



• CHAPTER 3 •

Our employees

Our employees

Material topics

Training and developmen

Diversity and inclusion

Personnel management and decent working conditions

Human rights

Priority SDGs

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GOOD HEALTH AND WELL-BEING

8

DECENT WORK AND ECONOMIC GROWTH

UN Global Compact principles

No, 3-6: Labour

2021 highlights

In 2021, we developed and launched our HR Strategy with the main purpose of becoming the private employer of choice in the Russian retail sector.

Corporate Academy

saw the launch of new faculties and educational programmes, offering additional competency building opportunities to employees.

Setting the priorities in the corporate culture,

including care for colleagues, teamwork, flexibility and openness to change.

Development of hybrid work options

following a survey of over 7,000 employees on their preferred format.

Successful completion of an employee engagement survey

that covered over 71% of the total headcount.

Corporate Academy

saw the launch of new faculties and educational programmes, offering additional competency building opportunities to employees.

Retail with Purpose,

Magnit's digital ESG training course, has been successfully completed by more than 17,400 employees and will become mandatory for new hires.

Magnit spent a total of RUB 994 mln on employee benefits and other allowances in 2021.

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Dinamycs of target indicators

| Strategic goal to 2025 | 2021 performance |
|--------------------------------|--|
| 40% max turnover rate | <div>64.4% 53.3%</div> <div> </div> <div>2019 2021</div> |
| 70% employee satisfaction rate | <div>72.6% 72.1%</div> <div> </div> <div>2020¹ 2021</div> |

¹ FIRST CORPORATE SURVEY OF 2020

Key documents

Magnit's policies and documents

Code of Business Ethics

Human Rights Policy

HR Strategy

Internal Workplace Regulations

Regulation on Remuneration

Regulation on Remote Working

Regulation on Digitalisation of Labour Documents

External documents

Russian Labour Code

Governance structure

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graph TD
    SSC[Sustainability Steering Committee] --> CRS[Corporate Relations and Sustainability Department]
    SSC <--> HR[HR Department]
    CRS -.-> HR
    
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→ Administrative subordination

→ Coordination within the framework of the Sustainability Strategy and advisory support

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2021

magnit.com

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Our approach to management

Our aspiration to become the No. 1 retailer in Russia and improve the quality of service for our customers would be impossible to fulfil without a strong team. Employees are the core of Magnit and the force that drives us towards industry leadership.

We employ about 360,000 people and bear responsibility for providing a comfortable working environment, fair pay and social support to our employees. Our ambition is to be the No. 1 retail employer in Russia for our hires, making a positive impact on the quality of their lives and professional development.



To achieve its ambitious goals, the Company has developed an HR Strategy:

Type of employee

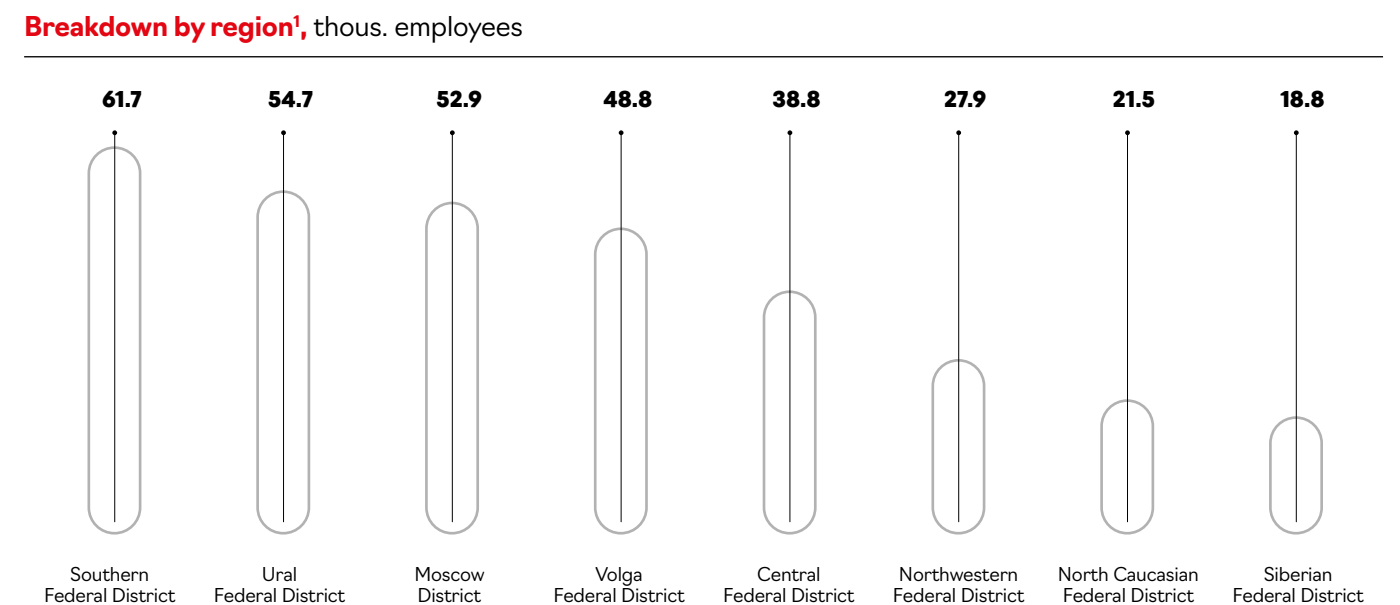
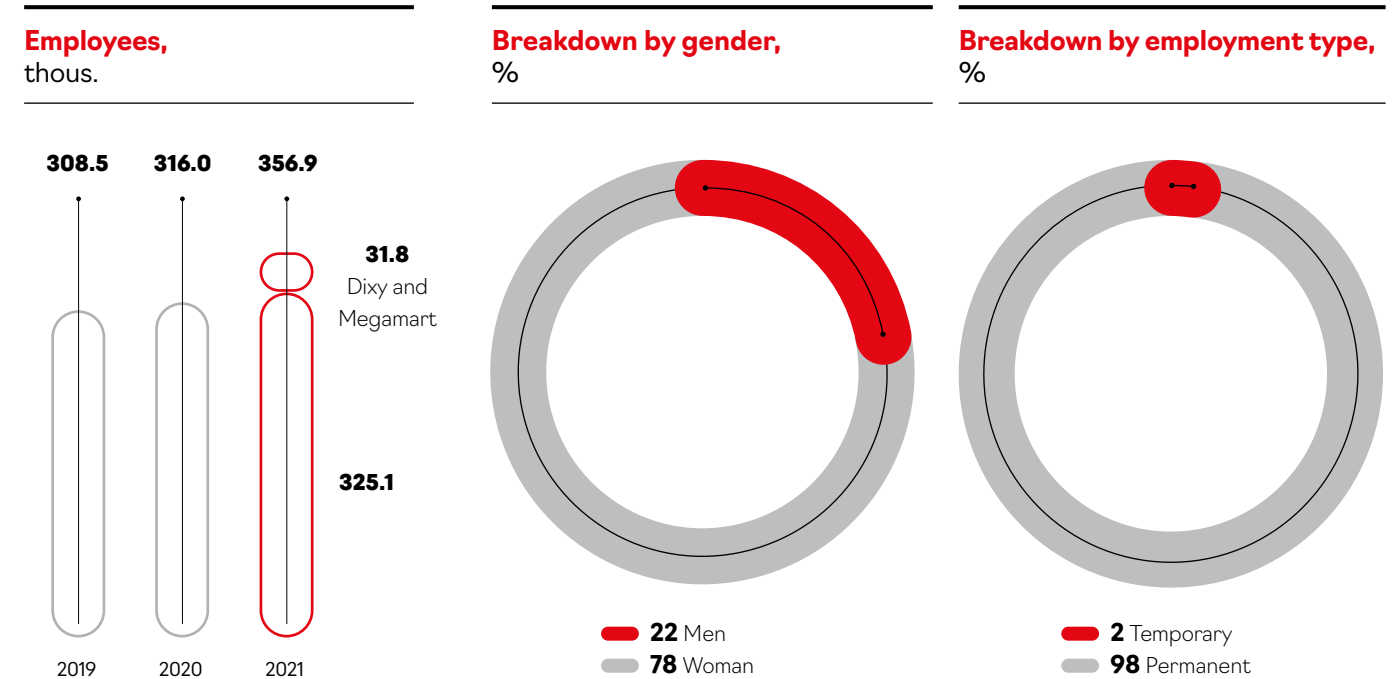
| Top management | Employer brand | Corporate culture | Team & Talent | Effective org. design | EVP & HR service level | Systems & Data |
|-------------------------------|---|--|--|---|--|---|
| | <ul style="list-style-type: none">– Employer brand revision and promotion | <ul style="list-style-type: none">– Constant employee feedback collection | <ul style="list-style-type: none">– Performance management | <ul style="list-style-type: none">– Flexible organizational design | <ul style="list-style-type: none">– Remuneration structure | <ul style="list-style-type: none">– SAP HCM |
| Middle management and experts | <ul style="list-style-type: none">– IT recruitment center creation | <ul style="list-style-type: none">– Internal communication system development (via HR App) | <ul style="list-style-type: none">– Talent management and succession planning programs | <ul style="list-style-type: none">– Standards of organizational management update | <ul style="list-style-type: none">– Benefits and well-being programs | <ul style="list-style-type: none">– Electronic HR document flow |
| | <ul style="list-style-type: none">– New recruitment tools implementation | <ul style="list-style-type: none">– New hybrid and distant working regimes | | <ul style="list-style-type: none">– Authority model and process management | <ul style="list-style-type: none">– Personnel costs management | <ul style="list-style-type: none">– Work Force Management (WFM) tools |
| Tech and digital employee | <ul style="list-style-type: none">– Constant improvement of internships | <ul style="list-style-type: none">– Volunteer corporate community development | | | <ul style="list-style-type: none">– Professional training programs improvement | <ul style="list-style-type: none">– Digital services for employees – HR App |
| | <ul style="list-style-type: none">– Onboarding programs automation | <ul style="list-style-type: none">– Corporate values promotion | | | <ul style="list-style-type: none">– Temporary and outsourcing personnel management | <ul style="list-style-type: none">– Digital channels and platforms for training process |
| Line staff | | | | | | <ul style="list-style-type: none">– Automation of recruitment process |

Priority areas and means of delivery our strategy

Personnel structure

GRI 2-7

In 2021, our headcount was 356,900 employees of which 31,800 employees joined the Magnit team through the acquisition of the Dixy retail chain.



