

# ENVIRONMENTAL PROTECTION

M.VIDEO–ELDORADO GROUP’S KEY VALUES INCLUDE HAVING A PASSION FOR EVERYTHING THE COMPANY DOES AND TAKING RESPONSIBILITY FOR THE FUTURE.

We pay attention not only to the fulfilment all of our obligations to our customers, shareholders and employees, but also to Russia’s environmental well-being and preserving the diversity of the wilderness in our country. We are not indifferent to the sort of world we live in. For more than a decade, the Group has been developing environmental initiatives and involving partners, employees and customers in their implementation.

In June 2019, Russia’s largest retailers signed a Memorandum on Sustainable Development and Improvement of Environmental Practices under the auspices of the World Wide Fund for Nature (WWF). M.Video–Eldorado Group is one of the most active project organisers. The companies involved plan to work together on environmental standards for the industry, to develop nature protection projects and to introduce into their business processes international sustainable development practices. This initiative is aimed at introducing the principles of sustainable development in retail through a joint search for solutions to reduce the burden on the environment, improve business processes, develop new technological solutions and change consumption patterns. The principles of the memorandum will be implemented in the format of a Club of Responsible Retailers.

## Key Group projects in the area of environmental protection

### Switch to eco-friendly paper bags



M.Video was one of the first companies in the Russian market to stop selling plastic bags in stores, replacing them with FSC-certified paper bags produced in the most environmentally friendly way possible. In 2018, Eldorado also switched to paper bags. About 1.5 million plastic bags that remained were withdrawn from sale

**220** thousand

pieces of equipment were handed over to recycling programme participants in 2018

and recycled by the Company. By purchasing FSC-certified bags, the Group’s customers are contributing to careful forest management and protection of forest-based flora and fauna. Part of the proceeds from the sale of paper bags was earmarked for restoration of historical deciduous forests on the territory of the Ugra National Park as part of a project aimed at restoring forests and reintroducing bison, organised together with the Beautiful Children in a Beautiful World charitable foundation.

### Recycling batteries



In 2018, M.Video and Eldorado, in partnership with Megapolisresurs, launched a programme to recycle spent batteries. Customers can now hand over used batteries for recycling at 176 M.Video and Eldorado stores in Moscow, the Moscow region and St. Petersburg. As part of a pilot project, visitors have already turned in more than 1 tonne of used batteries for recycling since the end of October 2018. By the end of this year, 470 stores in both networks will be outfitted with collection containers that, through joint efforts, will enable us to collect about 100 tonnes of used batteries every year.

Stores have set up specially designed collection boxes that meet all the requirements for safe storage. Each container can hold up to 35 kg, and visitors will be able leave the most common types of batteries. Once a box is filled, the batteries will be taken to the Megapolisresurs plant, which is currently the only battery recycling plant in Russia.

### Equipment recycling programme



The M.Video and Eldorado networks are also carrying out programmes for recycling old household appliances. Special Group promotions enable customers to receive a discount on new equipment in exchange for old equipment and thus to take a responsible approach to environmental protection. Electronic equipment collected in stores or picked up from customers’ homes is transported to recycling partners, which dismantle it and turn it into recyclable materials.

This service can be used both in stores and online. The recycling programme covers equipment categories such as televisions, large household appliances, built-in appliances, water heaters and air conditioners. Over the several years that this programme has been in existence, customers have already handed over about 3.5 million pieces of used equipment.

In June 2019, M.Video–Eldorado Group and the Electronics – Recycling System of Collective Responsibility Association agreed on a project involving the ongoing intake of used equipment for recycling. Customers can turn in equipment at any M.Video or Eldorado store at any time regardless of whether or not there is an ongoing promotion. A pilot project has been launched in St. Petersburg; there are also plans to launch a programme by the end of the year at M.Video stores in Moscow, Kazan, Samara, Ulyanovsk, Chelyabinsk and Yaroslavl. Over the course of two years, there are plans to arrange for the intake of equipment in all 220 cities where M. Video and Eldorado operate. In addition, the parties to the agreement are planning to make it possible to remove large equipment from customers' homes for recycling.

### WWF conservation projects



M.Video–Eldorado Group also supports the WWF's conservation projects. The Company takes part in Earth Hour campaigns every year: Televisions, monitors, and sign-board lighting are turned off at all stores. Another initiative being implemented is the sale of energy-saving lightbulbs: On 22 December 2009, M.Video stopped selling inefficient incandescent bulbs and started offering customers a wide range of energy-saving lightbulbs that consume 80% less energy per month.

The M.Video brand supports the WWF programme aimed at the preservation of the snow leopard and Amur tiger populations, is supporting the reconstruction of the visitor centre at the Zov Tigra National Park, assists in fighting fires and illegal logging, and finances and provides special equipment for anti-poaching units at reserves in the Altai and Tyva regions and in Krasnoyarsk Krai.

## SOCIAL PROJECTS

PERSONAL INVOLVEMENT AND RESPONSIBILITY FOR THE FUTURE ARE AMONG M.VIDEO–ELDORADO GROUP'S KEY VALUES. FOCUSING ON THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT, THE COMPANY PAYS A GREAT DEAL OF ATTENTION TO CHARITABLE AND SOCIAL PROJECTS, AND IT SUPPORTS VOLUNTEER ACTIVITIES ON THE PART OF EMPLOYEES.

### Priority areas for social projects

An important area of M.Video–Eldorado Group's activities in the field of sustainable development is targeted assistance for individuals, especially children, in difficult life situations.

In 2005, the Our Initiative charitable foundation was created on the basis of a volunteer movement. The foundation is now the economic mechanism for the implementation of M.Video–Eldorado Group's social programmes and projects. Our Initiative mainly works in various regions of Russia, covering charity events in more than 250 cities and towns throughout the country.

**The Our Initiative foundation's programmes are designed for the long term.**

The foundation involves charitable activities in

**>250**

cities and municipalities in Russia