

Material topic	Relevance to the Company	GRI	Report section
Promoting stability of regional food markets	Magnit's social role is to ensure equal access to food and essential goods across all regions of operation. We expand our footprint, roll out new formats, improve logistic capabilities, and bolster cooperation with local suppliers and producers.	<p>GRI 413 Local Communities</p> <p>GRI 204 Procurement Practices</p> <p>GRI 13.9 Food Security</p>	Engaging with Local Communities Sustainable Sourcing
Maintaining the assortment of popular product categories and pursuing import substitution	Magnit is the largest retail chain with its own production facilities. Our agricultural and food production assets enable us to ensure a steady supply of quality goods to stores and support regional businesses.	<p>GRI 204 Procurement Practices</p> <p>GRI 13.9 Food Security</p>	Sustainable Sourcing

Compliance with non-financial reporting standards and recommendations (GRI, SASB, TCFD, RSPP)

GRI content index

Statement of use	The Magnit Group discloses information in accordance with the GRI Standards for the period from 1 January to 31 December 2022.
GRI 1 Standard used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
General disclosures							
GRI 2: General Disclosures 2021	2-1 Organisational details	The Group is headquartered at 15/5 Solnechnaya St., Krasnodar, 350072, Russia.	-				
	2-2 Entities included in the organisation's sustainability reporting	For the purposes of this Report, the Magnit Group includes PJSC Magnit and its subsidiaries (JSC Tander, JSC DIXY-Yug, Selta LLC, Retail Import LLC).	200				
	2-3 Reporting period, frequency and contact point	The Report covers the period from 1 January to 31 December 2022. Sustainability reports are published annually. Contacts and feedback: Director for Sustainable Development Nadezhda Galaktionova E-mail: galaktionova_na@magnit.ru Head of Rating Analytics and Non-Financial Reporting Tatiana Kovaleva E-mail: kovaleva_tv@magnit.ru	200				
	2-4 Restatements of information	The Group did not update any historical data.	-				

For more details on the sections covering material topics, see Appendix (Compliance with non-financial Reporting Standards and Recommendations).

Also, the content of the Report was defined in accordance with:

- ▶ takeaways and topics from stakeholder engagement
- ▶ takeaways and topics from stakeholder feedback

▶ recommendations of the RSPP Council on Non-Financial Reporting following public verification of the 2021 Report.

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
	2-5 External assurance	The report went through public assurance at the RSPG Council on Non-Financial Reporting.	-				
	2-6 Activities, value chain and other business relationships	Company Overview Sustainable Sourcing	14, 36-37				
	2-7 Employees	Our Employees Appendix to the Our Employees section	132, 240-242				
	2-8 Workers who are not employees	The Group has no workers who are not employees.	-				
	2-9 Governance structure and composition	Corporate Governance	164	2-9.vi. Composition of the Board of Directors and its committees by under-represented social groups	Confidentiality restrictions	The Group does not collect such information about its employees and members of its governing bodies for the reasons of confidentiality and personal data protection.	
	2-10 Nomination and selection of the highest governance body	Corporate Governance	168				
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	23				
	2-13 Delegation of responsibility for managing impacts	Corporate Governance	23	2-13.b. Process and frequency for senior executives to report back to the highest governance body on the management of impacts	Incomplete information	The Group has no formal process for senior executives to report back to the Board of Directors on the management of impacts.	

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
	2-14 Role of the highest governance body in sustainability reporting	When preparing sustainability reports, the Group holds consultations and discussions with stakeholders, following which it draws up the list of material topics. Information regarding the management of such topics is collected internally by the Group's responsible units. The information presented in reports is previewed by the Management Board and the Board of Directors. Sustainability reports are signed by the President of Magnit and then made publicly available.	-				
	2-15 Conflicts of interest	Corporate Governance Our Employees	148-149, 179	2-15.b. Report whether conflicts of interest are disclosed to stakeholders	Confidentiality restrictions	Information regarding conflicts of interests and the Company's process for managing them is confidential, including by virtue of data protection laws.	
	2-16 Communication of critical concerns	Critical concerns may be reported by calling the Ethics and Anti-Corruption Hotline, as well as by calling or emailing to the Group's single contact centre. Reports are registered and passed on to the relevant business units for investigation. If confirmed, critical concerns are communicated to managers who escalate them to the Board of Directors. In 2022, the Group received no critical concerns to be escalated to the Board of Directors.	-				
	2-17 Collective knowledge of the highest governance body	The Group conducted no training of members of the Board of Directors in 2022.	-				
	2-18 Evaluation of the performance of the highest governance body	The Group did not evaluate the performance of the Board of Directors or its committees in 2022.	-				
	2-23 Policy commitments	Sustainability Management	23				
	2-24 Embedding policy commitments	Sustainability Management	23				