¹ WITHOUT INCLUDING DIXY AND MEGAMART
 magnit.com

Staff turnover

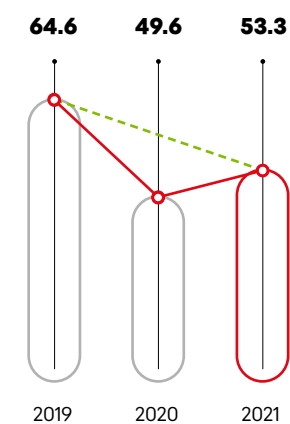
GRI 401-1

In 2021, our staff turnover rate slightly increased to 53.3% from 49.6% in 2020. We have managed to maintain the overall downward turnover rate since 2019, and seek to keep it below 40% in line with our strategic goals. While the retail sector is characterised by a high employee churn rate overall, Magnit's turnover is average for the industry. We intend to decrease our YoY turnover in line with our Sustainability Strategy.

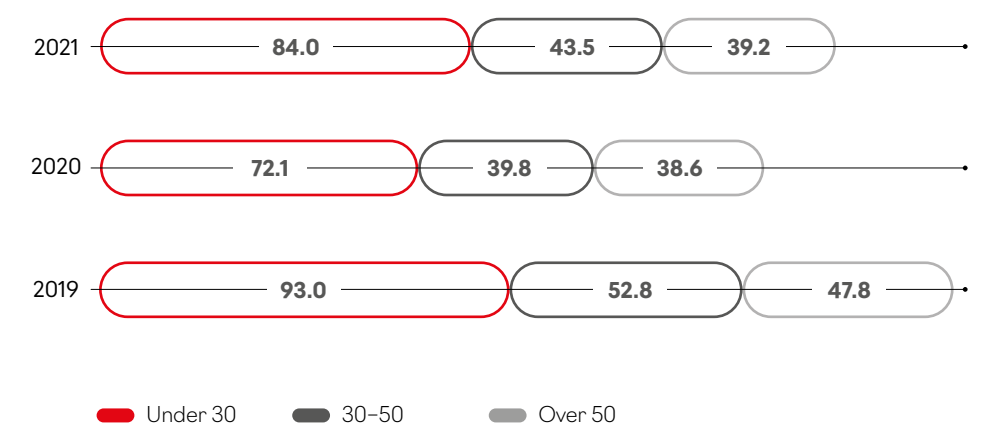
Ensuring the efficiency of Magnit's HR framework is aimed at reducing this metric and boosting our attractiveness in the labour market.

The high turnover rate and the way it manifests in younger employee categories is largely due to the fact that young hires often view retail work as a temporary employment and seek better compensation and benefits going forward. As an employer, we strive to provide young talent with opportunities for professional growth and career development, offer training courses and webinars, and develop mentoring initiatives and cross-functional teamwork. We support the aspiration of our employees to raise their competencies in various areas and welcome horizontal movements within the Company.

