

Key social projects

When it comes to helping the local community, we prioritise projects that develop inclusivity and provide aid to socially disadvantaged groups. We seek to partner with local charitable foundations and NGOs in order to help develop Russian regions and improve the living conditions for our customers.

All of Magnit's scheduled campaigns and events related to charity, volunteering, sponsorship and grants are reviewed and approved by the Company's Ethical Values Officer.

Our social projects aim to help address social issues as part of the Company's key charitable and volunteering activities across our regions of operation. They also focus on supporting the development of social and public infrastructure in the regions to achieve socially significant goals and improve people's quality of life, well-being and social position.



Contributing to an inclusive environment

GRI 3-3

Creating and maintaining an inclusive environment is part of Magnit's corporate culture. We strive to make products at our stores accessible and affordable for all. To that end, our employees are trained to interact with people with disabilities and those facing hardships.

We care about the country's future and seek to support people in need. That is why we are implementing projects to educate children from orphanages and children with disabilities.

In 2022, we launched several projects for people with disabilities to help them take an active part in community life.

Creating a barrier-free environment

Magnit became a participant in the Open to All initiative aimed at establishing and sustaining an inclusive setting that accommodates individuals with disabilities in Russia. The Company signed the project's key document – The National Inclusion Agreement, confirming its commitment to providing equal opportunities to people with disabilities.

The Kind Bunny inclusive project

Federal project

The Kind Bunny – Inclusive City project is about creating an inclusive environment for people with disabilities at Magnit stores.

The number of people with disabilities in Russia is rapidly increasing (12.1 million in 2021). They often need help with common everyday tasks like grocery shopping. There is insufficient awareness of the difficulties and obstacles that individuals with disabilities encounter. The majority of personnel at Magnit stores have necessary training and skills to assist and support people with disabilities.

As part of the Kind Bunny project, the Company intends to:

- ▶ create an inclusive environment for people with disabilities at Magnit stores;
- ▶ change employees' attitudes towards people facing temporary hardship;
- ▶ improve customer service at Magnit stores.

The Kind Bunny project was created by Olga Andreeva, a volunteer and mother of multiple children from Veliky Novgorod. The Kind Bunny is a training course for those working in the service industry (sales personnel), teaching them to communicate and interact with people with disabilities. The course focuses on the following components:

- ▶ introduction
- ▶ regulatory framework
- ▶ interacting with people with hearing impairments
- ▶ interacting with people with vision impairments
- ▶ interacting with people with speech impairments
- ▶ interacting with people with locomotor impairments
- ▶ interacting with people with mental disorders
- ▶ emergency response
- ▶ handling burnout

Magnit's stores in the Northwestern Federal District supported the project and began to implement it in September 2020. In Veliky Novgorod, more than 100 Magnit employees completed a pilot training course. The pilot had both an external and internal effect. The project received many good reviews on social media from

Second place
at the #WEARETOGETHER international award



Medal For Selfless Contribution to the National Support Initiative #WEARETOGETHER

Second place
at the Crystal Pyramid 2021 award for the HR Project of the Year

customers and employees, and there was a visible improved attitude among employees towards their team and socially disadvantaged people.

The course is available on a dedicated online portal and the mobile app of Magnit's Corporate Academy. Following the training, employees can choose to take a final test.

In early 2021, Magnit decided to roll out the Kind Bunny project throughout the entire Northwestern Federal District. As a result, by the end of 2021, the number of employees who underwent the training exceeded 4,500. In summer 2022, the project was scaled up to all 27,000 of the chain's stores. Currently, 93% of Magnit's retail employees have completed the course – more than 200,000 people. Over 90% of the course graduates have given positive feedback.

Magnit became the first large retailer to train sales personnel to interact with people with disabilities, which is a significant step towards creating a barrier-free and inclusive environment nationwide. All Magnit's new hires are now required to undergo the Kind Bunny course as part of their onboarding.

We hope that this project will enable Magnit to become the first truly inclusive retailer in Russia.

2020

A pilot project launched in Veliky Novgorod

2021

The pilot successfully implemented in the Northwestern Federal District

2022

The project rolled out across Magnit's footprint

Key social projects (continued)

Volga Federal District

In cooperation with the So-edinenie (Connection) Support Fund and NIVEA, we opened the first inclusive playground for children and teenagers with vision and hearing impairments in Nizhny Novgorod. The playground is adapted for people with disabilities and includes an outdoor area with swings, benches, a sensory path, sandpit, sensory garden, and musical instruments. We will continue implementing this initiative in 2023.

