

Recruitment, training, and development

Recruitment

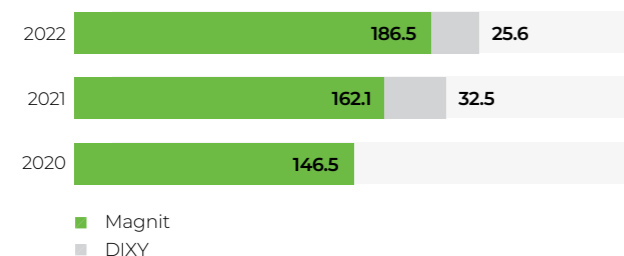
As our Company grows, opens new stores and expands its geography, we are constantly looking for new talent. When hiring new staff, we evaluate all applicants based on their professional merits, without discriminating them by gender, ethnicity, age, political or religious beliefs, and treat everyone equally.

We offer potential employees attractive wages, social support, a friendly corporate culture and favourable working environment.

Magnit's recruitment tools

- ▶ Magnit's recruitment website <https://rabota.magnit.ru/shop> and other dedicated websites
- ▶ Social media
- ▶ Targeted advertising
- ▶ Unified AI-driven recruitment system.

New hires at the Magnit Group, thous. people



In 2022, the number of the Magnit Group's new employees increased by 15% to 212,100. This was mostly driven by the expansion of our retail network.

▲ For more details on our newly hired personnel structure, see the Appendix to the Our Employees section.

Cooperation with the state employment centre

In the reporting year, Magnit and the Moscow Employment Centre entered into a cooperation agreement to source and select candidates to meet the Company's needs. A recruitment centre will be set up in Moscow to source and select candidates for Magnit. It will be powered by state-of-the-art digital technology that will make the process as fast and effective as possible and help us share and exchange information with the Employment Centre. Our experts will train the Centre's staff in recruitment specifically for the retail sector, provide guidance, and share job interview scenarios.

Dream job

In 2022, we went ahead with our Dream Job project. This is an official employment programme for 16–17 year old children of our employees at Magnit Cosmetics stores in the Central District of Russia. Colleagues train and intern young people in stores, talk about the Company and the format, and share their work experience and stories of success at Magnit.



Training and development

In 2022, we conducted 32.5 hours of training per employee, with training courses and seminars delivered across various operational divisions and staff levels, including training in health and safety, corporate ethics. The Company's training programme with the broadest coverage is on occupational health and safety, with more than 131,000 employees trained in 2022. The total number of Magnit employees who received training under professional development and retraining programmes reached nearly 7,300. More than 12,400 people took part in corporate ethics trainings.

In 2022, the primary focus was on training programmes involving internal resources and the development of programmes featuring individuals in positions of leadership as trainers.

GRI 404-1

Corporate training programmes

Metric	2022
Average training time (all types) per employee, hours:	
managers, experts, and other office staff	32.5
Total training time per employee, thous. hours, including breakdown by gender:	9,737
▶ men	2,921
▶ women	6,816
Number of employees who received training under professional development and retraining programmes, thous. people:	7,289
managers, experts, and other office staff who received training under professional development and retraining programmes;	7,289
Number of employees who received training in occupational health, people¹	131,335
Number of employees who received training in corporate ethics, people	12,414
Total number of employees who completed all types of training, employees	411,618

32.5 training time per employee, hours

131 thous. participants training programme with the broadest coverage is on occupational health and safety

¹ The data covers managers, experts, and other office employees who took pre-certification training in occupational health and safety, etc. The number of employees trained is specified in individual training cycles (if one person was trained twice, they are counted twice).

Recruitment, training, and development (continued)

GRI 404-2

Magnit's Corporate Academy

In 2020, we launched Magnit's Corporate Academy, with a goal of centralising all training and development activities at Magnit. The Academy has various faculties to train staff members in a specific corporate business area. Its instructors include internal Academy specialists, invited experts, and experienced Magnit employees. The Academy's headcount totals 108 people. The Corporate Academy issues state diplomas and certificates upon completion of special programmes: it is

licensed to conduct educational activities by the Russian Ministry of Education and Science.

The Company needs to train employees quickly and effectively and to provide continuous education for them going forward. We develop and run educational programmes for our personnel in order to keep their skills and expertise in line with the Company's goals and objectives, requirements of the labour market, expectations of consumers and society

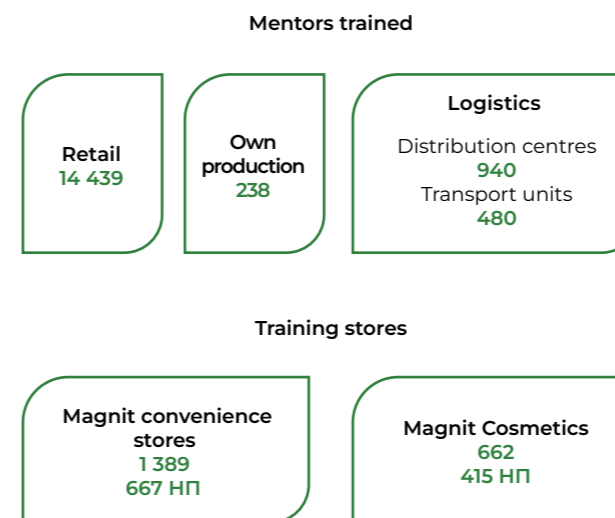
as a whole. We have vast experience in training, with over 30,000 people trained each year. We value our employees' willingness to gain skills and experience and to grow with us.