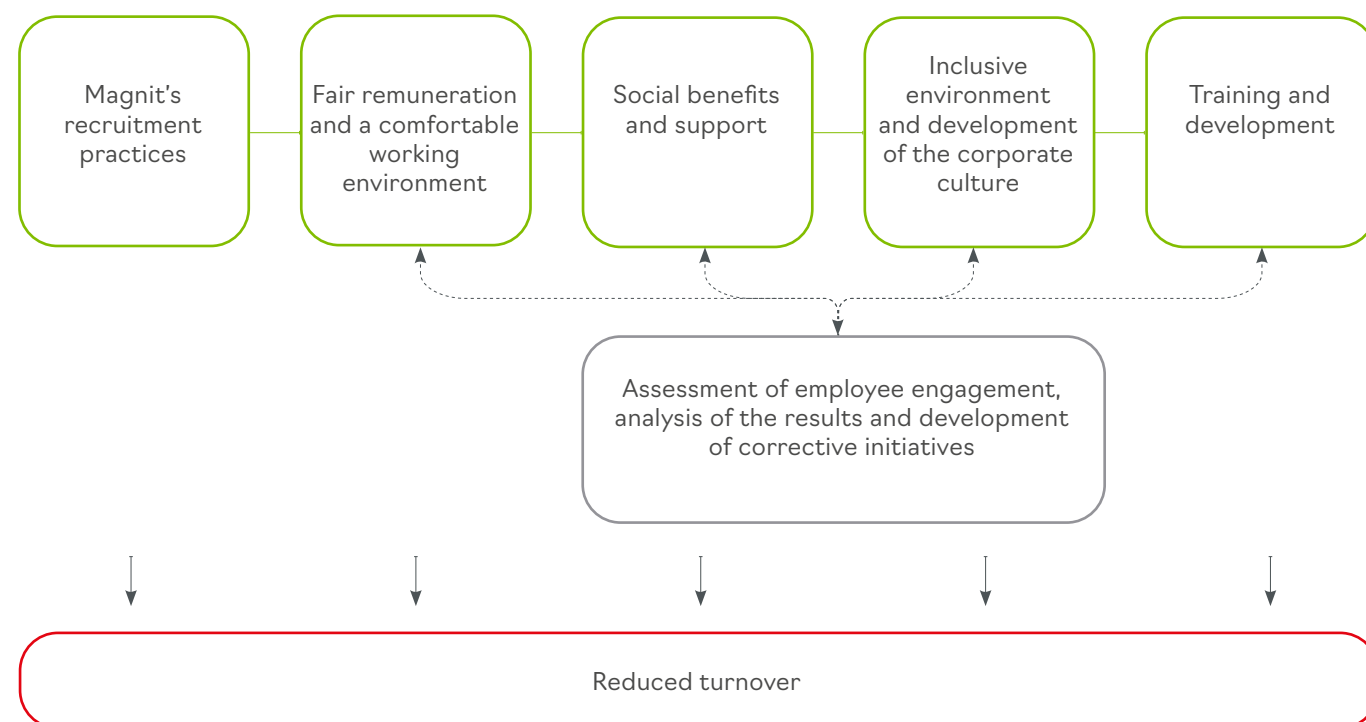
Turnover evolution, %



Turnover evolution broken down by age groups, %



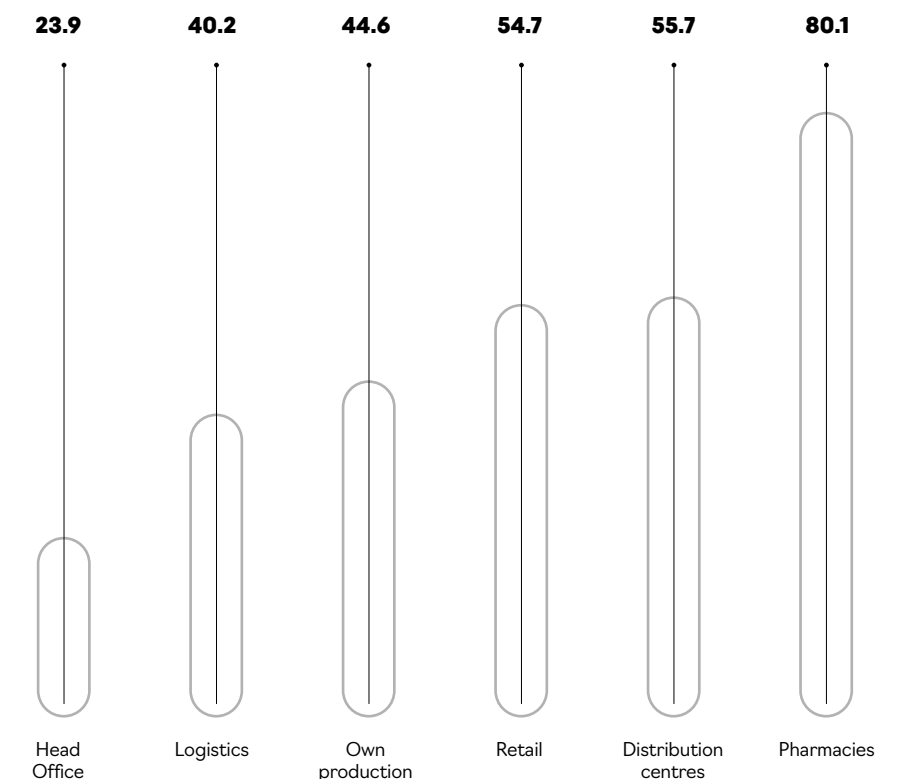
Key HR priorities



High turnover is inherent in certain categories of Magnit employees. For example, personnel of retail outlets, pharmacies, and distribution centres have a higher churn rate, while the turnover in the head office is twice as low as the Company's average (23.9%).

Higher employer brand loyalty of our staff is an essential tool to combat turnover. We continuously strive to maintain decent working conditions and incentive schemes, as well as implement additional social initiatives for employees and ensure regular and open dialogue with our team.

Turnover broken down by activity type, 2021, %



Staff turnover

(continued)

