

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

The foundation’s charitable donations in 2018 were distributed in the following areas, %



74.2

Other regions of the Russian Federation

25.8

Moscow and the Moscow region

The majority of charitable donations in 2018 were aimed at support for children and childhood development. Expenditures aimed at helping children and adolescents in 2018 amounted to 89% of total charitable donations; the remaining 11% of funds was donated to adult support programmes. Group employees who assist in organising numerous programmes at the regional level play an active role in the work of the foundation.

The ‘Let’s Grow Together’ programme is aimed at supporting children from birth to four years of age who are fully in the care of the state. The programme applies to orphans and children left without parental care living in orphanages, as well as children in the corresponding age group who are being raised in other social institutions run by the Ministry of Labour and Social Protection or the Ministry of Health of the Russian Federation.

The programme’s activities have contributed to improvements in the medical, pedagogical and social assistance provided to children, and they also assist in the adoption of children.

The ‘Teenager’s World’ programme is aimed at supporting orphans, social orphans and adolescents aged 5 to 18 who find themselves in difficult life situations and who are in state-run orphanages. The programme envisages measures aimed at the socialisation of residents of orphanages, boarding schools, centres for the promotion of family education and social centres for minors. In 2018, 169 institutions for children and teenagers took part in the programme.

The ‘21st-Century Professions’ programme is aimed at supporting children and teenagers from 10 to 18 years of age who are being educated at cadet schools, Suvorov Military Schools, the Nakhimov Naval Academy and the Moscow Military Music School of the Ministry

of Defence of the Russian Federation. The programme is designed to assist federal state general education institutions in the preparation of well-rounded and patriotic citizens. As of the end of 2018, the programme covered 24 institutions.

The ‘Veterans’ programme is aimed at supporting veterans of World War II, as well as families whose breadwinners were involved in hostilities and were killed in the line of duty. This programme is being implemented in cooperation with interregional public organisations of veterans who served from 7 November 1941 to 24 June 1945 who participate in military parades on Moscow’s Red Square. In 2018, the programme covered 75 people.

The ‘Commonwealth’ programme provides for joint charitable activities on a partnership basis with other non-profit, commercial and government organisations to assist beneficiaries by combining the common interests, experience and capabilities of partner organisations and the Our Initiative foundation.

In 2018, the programme’s main joint activities were carried out with the RUSFOND charitable foundation for assisting seriously ill children, orphans and disabled persons; the Moscow Centre for Paediatric Maxillofacial Surgery LLC; the Good News Foundation; the Vladimir, Nizhny Novgorod, Pskov and Samara regional branches of the Russian Children’s Fund; the Charitable Foundation for the Revival of Culture and Traditions of the Small Cities of Russia; the Kalinka Centre for Children’s Folk Art; and others. In 2018, this programme included the following projects and activities:

- **The ‘A Happy Child Is a Healthy Child’ project** provides for comprehensive, long-term treatment for children – in relation to their physical appearance – who do not have state funding. We pay particular attention to children of preschool and primary-school age, children in orphanages and children from low-income families. Thanks to this project, 84 children received high-tech medical treatment.
- **The ‘Video Passport’ project** was established in 2010. Through this project, the Our Initiative charitable foundation takes part in the functioning of the Russian national information retrieval system for adoptive parents in the territory of the Russian Federation by participating in the creation of video materials for finding families for children left without parental care. A ‘Video Passport’ is the most detailed and objective video material available about children who are available for adoption.
- **The ‘Stairway of Creativity’ project** is aimed at supporting talented and artistically gifted children and teenagers in difficult life situations. Using the mechanism of social partnership, we provide support to minors who are Russian citizens in choosing



As of the end of 2018, the programme covered

24
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a specialisation and acquiring their first professional skills. Last year, in the Nizhny Novgorod region, together with the regional branch of the Russian Children's Fund, the Our Initiative charitable foundation supported the organisation of classes for gifted child artists and children who are learning professional sewing skills. These projects included 45 adolescents who are being raised without parents or who are in a difficult life situation.

- The 'Vocation' campaign provides non-financial and material incentives to people working in the fields of education, culture, social protection and medicine for their conscientious and creative contribution to the education of the younger generation of Russian citizens. In 2018, 49 specialists received incentives through the programme.
- The 'Support for Theatre and Cinema Actors' campaign is aimed at financing events, as well as supporting late-career professionals and talented young people in the fields of art and culture. In the reporting year, the Our Initiative charitable foundation took part in financing two open Russian film and theatre festivals, which are among the five main festivals in Russia. These were the Provincial Russia film forum in the city of Yeysk and Amur Autumn film forum in the city of Blagoveshchensk. In addition, we supported events held by several older-generation actors: Tatyana Piletskaya, Vladimir Alenikov, Elena Kondulaynen, Larisa Luzhina, Natalya Gvozdikova, and others.
- The 'Emergency Social Assistance' campaign provides urgent assistance not included in the planned activities of the Our Initiative foundation in case of unforeseen situations at institutions and organisations where there are children and teenagers, veterans of World War II and other socially vulnerable groups of the population.

