

Managing occupational health and safety

Health and safety of our employees is the Company's priority. One of Magnit's strategic goals is to improve occupational health and safety and reduce the number of incidents. To that end, we optimise our safety assurance processes and adhere to Russian laws and internal regulations on occupational health and safety.

Our approach to management

GRI 403-1

The Occupational Health and Safety Management System is one of the Company's key management elements. In 2020, we made substantial improvements to operational safety at our logistics unit, which is most prone to such risks. In 2022, we continued our campaign to instil a strong safety culture across other units and kept employee injury rate as low as possible despite the headcount increase.

Safety management responsibilities are allocated to all heads of business units and specifically appointed officers. The Occupational Health and Safety Management System relies on a centralised approach, with goals and tasks cascaded from the top executives across the hierarchy down to line managers

The Occupational Health and Safety Management System covers all the Company's units, with all their employees and contractors. It focuses, among other things, on boosting professional skills and competencies of occupational health and safety engineers.

Magnit regularly reviews its Occupational Health and Safety Management System, with units assessed for compliance with occupational health and safety requirements monthly (logistics), quarterly (larger formats) and once in every three years (smaller formats).

The Company has developed and put in place a system of communicating occupational health and safety requirements to heads of units and store

managers. We monitor from time to time the performance of associated duties remotely on a selective basis. In addition, the Company engages external auditors to assess its Occupational Health and Safety Management System, with the latest assessment carried out in 2020.

Key documents

Internal regulations

- ▶ Environmental Protection and Safety Policy
- ▶ Occupational and Process Safety Policy
- ▶ Safe Vehicle Use Policy
- ▶ Fire Safety Policy
- ▶ Anti-alcohol and Anti-drug Policy
- ▶ Regulations on Occupational Health and Safety Management System
- ▶ Regulations on Employee Training
- ▶ Regulations on Medical Examinations
- ▶ Regulations on Accident Investigation

External documents

- ▶ Russian Labour Code
- ▶ Order of the Russian Ministry of Labour and Social Protection No. 223n On Approval of Regulations on Special Provisions for Investigating Occupational Accidents in Selected Industries and Organisations, Document Forms and Relevant Classifiers for Investigating Occupational Accidents dated 20 April 2022

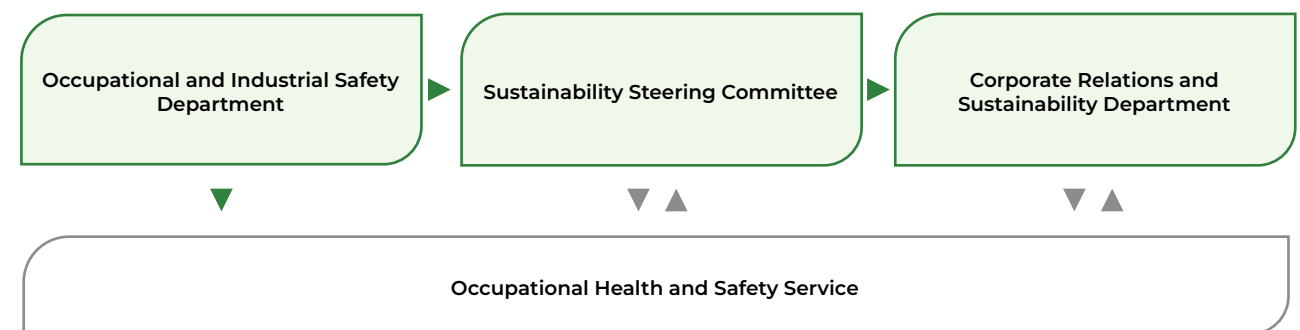
Material topics

- ▶ Respect of labour rights and safe working conditions

Priority UN SDGs



Governance structure



- ▶ Administrative subordination
- ▶ Coordination within the Sustainability Strategy framework and advisory support

Managing occupational health and safety (continued)

Strategic goal to 2025 2022 performance

50% reduction of lost time injury frequency rate, zero fatalities	LTIFR 0.5 ¹ FAR 0.009 ²
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Minimising risks

GRI 403-2

To mitigate relevant risks, the Company delves into the causes of accidents and occupational health and safety violations identified in the monitoring process. Based on the analysis results, corrective measures are developed and implemented. To make sure that occupational health and safety requirements are complied with and employees understand their responsibilities and safe work principles, the Company runs annual comprehensive checks.