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
	2-25 Processes to remediate negative impacts	Sustainability Management Stakeholder Engagement Appendix	23, 234				
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Management Our Employees Corporate Governance	23, 148-149, 178-179				
	2-27 Compliance with laws and regulations	No material violations of laws and regulations were reported in 2022.	-				
	2-28 Membership associations	The Magnit Group is a member of the Retail Companies Association (ACORT), the Association of Internet Trading Companies (AKIT), the Big Data Association (BDA), and the Consumer Goods Forum.	-				
	2-29 Approach to stakeholder engagement	Stakeholder Engagement Appendix	234				
Material topics							
GRI 3: Material Topics 2021	3-1 Process to determine material topics	About this Report	200				
	3-2 List of material topics	About this Report	200				
Indirect economic impacts							
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	Engaging with Local Communities	114				
	203-2 Significant indirect economic impacts	Engaging with Local Communities	114			13.22.4	
Procurement practices							
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Sourcing	36				

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Sourcing	40				
GRI 13.9: Food Security	13.9.1 Ensuring food security	Sustainable Sourcing	40				
Anti-corruption							
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance	164, 178-179				
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Corporate Governance	178-179				13.26.3
Tax							
GRI 207: Tax 2019	207-1 Approach to tax	Corporate Governance	180-181				
	207-2 Tax governance, control, and risk management	Corporate Governance	180-181				
Materials							
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Stewardship	85, 96-103				
GRI 301: Materials 2016	301-2 Recycled input materials used	Environmental Stewardship	98-103				
	301-3 Reclaimed products and their packaging materials	Environmental Stewardship	98-103				
Energy							
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Environmental Stewardship	93-95				
	302-4 Reduction of energy consumption	Environmental Stewardship	93-95				
Water resources							
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Environmental Stewardship	105				13.7.4
	303-4 Water discharge	Environmental Stewardship	105				13.7.5

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
Emissions							
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Stewardship	92				13.1.2
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Stewardship	92				13.1.4
	305-5 Reduction of GHG emissions	Environmental Stewardship	93, 94				13.1.6
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Environmental Stewardship	92				13.1.8
Waste							
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Stewardship	85				
	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Environmental Stewardship	96-103			13.8.2
	306-2 Management of significant waste-related impacts	Environmental Stewardship	96-103				13.8.3
	306-3 Waste generated	Environmental Stewardship	99, 100, 103				13.8.4
	306-4 Waste diverted from disposal	Environmental Stewardship	98				13.8.5
	306-5 Waste directed to disposal	Environmental Stewardship	99				13.8.6
Employment							
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Employees	129				
	GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees Appendix to the Our Employees section	132, 134, 242			
401-3 Parental leave		Our Employees	142				

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
Occupational health and safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Employees	129, 154-161				
	GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our Employees	154-155			
403-2 Hazard identification, risk assessment, and incident investigation		Our Employees	156-158				13.19.3
403-5 Worker training on occupational health and safety		Our Employees	160-161				13.19.6
403-6 Promotion of worker health		Our Employees	64				13.19.7
	403-9 Work-related injuries	Our Employees	158				13.19.10
Training and education							
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Our Employees	137				
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Our Employees	138-140				
Diversity and equal opportunity							
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our Employees	132				13.15.2
Non-discrimination							
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Responsible Business	64				13.15.4

