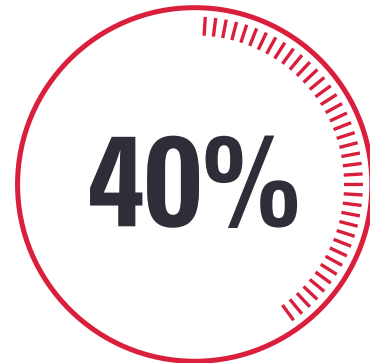


Yes

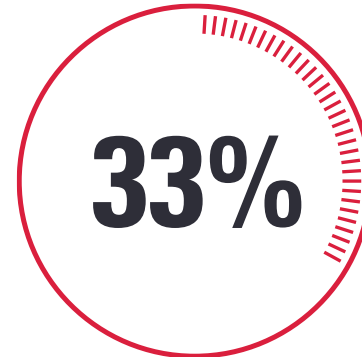
Which actions have you already taken?



Stock-taking and documentation of damages



Direct (physical) damages evaluation



Lost profits evaluation

Registration of criminal proceedings in Ukraine – **27%**

Defining the legal strategy – **10%**

Selection of a legal advisor for litigation – **8%**

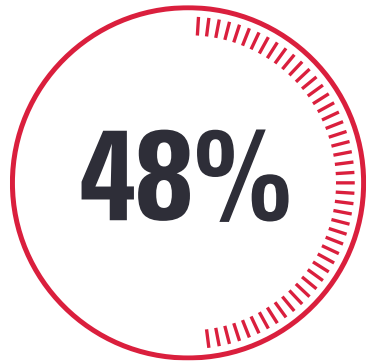
Preparation of a claim submission in selected litigation forums – **6%**

Submission of a claim at any litigation forum – **2%**

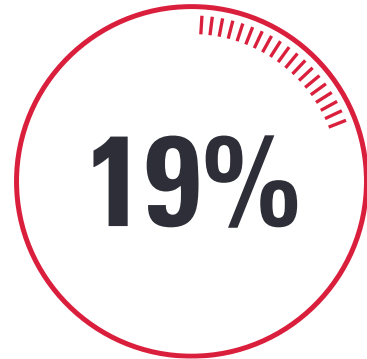
Other – 7%

- ⊙ Waiting for the reimbursement mechanism
- ⊙ Assets under occupation and it's impossible to calculate now

Which litigation forums do you consider for submitting the claim?



Ukrainian
courts



Investor-State Dispute
Settlement (International
investment arbitration)

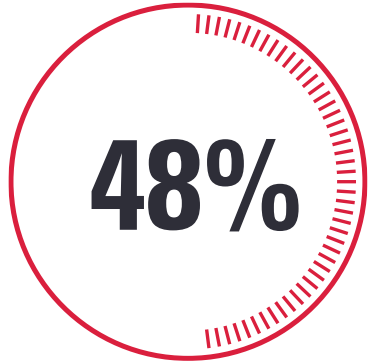


European Court of
Human Rights
(damage was
incurred prior to 16
September 2022)

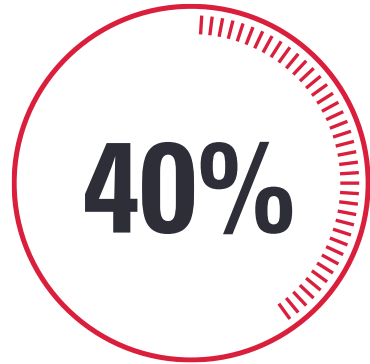
Other – 41%

- ☑ Do not know yet – waiting for the compensation mechanism

What are the main difficulties you can identify at the moment related to the potential litigation?



