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Communities

CARE  
RESPONSIBILITY

RETAIL WITH PURPOSE  
COMMUNITY RESPONSIBILITY  
CARE ECOLOGY  
ECOLOGY HEALTH RESPONSIBILITY  
HEALTH  
CARE RESPONSIBILITY  
ECOLOGY  
CARE



# Communities

We depend on thriving local communities to continue to prosper. Caring for people has been at the heart of all we do since the start of our business. By providing access to affordable, quality products we make a positive impact on the life of our customers and take care of their health and wellness.

We create jobs and provide regular revenue streams to local budgets in the form of taxes, thereby contributing to the development of local infrastructure and the improved well-being of local communities. Magnit is also committed to promoting volunteering and charity programs and helping people in emergency situations.



As a socially responsible business, we have identified special focus areas in our sustainability strategy that are aimed at improving the quality of life of Russian citizens, and have set the following goals:

10% of our people to be involved in volunteering

BEGINNING THE JOURNEY

Community programs to be available in all regions where we have a presence

GOAL ACHIEVED



# Volunteering

## and charity

Volunteering at Magnit illustrates clearly how we care about people. Volunteering is not only an opportunity for the Company to create an atmosphere of support and mutual assistance among the staff and encourage leadership, but also a way to support the most vulnerable groups when they most need it.

The tight restrictions on movements and considerable changes in our habitual way of life during the coronavirus pandemic in 2020 highlighted the need for relevant and timely volunteering efforts. That is why, during the reporting period, the Company decided to rearrange its volunteer initiatives to meet the interests of stakeholders and based on the feedback received from them.

For this purpose, it conducted a large-scale survey among stakeholders in 2020 to find out their opinions on ways to improve volunteering at the Company. The Company interviewed about 11,500 employees and top managers, and examined internal documents and other companies' volunteering initiatives. The survey showed that 66% of employees were in favor of the Company's involvement in charity and volunteering and recognized the need for creating favorable conditions for an expansion of volunteering efforts.

Based on the survey findings, the Company is set to draft Corporate Volunteering Regulations in 2021 to outline key volunteering focus areas, arrangements and targets.

In 2020, Magnit adopted a Charity, Sponsorship and Volunteer Policy to define the standards and key focus areas of its charity, sponsorship and volunteering activities. It describes the goals, key areas and procedures for charity, sponsorship and volunteering activities, as well as sources of funding.

In 2020, Magnit embarked on a volunteering journey to help senior citizens weather the COVID-19 pandemic. Our staff in Samara noticed that an elderly man, a regular customer, had not turned up in his local store for several days. They found out the man's address from social services and delivered groceries to his doorstep. That marked the beginning of a volunteering initiative called Doing Good for Locals involving 3,000 employees in 138 cities. Volunteers relied on <https://its-help.ru/> — an online platform developed in collaboration with Itsumma to exchange information and coordinate their activities. Going forward, Magnit intends to use this platform for coordinating other volunteering campaigns. We encourage our people to take the initiative and come up with volunteering ideas that we are happy to support and help bring to life.

Inspired by the success of the campaign, Magnit launched a pilot project for a large-scale corporate volunteering program named "Good Deeds in the Neighborhood." The Company encouraged its employees to take the initiative, guaranteeing its support and assistance for volunteers' activities.

Volunteers across the country selected priority aid recipients and decided on the types of assistance needed. In cooperation with local non-commercial organizations that included over ten charities, orphanages and associations, volunteers collected aid for recipients.

The Company supported socially vulnerable people in need and dozens of animal shelters in 13 cities. Campaigns took place in all federal districts in which the Company has its presence. Volunteers were free to decide on aid recipients and the types of aid needed. They distributed more than 80 cartons of aid, held a contest for seniors and collected more than 200 gifts and letters for elderly people. In all, more than 500 employees were involved in the campaign.

To promote corporate volunteering and make employees and the public aware of campaigns and benefits, Magnit hosted a "Good Deeds in the Neighborhood" online talk show on 5 December 2020, International Volunteer Day for Social and Economic Development.



