

# Waste management

Aware of the importance of effectively managing packaging and food waste to minimise environmental footprint, we seek to reduce waste and recycle it properly and safely.

## Our approach to waste management

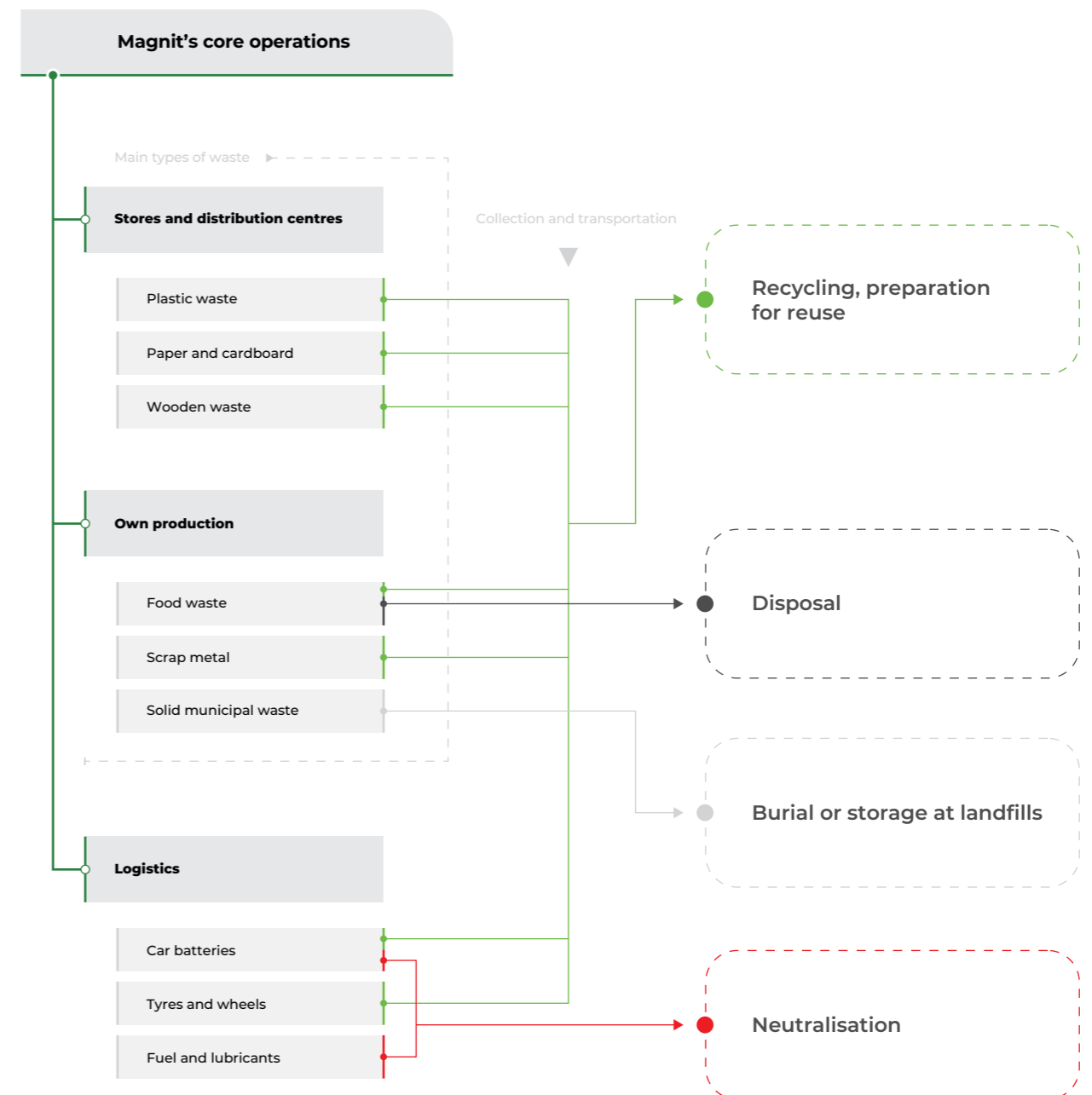
GRI 306-2

Sustainable waste management is one of Magnit's focus areas in its effort to minimise implications for the environment. The retail industry has a significant impact on the environment. We focus on preventing and minimising waste we generate, and introduce initiatives to maximise the amount of waste to be reused and recycled.