Unclear legal strategy
on enforcement



Too long procedure on
litigation and enforcement



High process-
related costs

Lack of expertise for litigation in non-Ukrainian jurisdictions – **21%**

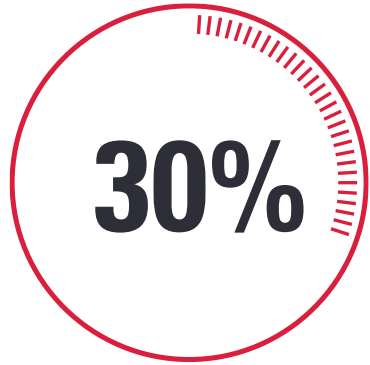
Drawbacks of valuation methodology in Ukraine – **19%**

No difficulties – **4%**

Other – 16%

- ✓ There is no approved procedure
- ✓ Have not decided yet

What is the approximate amount of damage (physical and lost profits) your organization has incurred?



Below 1 mln USD



1-10 mln USD



No damage

10-50 mln USD – **14%**

50-100 mln USD – **3%**

Above 100 mln USD – **1%**

Other – 11%

- ✓ Have not calculated yet
- ✓ Confidential information

What are the expected next steps you plan to make within the next 12 months related to requesting compensation for damages from the Russian Federation?

36%

I don't know yet

24%

Wait until the creation of the mechanism for the confiscation of Russian assets

27%

I do not plan to request compensation

7%

Proceed with further preparation and filing of claims to a Ukrainian court

Other – 6%

- ⓪ Wait for the internationally approved compensation system at the end of the war

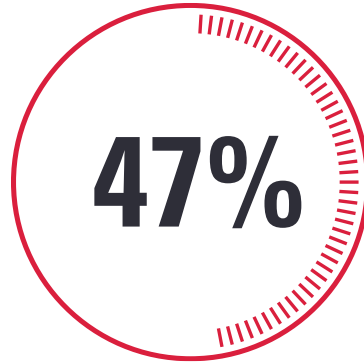
What are your organization's plans for Ukraine's rebuilding?



Create jobs for
Ukrainians in existing
projects



Invest in new
projects/plants
/facilities



Offer expertise or
technical assistance to
Ukraine's Government

Invest in social programs/projects to improve skills and employability of
Ukrainians – **39%**

Invest in rebuilding local communities – **25 %**

Invest in rebuilding vital infrastructure / public-private partnerships – **23%**

Other

- ✔ Provide legal support to the businesses engaged in rebuilding Ukraine
- ✔ Participate in demining initiatives
- ✔ Provide all types of insurance cover including war risks for investors - both foreign and local
- ✔ Attract international expertise
- ✔ Provide more humanitarian relief/assistance projects in Ukraine

What advice would you give to foreign companies looking to invest in Ukraine?

Start investing now



50% of respondents emphasized the importance of not delaying investment in Ukraine and taking action as soon as possible. They highlighted the potential for first-mover advantages and the need to explore and prepare for investment opportunities. By entering early, companies can establish themselves as leaders, take market share, and build brand recognition before competitors, gaining a competitive edge by leveraging their expertise, technology, and resources.

Conduct due diligence & engage with stakeholders



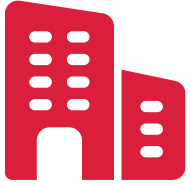
Respondents recommended thoroughly analyzing potential investments and engaging in discussions with existing companies and business associations in Ukraine. Building relationships with local partners and government officials was seen as crucial for success. Understanding the local market, navigating bureaucracy, and managing risks were also highlighted. Having adequate risk insurance coverage and protecting investments were seen as important factors.

Seek local partnerships



Respondents advised foreign companies to find reliable Ukrainian partners and invest jointly with them. This approach can help mitigate risks and contribute to the development of the local business community. Investing in professionals and experts familiar with the Ukrainian market and its realities was recommended.

What advice would you give to foreign companies looking to invest in Ukraine?



Consider specific sectors

Suggestions were made to invest in manufacturing, agriculture, infrastructure projects, IT, and renewable energy. These sectors were highlighted for their potential and competitive advantages in terms of cost-effectiveness, abundant resources, and the availability of skilled talent.



Advocate for reforms & support Ukraine

Business leaders encouraged foreign companies to push for reforms in Ukraine, particularly in areas such as rule of law and transparency. They also emphasized the importance of providing support and reconstruction assistance to companies affected by the war.



Be patient and resilient

Given the challenges and uncertainties, patience and resilience were emphasized as essential traits for foreign companies investing in Ukraine.