Initiative Doing Good  
for Locals involved  
**3,000**  
employees in 138 cities

### Magnit.Care (#МагнитЗабота)

In April 2020, Magnit announced the launch of the With Care from Magnit (#МагнитЗабота) campaign to help out socially vulnerable groups during the pandemic. We have provided support to single elderly people, disabled persons using in-home care services, families with disabled children, socially disadvantaged families, large low-income families, single parents with low income and other groups.

We partnered with local authorities to deliver 350,000 emergency food parcels in 24 Russian regions.

Each parcel contained an average of 10 durable items, such as cereals, tinned meat, sunflower oil, tea, confectionery, etc.

Magnit's initiative enjoyed nationwide support, with local branches of Mondelēz International, Coca-Cola, Mars and Mistral contributing products. In some regions, the Foodbank Rus charity helped to make up food parcels.

Magnit was given Retail Week's Social Responsibility award in recognition of its effort.

As part of the Magnit.Care (#МагнитЗабота) campaign, Magnit partnered with the Health Ministry to issue loyalty cards for health care workers who experienced the daily challenge of preventing and treating coronavirus. The holders of loyalty cards earned reward points equivalent to 20% of each purchase made at any Magnit store, and could then use them to pay

for up to 100% of the purchase price when shopping at Magnit stores of any format. Loyalty cards were granted to 150,000 health care professionals working in a "red" area. Magnit also delivered coffee variety packs to hospitals in 30 Russian regions.

## Volunteering and charity (continued)

The show garnered 125,000 views on Vkontakte, Odnoklassniki, Facebook and Instagram.

The Company's slogan for 2020 was "Magnit is on Duty for the Country." While COVID-19 brought most business activity to a halt, we remained on duty, ensuring non-stop access to products and caring for those who found themselves in a difficult situation due to the pandemic.

Trolley of Goodness is another initiative, organized in collaboration with the All-Russia People's Front (ONF) to support seniors and people with impaired mobility in self-isolation. Special trolleys were placed in Magnit stores in 26 Russian regions so that

shoppers could fill them with food they wanted to donate after checkout. When a trolley was full, volunteers would wheel it away to make up food parcels and deliver them to eligible recipients on lists downloaded from the ONF.Assistance system.

In November 2020, Magnit joined Food Card, an initiative to support vulnerable families with children. This is a joint project delivered by the Foodbank Rus charity, Magnit and Humanventure and supported by ONF and local social care agencies. The holders of food cards issued by Foodbank Rus could purchase up to RUB 1,000 worth of food every month. Each family had an individual account, with 1,000 reward points credited to it every month so that they could make food purchases at Magnit stores.

We haven't forgotten about animals, as they are also struggling in this time of crisis. We teamed up with Mars and a charity called Rescue Animals from Yoke (RAY), to launch a charity campaign whereby customers buying Mars cat food at Magnit stores could donate money towards food for animals staying at shelters by registering their receipt on catday.ru. At the end of the campaign, all collected donations were given to RAY.

In 2020, Magnit continued its participation in the Right to Happiness (#ПравоНаСчастье) campaign that is run in collaboration with the baby food brand Agusha and the Naked Heart Foundation. One ruble was donated to the Naked Heart Foundation for each sold item tagged #ПравоНаСчастье.



Big educational broadcast about volunteering with a coverage of

**125,000**  
people

Large-scale campaign **"Kind neighbor"** to help the elderly in the delivery of food during the period of self-isolation.

Large-scale Volunteer survey of more than

**10,000**  
respondents

### The Kind Bunny

Magnit was the first retailer to support the Kind Bunny volunteer project in Novgorod aimed at teaching sales assistants basic skills in communicating with people with disabilities and rendering first aid in emergencies. Those employees who have received training wear special badges, while Kind Bunny stickers on the entrance doors indicate special attention to disabled customers.

**3,500**  
Number of volunteer  
employees

**10** regional  
volunteer pilots  
in three main areas:

**Assistance to low-income families,** single elderly people and children with serious illnesses

**Helping homeless animals** in shelters

**Participation** in environmental events