### Effective waste management initiatives

- ▶ Improving packaging collection schemes
- ▶ Taking part in government initiatives for effective waste management
- ▶ Supporting initiatives to raise awareness of separate waste collection (educational programmes and separate waste collection at the Company's sites)
- ▶ Enhancing the sustainable waste management mechanism
- ▶ Streamlining the collection and sorting of recyclables generated by business units
- ▶ Encouraging employees who collect waste separately and promote effective waste management
- ▶ Raising stakeholder awareness of the Company's waste management process.

## Waste management structure



We pay special attention to make sure we maximise the volume of waste to be reused. We develop and launch projects to reduce our waste and also seek to increase the amount of waste recycled. Magnit sends for recycling almost all secondary materials

generated in its operations: cardboard, paper, and plastics. Ramping up the collection and recycling of these types of waste is among the goals of our Sustainability Strategy. The total volume of waste sent for recycling and/or reuse in 2022 was 266,718.81 tonnes.

Strategic goal to 2025

2022 performance

50% private labels and own production packaging recyclable, reusable or compostable

Private labels: 68% of packaging is suitable for recycling, with 24% recyclable and 44% potentially recyclable (recycling infrastructure for some components is limited)<sup>1</sup>

Own production: 79% of packaging is suitable for recycling, with 37% recyclable and 42% potentially recyclable (recycling infrastructure for some components is limited)<sup>2</sup>

100% of plastics generated by Magnit's stores and distribution centres collected and recycled

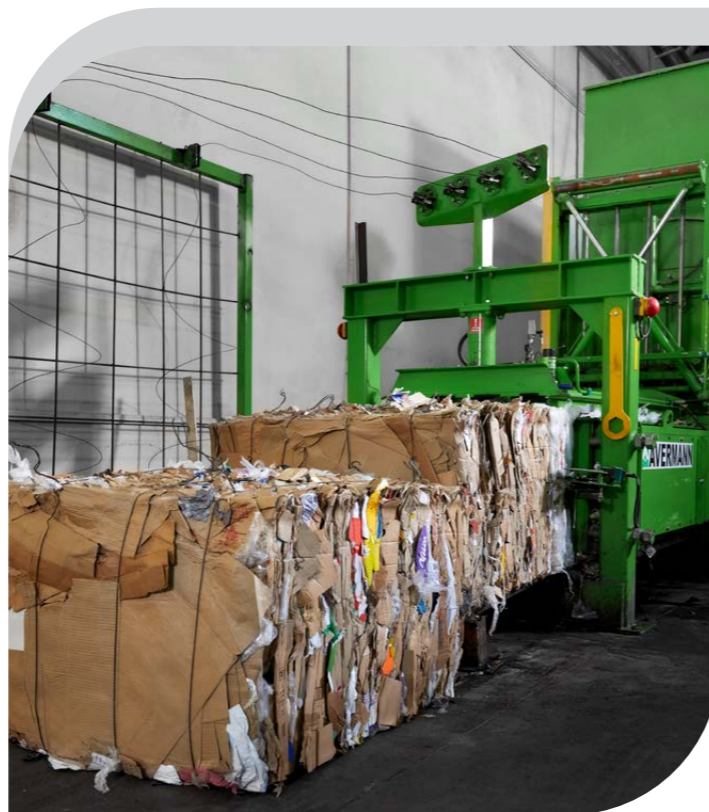
More than 99% of plastic packaging generated during transportation recycled

50% food waste reduction

52.5% reduction in specific food waste generation vs the 2019 base year (147.04 kg per RUB mln)

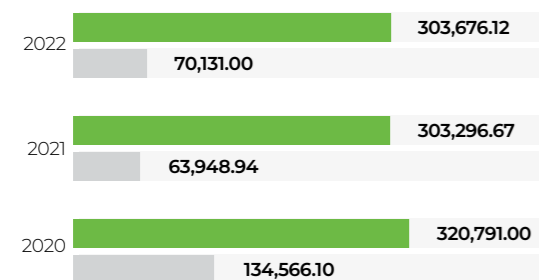
Chain waste

Packaging is the key source of waste for a retail chain. This is mostly cardboard, polyethylene film, plastic crates for fruit and vegetables, and wooden crates. The way we handle and dispose of each of these kinds of waste depends on the type and composition of their materials.