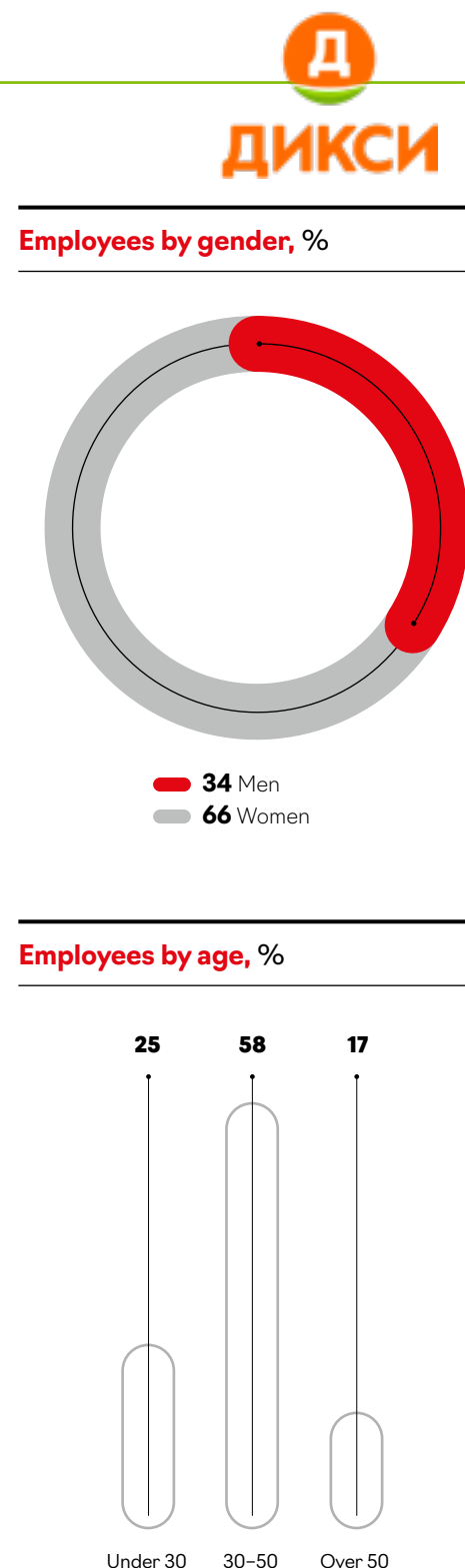
Integrating DIXY: personnel management

In growing its business, DIXY relies on the principles of social responsibility, placing a particular emphasis on its personnel. DIXY is interested in attracting and retaining talent and strives to unlock the potential of its employees. DIXY offers stable salaries, a convenient schedule, training and experience transfer, actively uses an internal promotion system, and holds corporate, social and sporting events.

The chain's headcount, including Megamart, exceeded 31,000 people as at the end of 2021.

Nevertheless, the company's turnover was affected by the COVID-19 pandemic. In late 2021, DIXY undertook a series of initiatives to reduce turnover by raising salaries and optimising working hours.

DIXY provides its employees with social benefits, including voluntary health insurance (VHI).



Recruitment practices

GRI 401-1

As we open new stores and expand our geography, we are constantly looking for new employees. When hiring new staff, we consider all applicants on their professional merits, without discriminating them by gender, ethnicity, age, and other grounds.

Our potential employees value attractive wages, a friendly corporate culture and favourable working environment, healthy work and life balance, as well as unique professional growth opportunities and employment security. At Magnit, we seek to meet these expectations to rank among Russia's leading employers. In building our 2021 employee value proposition, we surveyed target personnel categories at our distribution centres, logistics facilities, Magnit stores of larger and smaller formats, Magnit Cosmetics, own production, and Magnit Pharmacy.

To recruit personnel, we use popular dedicated websites, post our vacancies in social media, leverage targeted advertising, and utilise a unified AI-driven recruitment system. We continuously analyse the effectiveness of these tools for each of the regions across our footprint, seeking to further improve our recruitment practices.

Apart from that, we have created a special Magnit recruitment website, where people can search for vacancies, find the Company's hotline number, and apply for jobs matching their skills.



People in our ads are real Magnit employees

In the reporting year, we sought to promote the Welcome to Magnit Family concept. We spend a significant part of our life at work, and our colleagues are almost a second family to us. The better the relations in this family, the better we work.

Pictured in the Magnit Family ads are real Magnit employees with whom some of the potential applicants will be working.

We have developed layout templates for Magnit Stores, Magnit Cosmetics, Magnit Logistics, Own Production, Magnit Pharma, and Head Office.



<https://rabota.magnit.ru/shop>

Recruitment practices

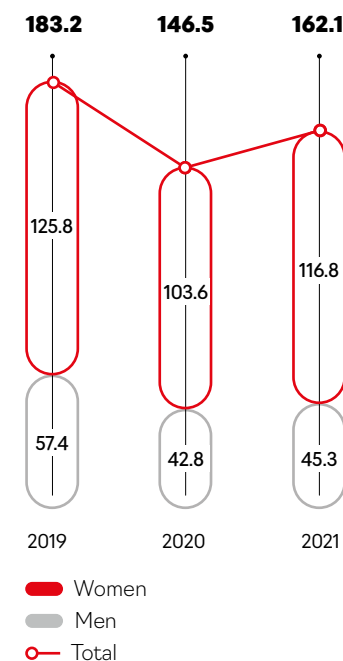
(continued)

When recruiting, considering and hiring new employees, Magnit does not discriminate on any grounds and ensures equal opportunities for all candidates, evaluating them solely on their technical and professional skills. In 2021, we hired more than 162,000 employees, of whom over 60% were women.

We seek to be an attractive employer for young people, reaching out to university students and graduates.

In 2021, we continued to attract talent from some of Russia's finest universities and leading institutions, including Kuban State University, Kuban State Technical University, Kuban State Agricultural University, Kuban State Medical University, Academy of Marketing and Social Technologies, Kuban Institute of Vocational Education, Krasnodar College of Electronic Instrumentation, Russian University of Cooperation, and Financial University under the Government of the Russian Federation. In 2021, 65 people completed an internship at the Company, with 60% of them receiving job offers from Magnit.

New hires, thous. people



More than **162,000** employees was hired in 2021



New Generation project

In dealing with the shortage of employees capable of working with specialised software, Magnit's Corporate Academy partnered with KORUS Consulting Group to train students in the LLamasoft Supply Chain Guru system. The training provided the students with knowledge in supply chain management and equipped them with high-tech skills, while also increasing the size of the talent pool from which Magnit and its partners can draw. Following the course, seven people were offered employment at Magnit.

