

# CHARITY PROGRAMMES AND CORPORATE SPONSORSHIP

Aeroflot Group strives to leverage its industry leadership to contribute to society, focusing mostly on support for vulnerable social groups. The Group implements a wide range of charitable and social programmes in all regions of operation. Support for sports, including international events which boost Russia's reputation, is an integral

element of Aeroflot's policy as a national airline. In addition to charity and sponsorship programmes, Aeroflot is actively involved in other programmes aimed to support and contribute to the country's social and economic development.

## CHARITY PROGRAMMES

### HELPING CHILDREN

Support for children in difficult life situations is an essential element of PJSC Aeroflot's CSR programme.

#### Miles of Mercy programme

2015 marked the seventh year of the Miles of Mercy charity programme which Aeroflot airline had established as one of the ways to provide assistance to children with serious illnesses. The campaign enables participants of the Aeroflot Bonus programme to contribute the bonus miles they earn to the accounts of charitable organisations participating in the programme, including the Give Life charitable fund, Vladimir Spivakov International Charity Foundation, the Russian Assistance Fund operated by Kommersant Publishing House, and the Life Line fund. The contributed miles are used by the participating charity funds to carry children with serious health conditions to countries and cities where they can get the necessary treatment.

In 2015, a total of 6,829 tickets and 276,639,464 bonus miles were donated to support the activities of charitable organisations.

#### Train of Hope

In 2015, Aeroflot airline, for the tenth time, took part in the national charity programme, Train of Hope, organised by Radio Russia as part of its Child's Question social project. The purpose is to draw the attention of society, business people, executive government and law-makers to the issue of children without parents, to provide assistance to such children and to organise meetings with prospective adopters.

The Train of Hope comes to cities which according to statistics have the largest numbers of children deprived of parental care. The milestone, tenth trip of the Train of Hope brought to Irkutsk eight families from the Samara Region, the Krasnodar Territory, the Republic of Adygeya, Petrozavodsk, Belgorod, Saint Petersburg, and Moscow, planning to adopt or assume guardianship. The families adopted 13 children. Aeroflot provided 30 free tickets on the Moscow-Irkutsk flight and 40 return tickets.

#### Support for children's homes

In 2015, the Company continued providing support to children's homes across Russia, including the Pokrov Children's Home in the Vladimir Region. During school summer holidays, 46 children spent time in the Robinson children's holiday camp in Bulgaria; and on the eve of the New Year holiday Aeroflot airline's volunteers brought New Year gifts to children at the Pokrov Children's Home. The Company spent a total of RUB 3.9 million on recreation programmes and gifts for children.

#### Support for Aviator club

In 2015 Aeroflot provided financial support to Aviator aviation-themed children's club.

## SUPPORT FOR GREAT PATRIOTIC WAR (WWII) VETERANS

Paying tribute to the great heroic deeds of WWII veterans, the Company provides regular support to war veterans throughout the year, assisting them in various areas.

### Comrades in Arms campaign

In 2015, PJSC Aeroflot carried out its fifteenth annual Comrades in Arms campaign aimed to support WWII veterans.

In 2015, the campaign was held on an unprecedented scale to celebrate the 70<sup>th</sup> anniversary of the Great Victory Day. Aeroflot airline carried record numbers of WWII veterans and accompanying persons – over 20,000 people in total. The campaign also covered flights operated by subsidiary airlines, including Rossiya, which carried over 5,000 campaign participants, and Orenair, which carried 1,200 veterans and accompanying persons. Significant amendments were made to the campaign rules: Aeroflot for the first time assumed all financial obligations to carry WWII veterans and accompanying persons – payment of the base fares, charges and duties. The number of tickets available was not capped – also for the first time.

The flight geography was also significantly expanded: eligible participants were provided with tickets on any domestic flights, and to destinations in CIS countries, Europe, Baltic states and Georgia.

Heroes of the Soviet Union, Full Cavaliers of the Order of Glory and accompanying persons were provided with business class tickets. Depending on the load factors and availability of seats, Aeroflot Group's airlines made travel class upgrades for other campaign participants

and provided access to business class lounge at airports. When on-board aircraft, WWII veterans were given commemorative signs with St. George Ribbon and other souvenir gifts themed around the 70<sup>th</sup> anniversary of the Victory Day.

A special check-in area was designated at the Sheremetievo airport, with support provided through departure formalities, vouchers handed out to cover meals at the airport's cafés and restaurants, and priority baggage reclaim at landing. The campaign participants were offered increased baggage allowances or the services of airport baggage storage. Aeroflot provided hotel accommodation to WWII veterans and accompanying persons with connection times of between 6 and 24 hours. All the above services were offered free of charge.