Standard	Disclosure	Report section / Comment	Page	Omission			GRI Sector Standard indicator code
				Omission	Reason	Explanatory note	
Child labour							
GRI 408: Child Labour 2018	408-1 Operations and suppliers at significant risk for incidents of child labour	The Company does not use child labour in its own operations and supply chain.	-				
Forced or compulsory labour							
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	The Company does not tolerate the use of forced or compulsory labour in its own operations and supply chain.	-				
Local communities							
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Engaging with Local Communities	110				13.12.2
Customer health and safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Sourcing Responsible Business	36, 48				
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Sustainable Sourcing	48-51				13.10.2
Customer privacy							
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No incidents of unauthorised access to customer data were identified in 2022.	-				

SASB content index

Indicator	Definition	Report section	Page
Fleet Fuel Management FB-FR-110a.1	Fleet fuel consumed, percentage renewable	Environmental Stewardship	93
Air Emissions from Refrigeration FB-FR-110b.1	Gross global Scope 1 emissions from refrigerants	Environmental Stewardship	92
Energy Management FB-FR-130a.1	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Environmental Stewardship	93-95
Food Waste Management FB-FR-150a.1	Amount of food waste generated, percentage diverted from the waste stream	Environmental Stewardship	102-103
Data security			
FB-FR-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Not applicable	-
FB-FR-230a.2	Description of approach to identifying and addressing data security risks	Responsible Business Corporate Governance	78, 187
Product health & nutrition			
FB-FR-260a.1	Revenue from products labelled and/or marketed to promote health and nutrition attributes	Not applicable	-
FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Responsible Business	66-69
Labour Practices FB-FR-310a.2	Percentage of active workforce covered under collective bargaining agreements	Not applicable	-
Management of Environmental & Social Impacts in the Supply Chain FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	Sustainable Sourcing	38-39
Activity metrics			
FB-FR-000.A	Number of (1) retail locations and (2) distribution centres	Company Overview	6-9
FB-FR-000.B	Total area of (1) retail space and (2) distribution centres	Company Overview	6-9
FB-FR-000.C	Number of vehicles in corporate fleet	Company Overview	8

Compliance with TCFD recommendations

Section	Recommendations	Information / Report section	Page
Governance The organisation's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities b) Describe management's role in assessing and managing climate-related risks and opportunities	Environmental Stewardship	89-91
Strategy Actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Environmental Stewardship	90-91
Risk Management How the organisation identifies, assesses, and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks b) Describe the organisation's processes for managing climate-related risks c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Environmental Stewardship	91
Metrics and Targets Metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Environmental Stewardship	91

RSPP Reference Performance Indicators

Section	Information / Report section	Page
Economic indicators		
1.1. Main business conduct principles	Company Overview	6-7
1.2. Volume of sales (work, services)	Not applicable	-
1.3. Accrued taxes and other mandatory deductions	Corporate Governance	183
1.4. Payroll costs	Our Employees	142
1.5. Asset investment	Not applicable	-
1.6. Payments to capital providers	Not applicable	-
1.7. Community investment	Engaging with Local Communities	114
1.8. Voluntary retirement benefits	Not applicable	-
Environmental indicators		
Materials		
2.1. Percentage of recycled input materials used	Environmental Stewardship	98-100
Energy		
2.2. Energy consumption	Environmental Stewardship	93-95
2.2.1. Energy consumption per unit of production	Not applicable	-
Water		
2.3. Fresh water consumption for own use	Environmental Stewardship	105
2.3.1. Water consumption per unit of production	Not applicable	-
2.4. Percentage of recycled water in total water consumption for own use	Not applicable	-
Emissions, effluents and waste		
2.5. GHG emissions	Environmental Stewardship	92
2.6. Emissions of air pollutants	Environmental Stewardship	92
2.6.1. Emissions per unit of production	Not applicable	-
2.7. Wastewater effluents	Environmental Stewardship	105
2.7.2. Pollutant effluents	Environmental Stewardship	105
2.8. Waste volume	Environmental Stewardship	98-103
2.8.1. Waste per unit of production	Not applicable	-
2.9. Number of significant emergencies with environmental impact	None	-
2.10. Recovered environmental damage	Environmental Stewardship	87
Products and services		
2.11. Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Environmental Stewardship	93-95, 101-103, 106-107
Overall		
2.12. Environmental protection investment	Environmental Stewardship	88