Incentive system

GRI 202-1, 404-3

The Company is focused on building robust incentive schemes, creating a comfortable working environment, and improving the transparency of the promotion process.

An effective remuneration system is a major element of the employee value proposition, market competitiveness, and employer brand of Magnit. The Company's remuneration system and its further development is built upon grade-based differentiation of positions that helps standardise compensation across equivalent skill sets and responsibilities.

Employee compensation includes

- a fixed component: salaries, extra payments and allowances
- a variable component: bonuses (monthly, quarterly, and annual) for meeting performance targets

Magnit makes its decisions on awards and promotions based solely on professional skills and performance.

The Company's geography spans over 60 regions with different economic and social conditions. However, we seek to ensure equal pay across our footprint, with our wages exceeding the average compensation level in these regions.

The initial salary level at Magnit regardless of employee position is higher than the government-established subsistence level in all cities where the Company operates.

In 2021, we carried out job evaluations as part of the transition to a grade-based system, which is scheduled for completion in 2022. The grade system will help enhance Magnit's remuneration framework, improve employee assessment efficiency, and show staff members a clear path for professional growth within the Company.

To enable career advancement and professional development of our personnel, we conduct regular employee performance reviews. In 2021, over 4,900 people were assessed as part of such reviews.

Brave Ideas Fund

Magnit has partnered with Mars Petcare to establish the Brave Ideas Fund, a contest for the Companies' employees and their children aged from 12 to 18 years old. The Brave Ideas Fund is an employee 'business idea' competition. It seeks to foster an innovation culture at the companies by promoting engagement, entrepreneurship, and a sense of ownership among personnel.

Employees were invited to share their bold ideas in one of the following three categories:

- **Healthy planet:** environment, climate, social support, responsible attitude to nature and responsible consumption, charity and volunteering
- **Digital healthy lifestyle solutions:** healthier employee lifestyles in and out of the office, promotion of healthy lifestyles among consumers
- **Healthier living with pets:** comfortable urban infrastructure and conditions for dog and cat owners.

In 2021, Magnit awarded 10 grants worth RUB 50,000 each to implement the best employee initiatives as part of the Brave Ideas Fund.

Inclusion

and ethical corporate culture

GRI 2-7, 2-26, 405-1, 405-2

People are our main asset, and we make every effort to treat all employees equally and fairly, cultivating their professional development. The Company has adopted a Code of Business Ethics, outlining Magnit's fundamental values and operating principles. We reject any form of discrimination based on ethnicity, gender, age, religion, health, sexual orientation, political conviction, and other grounds.

The Company is committed to equality of opportunity in all of its aspects, placing particular emphasis on gender balance, including in leadership roles. We also reject discrimination by age.

Fostering inclusion at Magnit

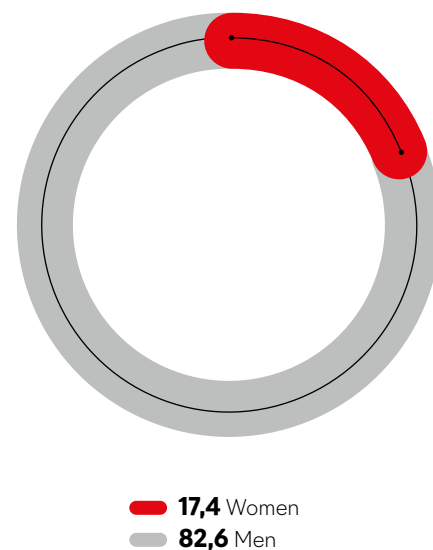
We value our employees and strive to create an inclusive and supportive work environment to ensure equal opportunities and professional development avenues for everyone at Magnit.

The Company makes every effort to provide comfortable working conditions for people with disabilities and increase the number of properly equipped workplaces available to them. As at the end of 2021, Magnit employed 889 employees with disabilities (vs. 888 in 2020).

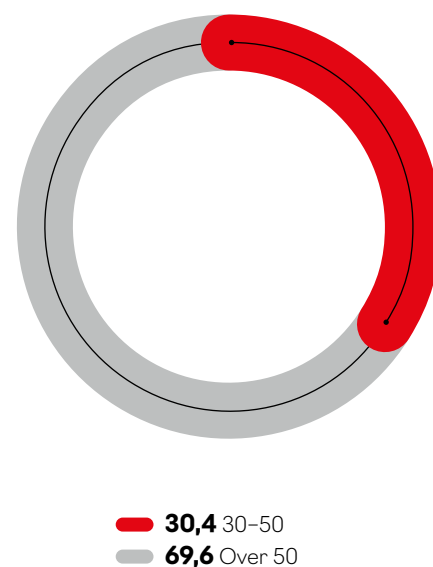
As part of the Kind Bunny project to create an inclusive environment for customers with disabilities, we provide special training to our in-store personnel helping to foster such environment for customers and Magnit employees alike. In the reporting year, over 4,500 Magnit employees were properly trained.