Magnit's Corporate Academy

<p>Category Management Faculty</p> <ul style="list-style-type: none"> ▶ Category Review programme developed ▶ Effective communication and negotiation courses 	<p>Own Production</p> <ul style="list-style-type: none"> ▶ Training programmes on agricultural and production technology ▶ Mentoring programmes
<p>IT Faculty</p> <ul style="list-style-type: none"> ▶ Managerial competencies development training ▶ Training in technical expertise with invited specialists 	<p>Logistics Faculty</p> <ul style="list-style-type: none"> ▶ Courses on safety culture, supply chain technologies, and management competencies in logistics
<p>HR Faculty</p> <ul style="list-style-type: none"> ▶ Training in Agile and product approach for HR ▶ Business process re-engineering 	<p>Retail Faculty</p> <ul style="list-style-type: none"> ▶ Professional training programmes on work processes and courses in managerial competencies in retail for executives

Corporate Academy highlights in 2022

- ▶ We continued to build our mentoring culture: we organised over 1,200 visits to training stores for our employees, held motivational meetings between mentors and new hires, and trained mentors. We introduced a mentoring system in our logistics unit and at our production facility (Kuban Factory of Bakery Products). On top of that, we launched an automated bonus system for mentors in retail stores.
- ▶ We developed and implemented new training programmes for retail employees, including induction trainings, as well as trainings on 132 topics related to innovations at Magnit. Retail managers improved their professional competencies, learned new management techniques and took practical training.
- ▶ We launched the Power of Leadership talent development programme for managers. In 2022, a training course for 60 middle managers (grade 14) was successfully implemented and a course for 46 top managers (grades 15 -16) was launched. As part of Leadership Workshops offered for the talent pool members, 110 managers from various functions underwent management skills training in 2022. Leadership Workshops feature Company managers as trainers, leveraging in-house training and coaching expertise.
- ▶ In 2022, we made progress in the training of logistics staff and employees at our own facilities: we introduced new e-learning programmes for rank-and-file employees and held management webinars for management teams at production facilities.
- ▶ We designed more than 60 pieces of training content and delivered 247 training sessions, 2 seminars and a held a Speaker Club session for IT units.



Recruitment, training, and development (continued)

Retraining programme

In 2022, Magnit's Corporate Academy launched a retraining programme for professionals from various retail segments and people who have lost their jobs and distressed people. Under the programme, subsequent employment is offered. In particular, we provide training to those working in fashion retail, construction materials, household goods, and catering, etc. Our retraining programmes include both theory and practice, feature online learning technology and a robust onboarding and mentoring system.

All digital learning opportunities are available to future professionals: the corporate training system's mobile app, training on dedicated digital platforms.

In logistics, would-be drivers take a mandatory course on Safe and Fuel-Efficient Driving, practise skills with instructing drivers and join the ranks after they pass all the tests.

DIXY

DIXY, which became part of Magnit Group in 2021, works hard to train staff. In the reporting year, basic training programmes were developed and implemented for each level of positions in a store. Professional training covers 80% of new DIXY employees.

DIXY is introducing a mentoring culture and provides hands-on training for newcomers supported by experienced employees for all positions in a store. In the reporting year, DIXY developed a mentoring methodology according to which 246 mentors were trained and certified.

The company assessed the knowledge of experienced retail employees with a randomised testing tool which helped identify areas for development and provide additional training. To keep the quality of our work at a high level, we launched an online channel for direct communication between sales vertical managers and experts; we are also developing additional training programmes for DIXY employees.

Business school

This is an ambitious initiative implemented in the Central Federal District where Magnit provides trainings, works on a variety of projects to improve the leadership and professional skills of the managers working in the district. As part of the initiative, we have already conducted an offline training for the district's territorial managers, an offline conference on operations and HR, a two-day offline Effective Management training for the district's functional managers featuring a guest speaker, and online training sessions. Moreover, the School has developed a framework to provide individual feedback to participants from the District Director, HRD and the format's COO. Its purpose is to discuss performance, draw special attention to strengths and weaknesses, set the right course of action and draw up a quality customised development plan.

Each participant is assigned a project for which they are responsible and which they develop not only in their own territory but also across the whole district. The projects included programmes such as Contactless Acceptance, Everything in the Box and Active Magnit Cosmetics Sales

Magnit Group employees take an active part in volunteering activities, helping socially disadvantaged groups, holding environmental events and supporting animal shelters.

▲ For more details on Magnit's volunteering projects, see the Engaging with Local Communities section, page 121–123.

Corporate culture

Benefits and financial support

Our employees enjoy a wide range of benefits and social programmes, including compensation of expenses, insurance programmes, financial support, discounts, etc.

In 2022, Magnit spent a total of RUB 130.9 mln on employee health insurance, up 45% YoY, as the number of insured employees had grown.

