

Health and well-being

As part of our sustainability commitments, we prioritise customer health. In doing so, we expand the range of healthy products in our stores and promote a healthy lifestyle among our customers and employees.

Our approach health and well-being

GRI 416-1

Due to the scale of our operations, Magnit has a unique opportunity to develop and promote healthy lifestyles among our customers and employees, as well as other stakeholders with which we engage. We raise awareness of healthy living through our own channels or joint projects with our partners and continue to grow the share of healthy products across our shelves. We also implement these initiatives at our production sites and as part of cooperation with suppliers.

Material topics

- ▶ Ensuring consumer health and safety
- ▶ Increasing the number of customers and employees committed to healthy lifestyles

Priority UN SDGs



National project

- ▶ Healthy Nutrition federal project as part of the Demography national project

Key documents

Internal regulations

- ▶ Health and Wellness Policy
- ▶ Quality, Food & Non-Food Safety Policy
- ▶ Code of Participants in United for Healthier Future Initiative

External documents

- ▶ Government product quality assurance and product labelling requirements (GOST)
- ▶ World Health Organisation (WHO) healthy lifestyle guidelines
- ▶ Commitments of responsible companies to ensure the availability of healthy foods (Tokyo Nutrition for Growth Summit 2021)

Strategic goal to 2025

Information about healthy lifestyle and nutrition is available to all of consumers

Healthy food Related products are available to all of consumers

2022 performance

We keep reaching out to more Russians as part of our own initiatives or partner educational projects in healthy lifestyles.

Health Islands and display units for healthy eating products in our stores increased from 228 in 2021 to 476 in 2022.

In 2022, sales of gluten free and sports foods went up by 85% and 142%, respectively

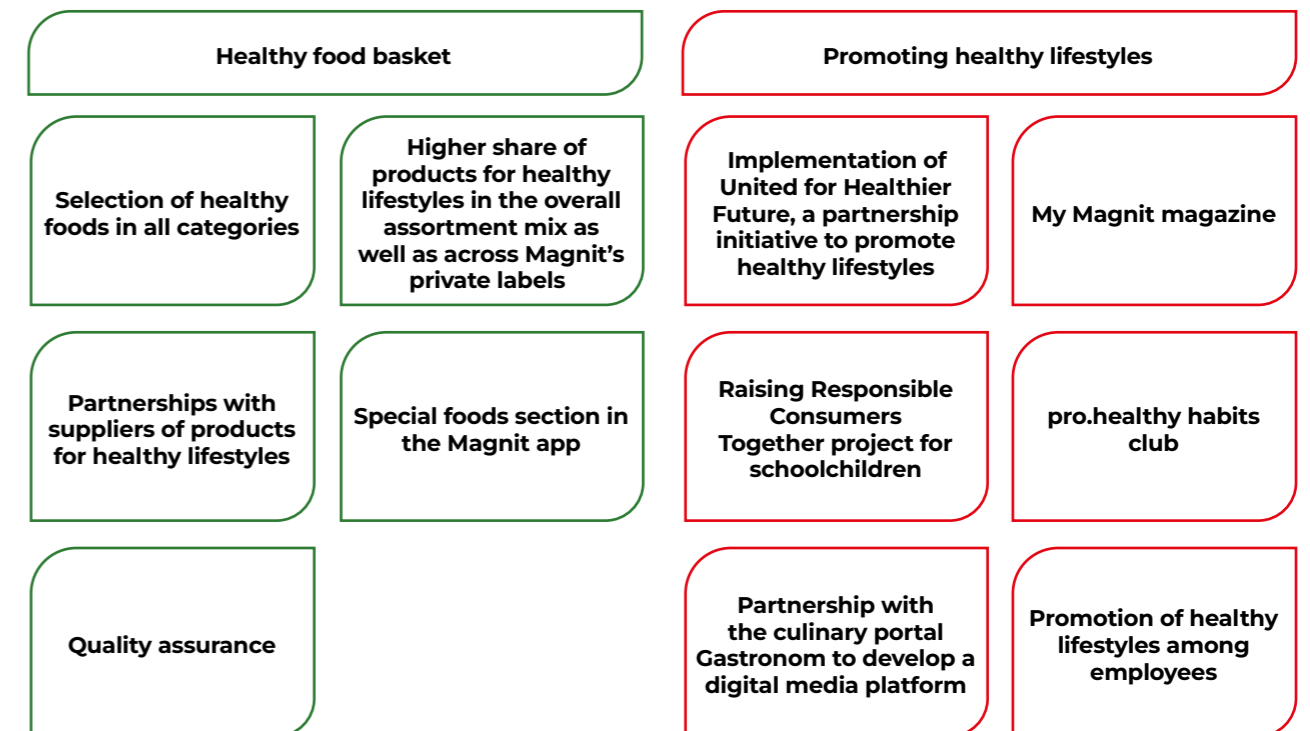
Gross sales of healthy lifestyle products increased by 16% YoY to RUB 1,078.6 mln, while respective LFL sales in the reporting year went up by 11.5% to RUB 1,023.8 mln.