During the campaign period, over 170 passengers were provided with hotel accommodation; over 1,500 meal vouchers were handed out; and about 3,500 business class lounge passes were granted.

As part of preparations for the campaign, customer-facing employees at airports and in cabin crew received additional training and briefings to ensure informational and medical support for the distinguished guests.

### Charitable support to WWII veterans from among retired Aeroflot employees

PJSC Aeroflot's Management Board resolved to provide monthly food packages to WWII veterans from among retired Aeroflot employees, with one food package

worth at least RUB 6 thousand. In 2015, a total of RUB 5.8 million worth of support was provided to veterans.

## CHARITABLE ACTIVITIES OF SUBSIDIARIES

PJSC Aeroflot's subsidiaries do not run major charity programmes, with the exception of several initiatives pursued by Orenair and Aeromar.

Orenair in conjunction with the Orenburg Region Social Development Ministry holds an annual charitable campaign themed The Wings of Kindness. As part of the campaign, the airline provides free tickets on own scheduled flights to Orenburg Region citizens in need of state support. During 2015, 1,377 passengers were carried under the programme, including WWII veterans, disabled persons, citizens in difficult life situations, forced migrants, Heroes of the Russian Federation, and Heroes of Socialist Labour.

In 2015, as part of activities to celebrate WWII veterans and war workers on the occasion of the 70<sup>th</sup> anniversary of the Victory Day, Orenair provided a total of RUB 1.3 million of financial support.

During the reporting year, Orenair also provided support to the company's retired former employees, including financial support to mark the Russian Civil Aviation Day, International Women's Day, and other important dates and anniversaries. The retired employees were also provided with free subscriptions to Yuzhny Ural newspaper, and a former employee's home was renovated. The total spending on support for retired employees amounted to RUB 5.3 million.

In 2015, Aeromar spent a total of RUB 678 thousand on charitable purposes, including support for the Labour Day celebrations, construction of church in Khimki (Moscow region), and other initiatives.

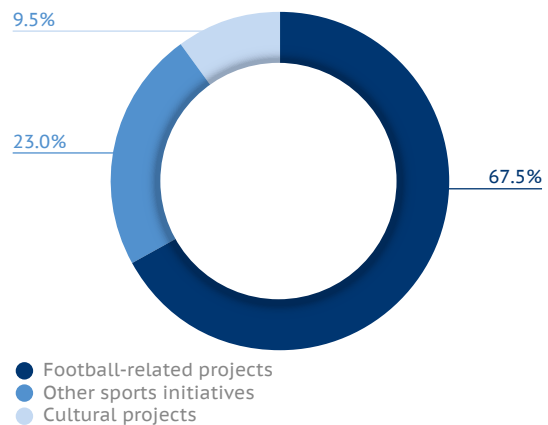
## CORPORATE SPONSORSHIP

PJSC Aeroflot is a socially responsible enterprise and in 2015 it continued its traditional sponsorship support to multiple sports, culture, and other social projects, initiatives, and organisations. Aeroflot's sponsorship efforts are focused on promoting Russian sports and providing support to Russian sports organisations, which are involved in programmes aiming to improve the performance levels of Russian athletes and help them achieve high goals in international sports competitions. Aeroflot is also focused on support for events held by cultural organisations to promote Russian culture abroad. Victories of Russian athletes, as well as culture and art initiatives contribute to bolstering the country's positive image internationally and help foster positive attitudes towards Russia and Russian companies, including Aeroflot Group, among foreign audiences.

In 2015, PJSC Aeroflot allocated a total of RUB 1.9 billion for sponsorship support. These funds were used primarily to finance Russian sports and culture, as well as promote our brand globally through international partnerships.

In 2015, PJSC Aeroflot's subsidiaries did not provide any sponsorship support.

Breakdown of PJSC Aeroflot's spending on sponsorship programmes, 2015



## CULTURAL PROJECTS

In 2015, Aeroflot continued its support for ROSKINO film production company in holding international cultural events to promote Russian cinema at top international film festivals, including the European Film Market (EFM) in Berlin, the Cannes Film Festival, the Venice Film Festival, the Toronto International Film Festival (TIFF), London Film Festival, the American Film Market (AFM) in Los Angeles, and Saint Petersburg International Media Forum.