(For details on the project, see Supporting local communities)

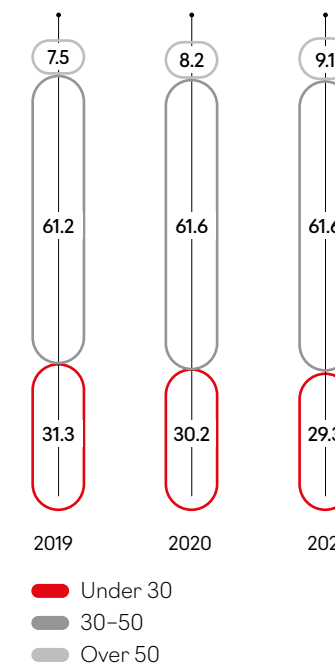
Senior management by gender, %



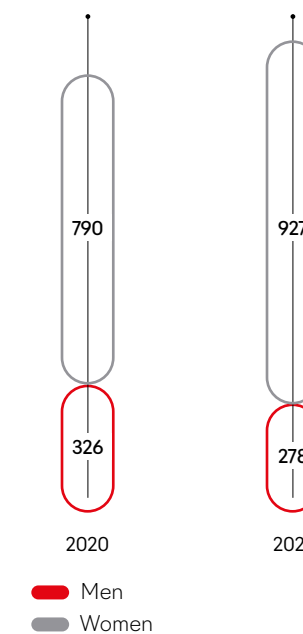
Senior management by age, %



Employees by age, %



Number of employees over 60 years old



Jobs for Young People Over 60 project

We seek to provide equal employment opportunities to various population groups. Our project Jobs for Young People Over 60 is aimed at older people helping them to find a job after reaching the retirement age and earn extra income by working at a Magnit store close to their home.

Surveyed in 2021, Magnit employees aged over 60 years old highlighted the following benefits of working for the Company: stability and confidence in the future, teamwork and interaction with younger colleagues, flexible schedule, mutual assistance and support from the management. Our 60+ employees are proactive people, ready to help and share their experience with fellow teammates. They come to work at Magnit stores knowing that we value and appreciate their skills and knowledge.

We employ about 9,000 people aged 55+, including more than 2,000 over the age of 60.

About 9,000

total number of employees aged 55+

Inclusion and ethical corporate culture

(continued)

Addressing ethical issues

The Company's compliance system includes a Head of Ethics and a hotline for ethics and anti-corruption issues.

Any employee who has information about illegal and corrupt practices, violations of business ethics standards, conflicts of interest, abuse of power, abuse of power, bias, damage to the Company or the potential for such actions can leave a message using the anti-corruption hotline or directly to the Head on ethical values for further processing by responsible employees through the following communication channels:

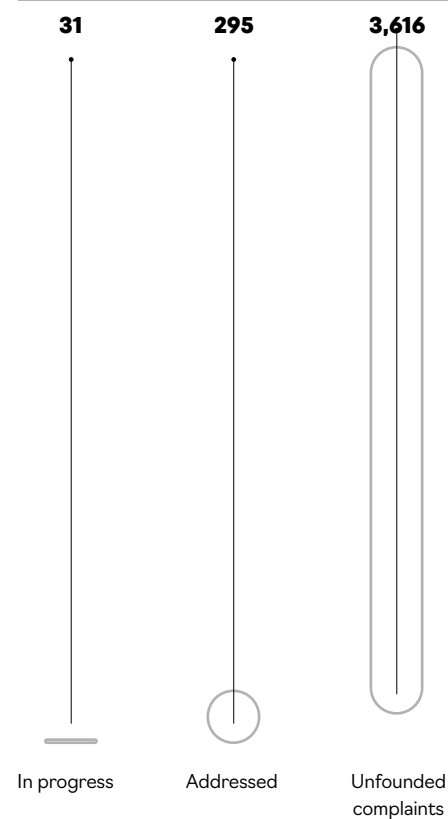
- **anti-corruption hotline** 8 (800) 600-04-77;
- **E-mail of the Head of Ethical Values** ethics@magnit.ru;
- **feedback on the site** <https://www.magnit.com/ru/anti-corruption/>.

When receiving and considering appeals through the communication channels mentioned above, the Company guarantees confidentiality (anonymity), non-disclosure of personal data and not taking any action in relation to persons reporting violations.

For other issues, the following feedback tools are available for employees:

- **single contact center** 8 (800) 200-90-02 or info@magnit.ru;
- **hotline for employees** 8 (800) 200-90-28;
- **e-mail** HRhelp@magnit.ru, trud_spor@magnit.ru (labor relations ethics).

Number of submissions, 2021



In 2021, there is a trend towards a decrease in the number of complaints about abuse in the workplace: 3,942 reports compared to 5,087 in 2020. Based on the analysis and processing of received complaints, a risk matrix is formed, controls are implemented, procedures are improved to mitigate corruption risks, and recommendations are formed on training and familiarization courses for employees..

For details on Magnit's approach to Ethics and Human Rights, see Human rights».

Employee engagement

Ongoing dialogue and constructive communication allows Magnit to listen and respond to feedback from employees across all business operations and staff levels, and helps to keep employees informed and updated. Since 2019, Magnit has carried out an annual employee engagement survey, which monitors performance on all aspects of employee engagement, loyalty, and satisfaction. In 2021, we conducted two engagement surveys: a small semi-annual interim survey and a second nationwide engagement survey. Compared to last year, the number of employees covered by the nationwide survey increased from 61% to 72% of the total headcount.

The employee net promoter score (eNPS) rose by 2.6 p.p. YoY to +17.4%.