North Caucasian Federal District

In the reporting period, we supported the Nadezhda Rehabilitation Centre in the Russian region of Makhachkala by financing the purchase and installation of a special playground. It includes jungle gyms, a seesaw adapted for children with disabilities, special pull-up bars, vertical handrails, parallel bars, a horizontal bench and swings. Nadezhda is a rehabilitation centre for children with central and peripheral nervous system disorders and locomotor impairments.

Ural Federal District

In October 2022, we collaborated for the first time with SMAK, a local baked goods supplier. As part of the project, a new modern playground was installed and opened in the Kharitonov Palace park in Yekaterinburg. The project was supported by the federal Agency for Management and Use of Historical and Cultural Monuments, which is in charge of the Kharitonov Palace.

Career guidance and employment projects

Central Federal District

In June 2022, Magnit and Our Home, a centre for family mentoring assistance, took stock of Magnit's Life pilot project aimed at educating children from orphanages, including those with special needs, and helping them make a transition to adulthood. A total of 15 young people from Our Home took a four-month training course developed by Magnit's Corporate Academy that featured an e-learning platform, gamification, and non-financial incentives. They spent 30 hours studying theory and 50 hours practising their skills while also having eight in-person training sessions and completing more than 50 tasks. All of them completed internships at Magnit stores and earned their first salaries, with five opting to stay with Magnit.

In November 2022, Magnit launched another career guidance programme for students with special needs as part of Magnit Life. Hosted by School No. 627 in St Petersburg and backed by the city's Nevsky District Administration, the programme is expected to welcome 15 students aged 14–18. Experts from Magnit's Corporate Academy and teachers at School No. 627 have developed a career guidance methodology that will be integrated into the school's existing curriculum as a practical element. Students will gain adaptive skills, including time and budget management and goal setting. They will also improve their communication abilities, learn more about teamwork, and get an understanding of common roles in the Company during educational tours of Magnit stores and the head office in St Petersburg.

In 2023, the Company plans to expand Magnit Life further into our other regions of operation.

Federal project

In late 2022, Magnit and the Raoul charity foundation launched the Good Garland campaign to help young people who grew up in orphanages find a job. Our mobile app featured the Lucky New Year game, where each sign-up resulted in Magnit donating RUB 1 to Raoul. This way, a total of RUB 2.3 mln was raised and gifted to arrange career guidance consultations, CV writing and interview skills training sessions, and mentorship for young people raised in orphanages.

We think about the future of our country and strive to support those who need care

Key social projects (continued)

Support for socially disadvantaged groups

GRI 203-2

We voluntarily capped price increases on socially important goods

We want to minimise the economic pressure put on our customers by inflation. That's why in 2022 we voluntarily capped markups on a number of socially important goods. Starting from 1 March, Magnit set the maximum price of 304 SKUs from 27 categories at 5% throughout all our 67 regions of operation. Russia's Federal Antimonopoly Service, Ministry of Industry and Trade, and Ministry of Agriculture contributed to the design of these markup restrictions.

Joining a social initiative in the Novgorod region

In January 2022, Magnit and the Novgorod region's Ministry of Industry and Trade signed an agreement to issue Care social discount cards to local social beneficiaries who can now enjoy a 10% discount on goods sold at our stores in the region.

Food sharing programme

Central and Northwestern federal districts

In summer 2022, Magnit and the Foodbank Rus charity foundation launched a retail food-sharing project to support people in need and reduce shrinkage. Our stores donate food products nearing their expiry dates to vulnerable population groups. The food kits comprise 300 SKUs, including basic goods (bakery, dry foods, etc.), fruit and vegetables. We gave 20 tonnes of food to more than 11,500 people (2,600 households). Magnit has 30 dark stores – 28 in Moscow and the Moscow region and two in St Petersburg – contributing to the project and will continue to advance it in 2023.

Support for the elderly

Federal project

Together with the Enjoyable Ageing Foundation, Magnit wished a happy new year to single pensioners and elderly people by giving out presents to almost 30,000 retirees at 126 care facilities. Magnit employees also delivered gifts to the providers of social care services for the

elderly, with the social workers taking them right to seniors' homes. In addition, our volunteers teamed up with people from the Enjoyable Ageing Foundation to deliver gifts to boarding schools in New Year-themed vehicles with festive lights.