Promotion of healthy lifestyles

We promote healthy lifestyles by providing customers with access to healthy, safe and quality products, as well as information on healthy nutrition and a

balanced diet. This commitment is enshrined in the Company's 2025 Sustainability Strategy.

Our approach to public health and well-being



¹ Data for larger formats.

Health and well-being (continued)

Healthy food basket

According to our survey, 80% of our customers place health over financial considerations, considering it their top priority. We seek to meet the needs of our customers by enabling them to buy foods in line with WHO's nutritional recommendations and their individual requirements. That said, we seek to expand the range of healthy foods on our shelves. In 2022, healthy lifestyle products made up 27%.

We are developing our own brands specifically designed for those who are committed to living a healthy lifestyle. Our Magnit Freshness brand offers over

80 SKUs in dairy, vegetables and fruit categories which we grow in our greenhouses in Russia's southern Krasnodar territory.

We continue to expand the in-store selection of healthy foods and have installed dedicated Health Islands in all of our supermarkets and hypermarkets. The most popular products are protein bars, sweeteners, gluten-free products, superfoods and diet foods.

Starting in July 2022, we began installing dedicated display units, featuring healthy lifestyle products, in our convenience

healthy lifestyle products made up **27%** of products sold under private labels

stores. Initially, these product corners will offer 60 SKUs and will be introduced in 530 stores across 332 locations in Russia.

Healthy food basket



Basic groceries

fruit, vegetables, cereals



Special foods

dietary and diabetic foods



Portion-sized products

pasta, tea, coffee, juice

Our own organic production

In early 2023, we received a Russian quality system (Roskachestvo) certificate confirming that our white mushrooms comply with all organic production requirements. No traces of genetically modified organisms, pesticides or soil amendments were found in our greenhouses. We shared an in-depth disclosure of how we cultivate, store, and transport our white mushrooms.

Magnit became Russia's first retail chain with in-house organic production capacities. The quality certificate proved that our mushrooms are of the highest quality and can be labelled as organic produce. Going forward, we plan to obtain such certificate for other mushrooms and vegetables grown in our greenhouses.

Healthy lifestyle initiatives

Russians are paying greater attention to their health. We support our customers and employees in their pursuits of healthy living by educating them on relevant principles and encouraging them to join our varied programmes.

individuals and their families, and environmental sustainability. As part of the initiative, we aim to raise awareness about healthy food choices; offer products with reduced sugar, salt, and fat; promote smoking cessation; and encourage proper care for the body, home, family, and pets.

