

Business model

Focus on caring for our customers

Our stakeholders

Customers ~17 mln customers daily	Employees >360 thous. people employed by the Company ¹	Suppliers >5 thous. suppliers	Shareholders ~300 thous. shareholders ³	Government and regulators Magnit liaises with executive and legislative government agencies nationally and regionally in strict compliance with applicable laws, acting as the industry's number one expert.	Local communities Magnit aims to integrate sustainability principles into all aspects of its operations.
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Our Sustainability Strategic Framework sets an ambitious goal for embedding sustainability in every aspect of the business and its processes across five key areas.

The number one employer in the industry 	Leadership in environmental impact reduction 	Creation of a 100% responsible supply chain 	Positive impact on the quality of life of all Russians 	Improvement in the quality of life for consumers and local communities
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Our strengths

Multiformat and omni-channel

>29 thous.

stores, including convenience stores, supermarkets, drogeries, discounters, and pharmacies

76.4 mln

participants of the cross-format loyalty programme

42%

customers shopping across more than two formats

>12 mln

monthly active users (MAU) of Magnit's mobile app

Recognised supreme quality and breadth of range

~5.5 thous.

private label SKUs

20%

share of private labels in sales

175

quality control laboratories

3,590

laboratory tests per year



Own production capabilities and private labels

6

agricultural complexes

51

private labels

One of the largest supply chain networks in Russia

1.9 mln sq. m

of warehouse space

5.7 thous.

trucks

14

production facilities

45

distribution centres

in 7

federal districts

Value for our stakeholders

Everywhere for our customers <ul style="list-style-type: none"> Adapting existing and creating new formats tailored to specific customer needs in different localities Implementing CVM² tools Developing online shopping and delivery services Improving availability of goods by leveraging new technology and communications development <p>~RUB 7 bln of discounts offered to pensioners in 2023</p> <p>1,078 stores redesigned in 2023</p>	Rewarding our employees <ul style="list-style-type: none"> Stable wages Employee benefits and perks Professional and career growth opportunities for employees at all levels <p>38 hours of training in Magnit's Corporate Academy per employee per year</p> <p>81% employee satisfaction rate</p>	Cooperating with our suppliers <ul style="list-style-type: none"> Engaging local suppliers Inviting supplier representatives to work at Magnit's offices Special cooperation conditions with farming enterprises <p>86 business events held for suppliers</p> <p>>2.5 thous. local suppliers >170 farming partners</p>	Delivering returns to our shareholders <ul style="list-style-type: none"> Strong capital discipline with a focus on returns in all investment decisions <p>42% ROI of new store openings⁴</p> <p>RUB 42 bln amount of dividends announced in 2023 and paid after the reporting period</p>	Economic contribution <ul style="list-style-type: none"> Supporting social and economic development in the regions of operation Hosting regional procurement sessions Making timely tax payments <p>RUB 172 bln of taxes paid in 2023</p>	Supporting local communities <ul style="list-style-type: none"> New jobs Social and charitable programmes in the regions where we operate Reducing environmental impact <p>~RUB 600 mln committed for charitable efforts</p> <p>1,530 tonnes of products distributed under charitable projects</p> <p>31% reduction in specific CO₂ emissions⁵</p>
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¹ As at December 2023.

² CVM – customer value management.

³ As at December 2023.

⁴ ROI = OCF for the year with the ramp-up phase / CAPEX.

⁵ Vs the 2019 base year.