On the Day of Older People, our volunteers gave out food kits to pensioners in the Voronezh, Lipetsk, Sverdlovsk, Tula and Chelyabinsk regions, Krasnodar and Stavropol territories, and St Petersburg.

As part of the Active Longevity project, Magnit employees organised educational activities and hypermarket tours to promote healthy diets among older customers in Veliky Novgorod, the Novosibirsk and Orenburg regions, and Republic of Karelia.



Volunteering initiatives

Environmental care

Federal project

We are always looking to promote environmental-friendly activities across our footprint. Our employees volunteer in various eco-focused initiatives, including the Magnit of Habits clean-up initiative run in various regions. In 2022, a total of 1,714 Magnit volunteers took part in clean-up events in Krasnodar, Moscow, St Petersburg and eleven more cities across Russia, with 513 cbm of waste collected and sent for disposal.

DIXY's Orange Hearts held 35 clean-ups in different locations and regions, bringing in over 700 volunteers to pick up litter in natural and urban parks, nature reserves, and waterfront areas.

Siberian Federal District

Magnit volunteers took part in Ecofest, an event aimed at promoting environmental protection in Novosibirsk. They removed litter near a local river and prepared gifts for children who also participated in the event.

In downtown Krasnoyarsk, Magnit employees held an event to clean up 7,500 sq. m of land in the Tatyshev Park.

Southern Federal District

In October 2022, 173 Magnit employees volunteered to take part in an event to restore the ecosystem of Lake Karasun in Krasnodar. Within a few hours, 20 cbm of waste was removed from the shores, water surface and lake bottom. Our volunteers released 3,000 fish fry into the lake once it was cleaned.

Central Federal District

Volunteers from Magnit and GRASS planted oaks and limes in the Central Wisent Breeding Ground, part of Zablotsky Prioksko-Terrasny Reserve, the only state nature reserve in the Moscow region. This was done to restore the reserve's forest and protect the local population of bison.

Employees of DIXY Management Company

turned in 38.6 kg of batteries and 21 kg of plastic caps for recycling to the Sobirator environmental centre. The proceeds were donated to the Volunteers for Orphans charity foundation.

Northwestern Federal District

In spring and autumn 2022, Magnit employees took part in urban clean-up events, teaming up with St Petersburg's Governor to clean the city's Polyustrovsky Park.

In October 2022, Magnit's Veliky Novgorod branch marked its 15th anniversary. To celebrate this event, the retail chain's management joined with representatives of the city's administration and the region's Ministry of Industry and Trade to plant trees on the Gzen River's embankment.

Volga Federal District

In October 2022, 17 volunteers from DIXY's Orange Hearts project took part in the annual all-Russian Save a Forest campaign, which saw over 16,000 trees planted in the Nizhny Novgorod region.

Community care

Federal project

Our employees help collect books for children from refugee families as part of the Breathe New Life into a Fairy Tale project. Together with Foodbank Rus volunteers, they collected and sorted 2,117 books, which were given to the children of families in disadvantaged communities. Magnit volunteers who took part in the project hailed from Krasnodar, Pskov, Voronezh, Lipetsk and Rostov-on-Don, with additional book donation events held in Cheboksary, Samara, Naberezhnye Chelny, St Petersburg, Volgograd, Shakhly and the villages of Kanevskaya.

Key social projects (continued)

Central and Northwestern federal districts

We continued to develop the Become a Blood Donor project, where our employees can volunteer to donate blood. Launched in Voronezh in 2021, the project attracted 40 Magnit donors, with more volunteers and cities joining it as the year moved on. In 2022, over 11,000 employees donated blood.

More than 300 DIXY employees became blood and component donors, including a woman from a St Petersburg store who donated blood 18 times for children in the bone marrow transplantation ward at Pavlov First St Petersburg State Medical University.

North Caucasian Federal District

In 2022, we launched a healthy lifestyle awareness project for schoolchildren in the Stavropol territory, including those from orphanages. The Choose and Buy Right initiative is backed by the region's Governor, Ministry of Economic Development and Ministry of Education, Rospotrebnadzor, and North Caucasus Federal University (NCFU). People from the NCFU and Rospotrebnadzor teach children to choose safe and healthy products at a store, while our employees present a practical approach to picking wholesome food in Magnit supermarkets.

