

Water resources management

Water conservation is an important component of Magnit's sustainable development. Water is one of the most precious resources on the planet and we seek to use it as efficiently as possible.

Strategic goal to 2025

25% water consumption reduction

2022 performance

55.5% reduction in specific water consumption vs the 2019 base year (5.18 cbm per RUB mln)

Our approach to water resources management

For the most part, Magnit operates in water-sufficient regions. That said, we understand that access to clean fresh water is a fundamental human right, and we respect it. Also, responsible water use helps cut expenses and reduce pressure on sewage systems.

Water consumption spreads across the whole chain of the Company's operations, including farms and production facilities, stores, and vehicles. Most of our sites have water supply networks in place connected to centralised sewage systems. The rest rely on their own sources of water and wastewater treatment facilities.

Before remote logistics hubs and production assets occupying large plots of land are equipped with water supply and disposal systems, we look into potential options to select the best-fitting one.

19 of Magnit's logistics hubs, own production and agricultural facilities use their own wells. 12 logistics hubs have their own utility wastewater treatment units installed.

We measure the following types of our water footprint:

Blue water footprint

- ▶ Consumption of fresh water either from surface resources used for irrigation of agricultural land or from underground resources used in the Company's logistics infrastructure, greenhouses, mushroom complexes, as well as food and confectionery production
- ▶ Consumption of water from centralised water supply networks at the Company's sites

Grey water footprint

- ▶ Pollution of water as a result of the Company's operations.

We monitor the state of water supply resources, with a water withdrawal meter system installed, and quality control tools for underground and treated water applied. We examine causes of excessive water use and take steps to prevent incidents of this kind going forward.

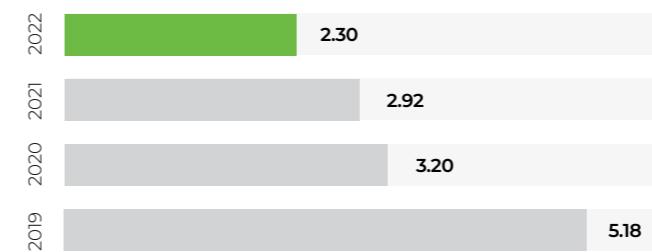
Once a month, we have wastewater from our treatment units tested for pollutant concentrations

by accredited laboratories to make sure it meets the safety requirements, releasing no pollutants into water bodies when disposed.

We minimise water use by using water recycling systems for on-road car washing and treated wastewater for in-house processes at biological treatment stations (utility wastewater and stormwater). In addition, we put water saving nozzles

on single and mixer taps across convenience stores, Magnit Family and Magnit Cosmetics chains, and our distribution centres.

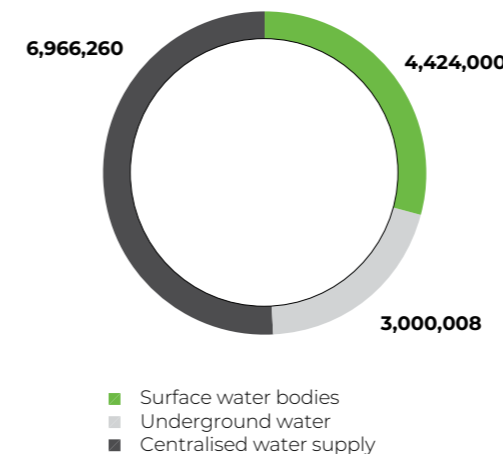
Magnit Group's specific water consumption, cbm per RUB mln¹



In the reporting year, specific water consumption declined by 21% compared to 2021 and by 55.5% compared to the 2019 base year (5.18 cbm per RUB mln).

GRI 303-3

Magnit Group's (including DIXY) consumption of water resources by type of sources in 2022, cbm

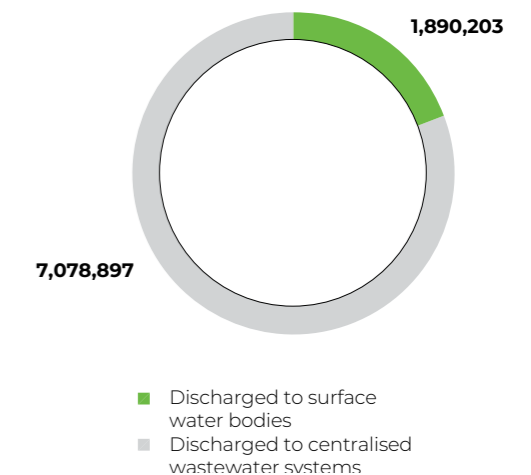


GRI 303-5

Consumptive water use by Magnit in 2022 totalled 5,421,168 cbm.

GRI 303-4

Magnit Group's (including DIXY) treated water discharge, cbm



¹ Magnit Group data for 2021–2022 include DIXY.