United for Healthier Future

We have partnered with leading FMCG manufacturers to launch the United for Healthier Future initiative, which aims to promote responsible nutrition, health awareness among

Our commitments as part of United for Healthier Future

Education	To provide information to consumers and employees that support raising health awareness, encouraging more responsible consumption, and increasing interest in balanced nutrition, healthy living, disease prevention, and environmental care
Availability	To offer consumers goods, comprehensive solutions, and services aimed at increasing the attractiveness, accessibility, and affordability of healthy living and environmental care. Members of the initiative also strive to increase the share of food and associated products for healthy living and environmental care in the consumer basket.
Partnerships	To remain open to cooperation with retailers, FMCG producers, public authorities, research institutes, and other stakeholders with a view to sharing relevant experiences in promoting healthy living and environmental care.
Research	To support studies aimed at identifying consumer trends and the level of consumer awareness with regard to healthy living and environmental care.

Health and well-being (continued)

The initiative's first project was Raising Responsible Consumers Together launched jointly with a partner in 2021. It was part of the Good Nutrition Talk educational programme, which seeks to educate children aged 7-12 on the basics of a healthy diet. The project is running at 648 schools across 60 Russian regions with the support of regional education departments and the Federal Research Centre for Nutrition, Biotechnology and Food Safety.

▲ For more details, head to <https://www.prav-pit.ru/healthy-consumer>

Walking for health

For the second year running, we partnered with the Ministry of Labour and Social Development in Russia's Novosibirsk region to promote healthy lifestyles among elderly citizens. Our colleagues helped retirees complete a specially designed walking route in the 1st of May Park in Novosibirsk as part of the Walking for Health campaign. Magnit employees supported participants by guiding them along the route, offering sports equipment and accompanying them to rest areas.



Healthy lifestyle marathon

In the reporting year, we organised the Magnit of Habits Healthy Lifestyle marathon for our customers. The initiative sought to help customers adopt wholesome habits, such as a balanced breakfast in the morning, care for mental well-being, an effective day planning and good sleep. To keep in touch with the participants, we created a chatbot in the Magnit of Habits community on Russian social media VKontakte where experts shared their experience in video and audio formats and published clear and simple assignments. To engage with more people, every day we gave away thousands of coupons with discounts on certain product categories while also awarding bonus points to Magnit loyalty cards.

In five weeks, 786,000 marathon participants developed 15 healthy habits, took 20 lessons, attended five webinars held by Magnit ambassadors and experts, and took advantage of specially designed checklists.

▲ For more details on Magnit of Habits, see the Responsible Marketing Practices section on page 81.



Healthy lifestyle projects for employees

For Magnit, employee health is of great importance. In 2022, we kicked off a series of free corporate webinars on healthy eating, product choices and health care. The speakers included nutritionists and eating behaviour experts. The programme is very popular among our employees.

Promoting a healthy lifestyle on our mobile app

We set up a 'pro-healthy habits club' in Magnit's mobile app. The club provides a wealth of resources for members, including information on healthy lifestyle trends, expert advice, video tutorials, free workshops led by beauty experts, and a collection of healthy and delicious recipes. In addition, our app users enjoy access to increased bonuses for purchasing health and beauty products, personalised promotions, exclusive contests and giveaways, and special offers from club partners.

We also added a Healthy Nutrition section in our delivery app to enable a fast and easy delivery of healthy food products

▲ For more details, head to <https://magnit.ru/info/beauty/>

Healthy Lifestyle Media

For two years we have been publishing the My Magnit magazine exploring topics of healthy eating, quality products and healthy lifestyles. In the reporting year, we joined forces with the team at leading food media outlet Gastronom to launch a digital platform on food and healthy lifestyles as part of the www.gastronom.ru project, as well as a dedicated social media community and channels in messengers. This partnership will enable Magnit to attract new audiences, enhance its communications with customers, and potentially create an additional source of both online and offline customer traffic.

▲ For more details on My Magnit, head to <https://magnit.ru/magazine/>.

▲ For more details on Gastronom, head to <https://www.gastronom.ru/>.

For Magnit, employee health is of great importance