Federal project

Magnit volunteers participate in Grandson by Correspondence, a unique project run by the Enjoyable Ageing Foundation. Magnit's volunteers send letters and postcards to retirement home residents, restoring the joy of communication and offering the elderly warmth and support. Over 5,000 seniors have found their pen pals, including among Magnit's staff.

Federal project

Magnit has a tradition of giving New Year presents to children in orphanages and hospitals across its footprint. On the last business day of 2022, Magnit's Director for the Siberian Federal District and Magnit Pharmacy COO visited a hospital and, together with its chief doctors, wished a happy new year to children who were to stay over New Year. The children received presents from Magnit. In the Altai territory and Omsk region, the children's ombudspersons handed over our gifts to disabled children and adolescents in rehabilitation centres, as well as to hospitals and large families. Together with the Ministry of Industry and Trade of Kuzbass, we gave out presents to children at the Adoption and Fostering Support Centre in Guryevsk and young patients at the Atamanov Clinical Hospital. Accompanied by employees and dressed as Santa Claus, the head

of Magnit's branch in Krasnoyarsk visited children in the Gemstones orphanage and presented them with gifts, including sweets. In Khakassia, Magnit teamed up with the Ministry of Economic Development to give presents to kids from large, low-income and foster families in Tiurt-Tas and Kartoyev, Askizsky district.

As part of New Year charitable activities, DIXY employees donated 15 tonnes of non-perishable goods to the Charity Foundation Association.

Southern Federal District

More than 80 volunteers from Magnit's Armavir branch helped orphans in the village of Maryino, while their colleagues from the Rostov West have been regular visits to an orphanage in Taganrog for several years. Prior to each visit, they raise money and buy clothes and home appliances which the orphanages need. The children receive toys and stationery.

In December, DIXY employees and Volunteers for Orphans held a charitable New Year fair, with 37 DIXY volunteers raising RUB 45,600, which was later donated to the foundation together with handmade toys.

Northwestern Federal District

In August–September 2022, we took pensioners on food awareness tours to Magnit supermarkets in Veliky Novgorod and Petrozavodsk.

The seniors learned about proper nutrition and food combinations, as well as how to ensure a balanced diet suited to their age. We highlighted wholesome foods sold at Magnit and acquainted with the necessary nutrition information on product packaging. After a tour, all participants received healthy food kits based on a dietitian's recommendations, including Magnit's own deli and other products.

Animal care

Southern, Central, Northwestern and Volga federal districts

Employees of our regional units voluntarily help animal shelters, visiting them to provide pet food, cereals, cleaning products, detergents and other staples. Our volunteers walk, train and play with the dogs. In March 2022, we visited the Krasnodog shelter for injured animals in Krasnodar. The dog and cat shelter is run by the Helping Homeless Dogs NGO and charity foundation in St Petersburg. We also helped the

Ancestors' Call dog shelter in the Moscow region, and the Flagman Vet veterinary centre in Samara. In the reporting year, 2,500 Magnit employees volunteered to support animal shelters.

Our nine supermarkets in Krasnodar collect pet food for homeless animals under the Kind Purchase project, which we run together with Mars Petcare. Customers can donate food in the checkout zone, with employee donations also accepted. The collected food goes to the Krasnodog shelter, which has received over 3 tonnes of pet food since the project was launched.

In August 2022, DIXY employees visited the Forest Shelter in Istra. 25 volunteers walked the dogs and handed over more than 3.5 tonnes of pet food, enough to last for the rest of the year.

In the reporting year, employees of DIXY's Volga division provided 500 kg of pet food to Vita, one of the largest shelters for homeless dogs and cats in Yaroslavl.

Events for magnit volunteers

In November 2022, our employees submitted more than 100 initiatives as part of the volunteer grant contest Good Deeds in the Neighbourhood. The expert panel approved ten volunteering projects, with their participants receiving grants to implement them.

In December 2022, over 70 of Magnit and DIXY's most enthusiastic volunteers took part in a major event run as part of the Good Deeds in the Neighbourhood project. Employees who had been implementing local volunteering initiatives throughout the year and the winners of the grant contest came to Moscow to discuss important matters related to arranging and planning their volunteering programmes for 2023. They also took part in environmental tours and the #WeTogether forum.