- The 'Emergency Situations' campaign involves the provision of material assistance and psychological support to victims of natural disasters, environmental disasters and terrorist acts. The Our Initiative foundation transferred needed household appliances to 237 large families affected by the flood in Krasnodar Krai in 2018.
- The 'New and Experimental Areas and Projects' campaign is aimed at determining the feasibility of developing and introducing new areas for the foundation's charitable activities. The results could form the foundation for the creation of timely and interesting charitable projects and programmes.

The Beautiful Children in a Beautiful World charitable foundation

Within the framework of its key priority areas of activity – support for children and environmental protection – M.Video established the Beautiful Children in a Beautiful World foundation in 2013, which specialises in helping children and nature (the foundation's website is www.detipriroda.ru). Two charitable programmes are being implemented within these two fields: 'Beautiful Children' and 'A Beautiful World'.

- The 'Beautiful Children' programme This programme provides organisational and financial assistance for the surgical treatment of children with diseases affecting the oral and maxillofacial region. In 2018, 171 operations were performed through the programme on children from various regions of Russia. In just the five years of its existence, the foundation has donated 845 smiles, having financed 845 operations or other stages of treatment for 566 children.



In 2018, the programme provided incentives for

45 specialists



Благотворительный фонд
красивые дети
в красивом мире

Over five years, the foundation has financed

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During the reporting year, the fourth charity run was held in support of the foundation's programmes; it was the first joint charity event organised after the formation of M.Video–Eldorado Group. The race, whose motto was 'Faster Together', was the most popular in the Company's history: more than 4.2 thousand people from 159 cities took part in it, and RUB 1.4 million was collected as a result of the event.

• 'A Beautiful World' programme

This project is aimed at nature conservation in Russia, nature that we love and are proud of. In the five years since the foundation was established, this programme has supported 35 environmental projects in 17 conservation areas.

In Ugra National Park, for example, the foundation, together with M.Video–Eldorado Group, has been implementing a project since 2014 aimed at restoring the forest and reintroducing bison. For five years already, sales of FSC-certified bags at M.Video stores have been helping raise funds – RUB 2.5 million annually – for this project. At the end of 2018, the Eldorado brand also switched to FSC-certified paper bags. When purchasing one of these bags, customers are helping plant a tree at Ugra National Park. In addition, M.Video volunteers plant 10 hectares of trees in the park every year, and Eldorado employees joined the project in 2018. Throughout the implementation of the project, Group volunteers have planted a total of 50 hectares of trees in Ugra National Park. As part of the project, bison are being introduced in the park, and there are currently 50 of the animals living there.

In 2018, the film Kamchatka Bears: Life Begins, made with the support of M.Video and the Beautiful Children in a Beautiful World foundation, was released in cinemas. The film has won no fewer than ten awards at Russian and international festivals.

Corporate volunteering

M.Video–Eldorado Group pays considerable attention to the development of corporate volunteering. We understand the importance of developing local communities and encourage our employees to strive to change the world around them. They are involved in projects at various levels: federal, centrally organised projects, and regional projects organised at the local level, both with the support of corporate headquarters and at the initiative of local staff.

M.Video–Eldorado Group's volunteer movement has about 3 thousand participants. Our employees volunteer to plant trees; to take care of the clean-up and landscaping of conservation areas (Bashkiriya, Taganai, Orlovskoye Polesye and Zabaykalsky National Parks, among others); to help children, the elderly and veterans; and to support animal shelters.

In 2018, Group volunteers took part in work at Ugra National Park, Smolenskoye Poozerye National Park, Taganai National Park, the Volga-Kama Nature Reserve, Zabaykalsky National Park, the Bryansk Forest Nature State Biosphere Reserve, Orlovskoye Polesye National Park, the Voronezh Nature Reserve and Bashkiriya National Park. For example, as part of a project aimed at restoring the park's forest and reintroducing bison, organised jointly by M.Video, the foundation and Ugra National Park, M.Video volunteers plant 10 hectares of oak saplings every year; since the beginning of the project, more than 50 hectares of trees have been planted. As part of the project, serious work is being carried out on reforestation: cutting down dead spruce stands (in the areas where planting is being carried out), mechanised soil preparation for planting forests on this territory, and looking after saplings from various years.



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M.Video–Eldorado Group's volunteer movement has about

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M.VIDEO–ELDORADO GROUP HAS IMPLEMENTED A LARGE NUMBER OF CHARITABLE PROJECTS AS PART OF THE 'BEAUTIFUL CHILDREN' PROGRAMME.

Through the sale of gift cards in 2018, the programme was able to collect

RUB 1.5
million

With the help of donation boxes at 177 M.Video stores, about

RUB 5.7
million

was collected during the reporting year

Thanks to campaign called 'Every Little Bit Helps' the Group managed to raise more than

RUB 685
thousand

In 2018, pre-New Year charity events called 'Give a New Year's Miracle' and 'Bowl of Goodness' were held at all M.Video and Eldorado stores, which raised nearly

RUB 12
million
for the foundation

Foundation's website:



www.detipriroda.ru