Section	Information / Report section	Page
Social indicators		
Labour practices and decent work performance indicators		
Employment		
3.1.1. Total workforce by region	Appendix to the Our Employees section	242
3.1.2. Employee turnover	Our Employees	132-133
3.1.3. Rate of employee turnover caused by whatever reason	Not applicable	-
Employee/management relations		
3.1.4. Workforce covered under collective bargaining agreements	Not applicable	-
3.1.5. Work-related injury rate	Our Employees	158-159
3.1.6. Number of work-related fatalities	Our Employees	159
3.1.7. Number of occupational diseases	None	-
3.1.8. Time lost to all-cause morbidity	Not applicable	-
3.1.9. Labour safety costs	Not applicable	-
3.1.10. Number of training hours per employee	Our Employees	137
3.1.11. Training costs	Not applicable	-
3.1.12. Women's participation in management bodies	Our Employees	147
Human rights performance indicators		
Non-discrimination		
3.2.1. Labour disputes	Responsible Business	64-65
3.2.2. Incidents of discrimination	Responsible Business Our Employees	64-65, 147-149
3.2.3. Incidents affecting the rights of indigenous minorities	Not applicable	-
Community relations performance indicators		
Community		
3.3.1. Interaction with government authorities on socially significant matters (social and economic development in the regions of operation)	Engaging with Local Communities	118-123
3.3.2. Interaction with non-profit and non-governmental organisations on socially significant matters	Engaging with Local Communities	118-123
3.3.3. Assessment of contribution to the social and economic development of local communities	Engaging with Local Communities	114-115
Public policy		
3.3.4. Participation in external initiatives, including in public policy development	Not applicable	-
3.3.5. Participation in non-profit (e.g., sectoral) organisations and/or national and international organisations that are aligned with the company's interests	Responsible Business Corporate Governance Engaging with Local Communities	80, 101, 116-123, 183, 208
Product responsibility performance indicators		
Product and service labelling		
3.4.1. Information and labelling	Sustainable Sourcing	51
3.4.2. Product quality assurance	Sustainable Sourcing	48-51

Assessment of compliance with ISO 26000-2012 principles

Self-assessment of the Magnit Group's compliance with the Principles of Social Responsibility under GOST R ISO 26000-2012 Guidance on Social Responsibility

Principle	Compliance	Comment	Report section
Principle 1: an organisation should be accountable for its impacts on society, the economy, and the environment	Complied with	The Magnit Group's Sustainability Report discloses what the Group did in the reporting year to reduce negative impacts and enhance positive ones on society, the economy, and the environment.	
Principle 2: an organisation should be transparent in its decisions and activities that affect society and the environment	Complied with	The Magnit Group's Sustainability Report and the Annual Report disclose the policies, decisions and activities for which the Group is responsible in a clear, accurate and complete manner and to a reasonable and sufficient degree, including their known and likely impacts on society and the environment, specifically:	
		the purpose and nature of its activities	Company Overview section of the Sustainability Report for 2022, p. 6
		the identity of any controlling interest in the activity of the Group	Corporate Governance section of the Annual Report for 2022, p. 164
		the manner in which its decisions are made, implemented and reviewed, including the definition of the roles, responsibilities, accountabilities and authorities across the different functions in the Group	Sustainability Management section of the Sustainability Report for 2022, p. 18 Corporate Governance section of the Annual Report for 2022, p. 164
		standards and criteria against which the Group evaluates its own performance relating to social responsibility	About this Report section of the Sustainability Report for 2022, p. 200 Compliance with non-financial Reporting Standards and Recommendations Index Appendix to the Sustainability Report for 2022, p. 205
		its performance on relevant and significant issues of social responsibility	Sustainability Management section of the Sustainability Report for 2022, p. 18 Compliance with non-financial Reporting Standards and Recommendations Index Appendix to the Sustainability Report for 2022, p. 205
		the sources, amounts and application of its funds	Information is disclosed throughout both Reports for 2022. ¹

¹ In accordance with Principle 2 under GOST R ISO 26000-2012, the principle of transparency does not require that proprietary information be made public, nor does it involve providing information that is privileged or that would breach legal, commercial, security or personal privacy obligations.