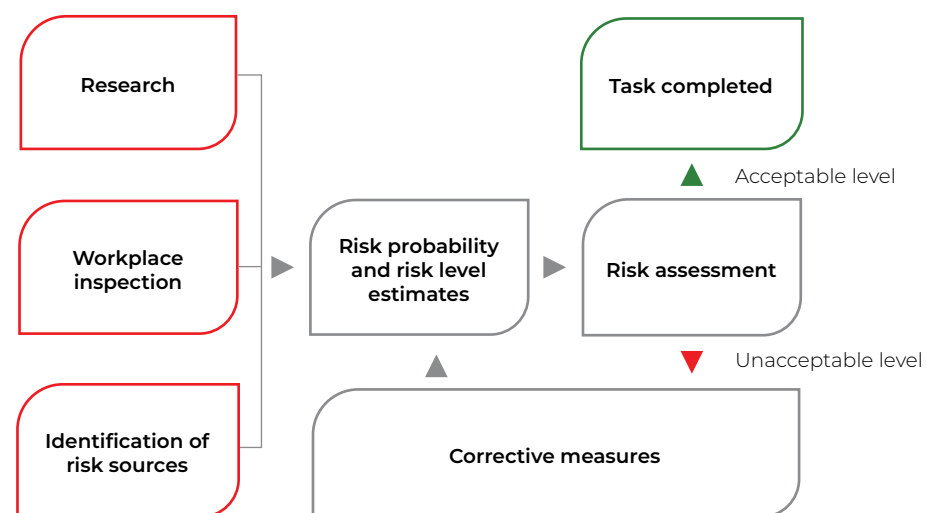
The Company's Safety Policy stresses the need for immediate action to eliminate occupational hazards or other circumstances causing damage to employees' life and health.

Hazard factors by business area and Magnit's responsibility

Retail facilities	Warehouse logistics	Transport logistics	Own production
<ul style="list-style-type: none"> Falling from height Getting injured while moving around the territory and laying out merchandise Conflicts 	<ul style="list-style-type: none"> Industrial vehicle accidents, accidents related to handling equipment Falling items Falling from height while moving around the territory Road traffic accidents 	<ul style="list-style-type: none"> Getting injured while moving transport packaging Getting injured by falling items Road traffic accidents 	<ul style="list-style-type: none"> Handling hazardous substances, unsafe employee behaviour
Accident prevention measures			
<ul style="list-style-type: none"> Employee safety training as regards their movement around the territory and handling of goods Special training for floor staff on safe behaviour in conflict situations 	<ul style="list-style-type: none"> Special training on handling equipment and machinery Assessment of working conditions, identification and elimination of hazards Safe behaviour training Training sessions on safe driving for driver staff 	<ul style="list-style-type: none"> Safe behaviour training Theoretical and practical training sessions on safe driving for driver staff Regular vehicle check-ups 	<ul style="list-style-type: none"> Dedicated briefings on handling hazardous substances

Hazardous situations are often caused by the behaviour of third parties. We take every effort to prevent accidents.

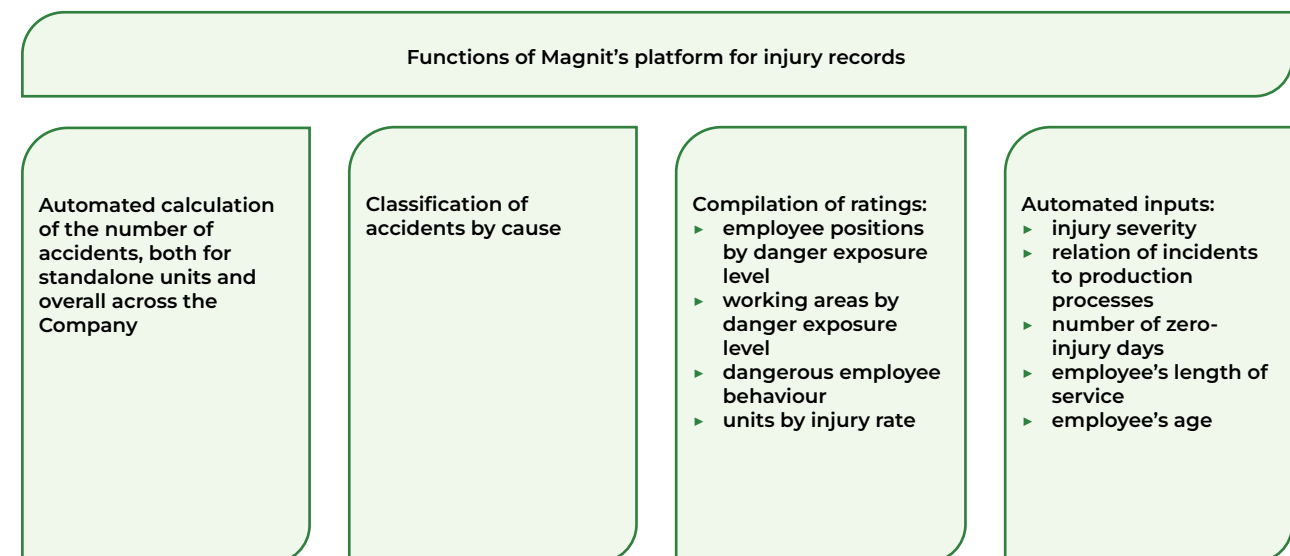
Magnit Group's risk assessment system



Reducing injury rates

Magnit has developed and implemented an automated platform, which enables it to rapidly accumulate, process and analyse data

on injuries and build visualised statistics. All information on injuries is uploaded to the platform and displayed in chronological order.



¹ Lost Time Injury Frequency Rate.
² Fatal Accident Rate.