Aeroflot provided support to a number of cultural initiatives run by the Directorate of International Programmes foundation, which

in 2015 held a series of events to promote Russian culture internationally, including Mobile Academy of Arts in Baku, a Russian film festival at the World Expo 2015 in Milan, the Young Russian Culture in Italy festival, Cannes Russian Art Festival and other cultural events in France, and Russia Visits Essen Russian art and film festival in Germany.

PJSC Aeroflot traditionally cooperates with leading media outlets and media holdings, which helps maintain a positive profile for Aeroflot brand among Russian consumers.

## FOOTBALL CLUBS

Having reiterated its commitment to remain the Official Carrier of CSKA Professional Football Club, Aeroflot provided support to one of the best-performing Russian teams and gained access to a multi-million audience of football fans through a wide range of marketing and advertising options and an enhanced visibility of Aeroflot brand at all games played by CSKA Football Club, secured by arrangements with football clubs.

Since 2013, Aeroflot has been an official sponsor and carrier of Manchester United, one of the most popular football clubs in

the world. The choice of this football club as a partner reflected the airline's positioning in key international markets, particularly in Asia. This partnership has generated great commercial benefits in terms of higher ticket sales in target international markets: 6% of international passengers chose to fly with Aeroflot mainly due to its partnership with this football club, and 29% admitted influence of this partnership on their choice of carrier. Since the start of this partnership, the total audience of Aeroflot's marketing campaigns has reached 2.1 billion people.

## OTHER SPORTS INITIATIVES

Aeroflot airline has been a General Partner of the Olympic and Paralympic Committees of Russia since 2010, and in 2015 it continued providing support to the committees in its role as the carrier of their delegations.

As a partner of the Russian Volleyball Federation and the Russian Football Union, Aeroflot has provided support for the participation of Russian national teams in international competitions.

In 2014, Aeroflot airline became the official carrier of CSKA Professional Basketball Club

and has since provided support for the club's participation in domestic and international competitions.

In 2015, in conjunction with the Russian Chess Federation, Aeroflot relaunched Aeroflot OPEN international chess tournament, which over the years of its existence has gained immense popularity among international chess players.

Aeroflot has provided support to Otradnoe show jumping club, which hosted a Show Jumping World Cup stage.

## CONTRIBUTION TO SOCIAL AND ECONOMIC DEVELOPMENT OF RUSSIA

In addition to charity and sponsorship projects, Aeroflot pursues a number of other programmes and is involved in initiatives aimed to support and contribute to the country's social and economic development.

### Involvement in resolving the situation around Transaero

Aeroflot Group assumed and fulfilled the obligation to carry about 2.0 million passengers of Transaero, which ceased its operations on 26 October 2015. In particular, 1.8 million passengers were carried on Transaero flights, which were financed by Aeroflot Group, and 0.2 million passengers were carried on the Group's own flights. Transaero's customers got a full refund of tickets, including the base fare, charges and duties (if the service was not rendered).

In October 2015, due to a temporary shortage of capacity on a number of Far Eastern routes as Transaero went out of business, Aeroflot increased capacity on these routes and introduced additional flights to carry passengers between cities in the Russian Far East and Moscow.

In addition, over 6 thousand vacancies were offered to Transaero employees across Aeroflot Group.

### Funding for the Far Eastern Federal University

In 2015, Aeroflot allocated RUB 50 million for the Far Eastern Federal University's Endowment Foundation. These funds will enable the Russian Far East's leading university to pursue innovative research projects with a high economic potential.

### Operating government-subsidised routes

Aeroflot is committed to supporting the government-sponsored programme of maintaining airline passenger service between the Far East and European Russia, and flights to Kaliningrad and Simferopol, which ensures transport accessibility of these remote Russian regions. In 2015, 325 thousand passengers were carried under the government-subsidised passenger service programme.

### Introduction of "flat" fares

In 2015, Aeroflot developed and implemented its single-rate programme covering own flights to destinations in the Russian Far East, and to Kaliningrad and Simferopol. The programme was endorsed by the President of Russia Vladimir Putin and extended into 2016. In December 2015, Aeroflot airline introduced two types of seasonal "flat" fares on-flights to Kaliningrad and Simferopol – a reduced winter fare and a summer fare. In 2015, 1,465 thousand passengers were carried under the "flat" fare programme.

### Support of passenger in need

In December 2015, Aeroflot launched a programme to support passengers who urgently need to get to their destinations fast due to force majeure circumstances such as the death of a close relative or the need to get high-tech medical services, e.g. for a transplant operation. The programme covers higher-demand domestic flights where the least expensive economy booking classes are sold out.