Sustainability management

Sustainable sourcing

Responsible business

Environmental stewardship

Engaging with local communities

Strategic goal to 2025	2022 performance
30% GHG emissions reduction	26.7% reduction in specific GHG emissions vs the 2019 base year (2.28 tonnes of $CO_2 eq$ / RUB mln)
25% energy consumption reduction	16% reduction in specific electricity consumption vs the 2019 base year (1,690.60 kWh / RUB mln)

Climate risks

In 2020, we did an internal climate risk analysis, which included assessment of such risks' potential impact on Magnit up to 2050; based on that, we determined mitigation measures. The analysis was done according to the "business as usual" scenario (RCP 8.5), which describes a temperature rise of around 4 °C by 2100.

Physical risks

Risks stemming from phenomena such as rising temperatures, drought, and storms, as well as rising sea levels.

- Rising temperatures net increase in days requiring heating or cooling of the Company's facilities. Mitigating actions include energy efficiency efforts and looking into renewable energy sources.
- Drought reductions in crop yields. Mitigating actions include more sustainable agricultural practices and technology and seed innovation.
- Storm intensity potential damage to the Company's facilities. Mitigating actions include improved construction specifications, especially for distribution centres.
- Rising sea level Mitigating actions include facilities sitting and construction specifications that take into account the likelihood of a rising sea level.

Transitional risks

Risks associated with the shift to a low-carbon economy.

- Introduction of carbon pricing and increased costs related to waste disposal. Mitigating actions include progress towards carbon neutrality and reducing GHG emissions and waste.
- Regulatory risks. We regularly monitor applicable requirements to climate risks and emissions reporting. Based on available information, we strive to improve the Company's approaches to reporting and stay one step ahead of new mandatory disclosure requirements.

We are aware of the serious consequences of global warming and climate change for our planet, our country, and the regions in which we operate. In 2021, we included climate risks to the Company's Key Risks Map. This enabled

Our performance in climate risk assessment

2021

2020

Qualitative risk assessment until 2100, carbon footprint reduction targets set

In the reporting year, we adjusted the schedule of preparation for financial assessment of climate risks and opportunities due to political and economic circumstances affecting the business environment and in anticipation of potential changes to climate regulations. As international supervisory bodies are working to align their approaches to monitoring, regulating

should account for other climate change

Magnit Group data for 2022 include DIXY.

Representative Concentration Pathways (RCPs) are greenhouse gas concentration trajectories adopted by the Intergovernmental Panel on Climate Change (IPCC) and scientists the world over.

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us to carry out year-round monitoring of their short-term impact on the Company and adjust the relevant mitigating measures as part of the general risk management system.



Climate risks integrated into the management system

2023

Monitoring legislation, national regulators' and international institutions' approaches to climate risk management and possible climate risk controls. Streamlining and developing appropriate approaches to addressing and monitoring climate risks by the Company

and addressing climaterelated risks, the national legislation continues to evolve rapidly, yet there is still no clear regulatory framework in place that defines how businesses climate risks. We continue to monitor and assess potential impact of climate risks on Magnit Group, trace and collect data on GHG emissions and

factors, and keep a close eye on legislative initiatives related to the climate agenda.