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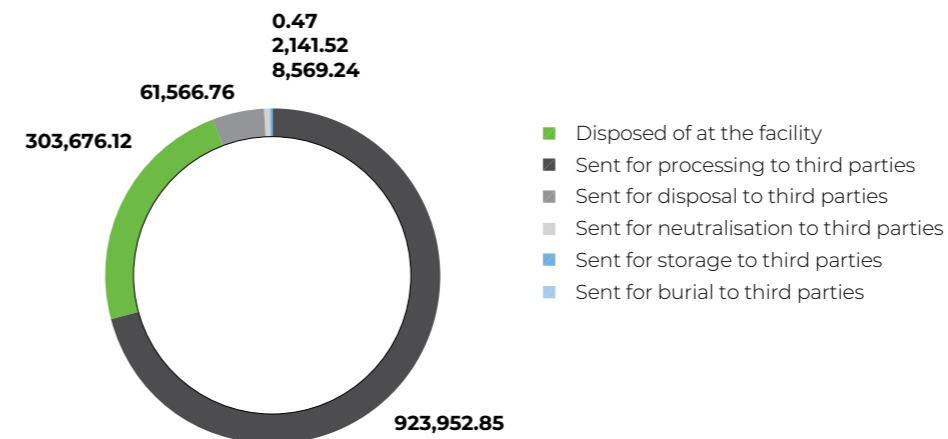
Waste sent by the Magnit Group for disposal, thous. tonnes<sup>3</sup>



- Sent for disposal to third parties
- Disposed of at the Company's facilities

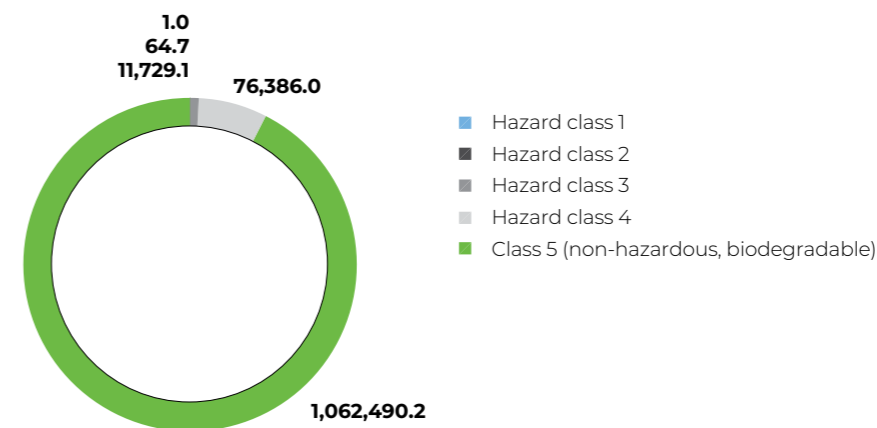
GRI 306-5

Waste sent by the Magnit Group for neutralisation, storage or handled otherwise in 2022, tonnes<sup>4</sup>



GRI 306-1

Waste generation by the Magnit Group in 2022 broken down by hazard class, tonnes<sup>4</sup>



**1.15 mln tonnes**  
total waste generated in 2022

In the reporting year, the share of hazard class 1 and 2 waste in the total waste generated by the Magnit Group was 0.0057%. Waste generated in 2022 totalled 1,150,670.89 tonnes.

<sup>1</sup> Assessment methodology: compliance with the Voluntary Sustainable Packaging Standard (ECR Russia) based on the analysis of 1,145 SKUs of Magnit's private label products. In 2022, the Company assessed the body of packaging.

<sup>2</sup> Assessment methodology – compliance with the Voluntary Sustainable Packaging Standard (ECR Russia).

<sup>3</sup> Magnit Group data for 2022 include DIXY.

<sup>4</sup> Magnit Group data for 2022 include DIXY.