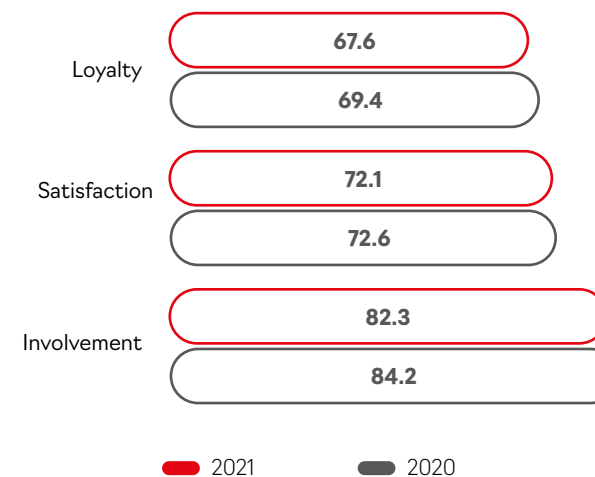
Given the effects of the pandemic and COVID-related changes to working conditions and people's daily lives, and lockdown uncertainty, this slight decline was not surprising.

Following the survey, the heads of business units are provided with access to personal accounts and instructions on handling the data received. Upon analysing the survey results we hold workshops to develop appropriate corrective measures, which are then implemented both in specific units and across the Company.

In 2021, we initiated a new competition called Caring for People. Any employee can put forward their completed projects that had a positive impact on engagement based on the 2020–2021 survey results. Fourteen winners will be selected to receive a grant from the Company to scale up their projects. We believe this initiative will help to increase employee engagement and loyalty.

We make every effort to develop and implement corrective actions in line with our commitment to maintain a personnel satisfaction rate of at least 70%.

Nationwide employee engagement survey, %



Over 52,000
comments with ideas
and suggestions

Employee engagement

(continued)

Remote work: a new reality

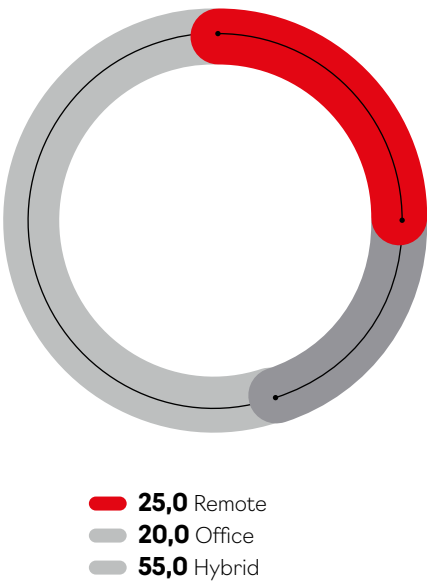
In 2021, we continued to improve the remote arrangements for employees working from home due to the pandemic-related restrictions.

In 2021, we conducted an employee survey on transitioning to new working modes, involving over 7,000 staff members. The survey showed that 27% of the polled managers believed that employee performance improved, while 65% thought that it remained unchanged. The majority of the survey participants supported maintaining the remote work mode.

Developing IT solutions and improving remote working conditions is a major priority for Magnit. In the reporting year, we designed and introduced a Work 2.0 training course, with all employees working remotely required to take it. In addition, we developed a course for managers, Managing a Remote Team. These courses are aimed at increasing the employee interaction efficiency when working remotely. In 2021, over 3,500 employees were trained in remote working.

The Company is fully aware of the need for transitioning to new working arrangements and transforming the existing office space to better match the current realities and wishes of our employees. We will be working hard to turn our offices into points of attraction for our employees as opposed to just workplaces.

Since 2021, we have had the following remote work scheme in place:



Training and development

GRI 404-1, 404-2

Corporate Academy for professional development

Magnit continues to place strong emphasis on training and development for existing and potential employees, so skills remain relevant and fit for the future in a world of work that is becoming increasingly digital, and constantly changing in line with customer and society's expectations. We equip our employees with the skills they need to sustain their career at Magnit.

In 2021, we conducted 30.7 hours of employee training per employee, with training courses and seminars delivered across various operational divisions and staff levels including management, customer service, health and safety, diversity and inclusion, project management and vocational disciplines.

In late 2020, we launched Magnit's Corporate Academy, with a goal of centralising all training and development activities at Magnit. It focuses on employee training across all staff levels and job functions within the Company. 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.

Magnit's Corporate Academy

Category Management Faculty

- Category Review programme developed
- Effective communication and negotiation courses

69 key employees in 2021

IT Faculty

- Managerial competencies development training
- Training in technical expertise with invited specialists

Over 2,200 employees in 2021

HR Faculty

- Training in Agile and product approach for HR
- Business process re-engineering

101 key employees in 2021

Own Production

- Training programmes on agricultural and production technology
- Mentoring programmes

Over 3,500 employees in 2021

Logistics Faculty

- Courses on safety culture, supply chain technologies, and management competencies in logistics

Retail Faculty

- Professional training programmes on work processes and courses in managerial competencies in retail for executives

Over 200,000

Magnit employees completed training at Magnit's Corporate Academy in 2021 (distance learning courses, webinars/online training and lectures, offline training)

Training and development (continued)

Educational initiatives

Apart from professional training, in 2021 the Company developed and implemented the following programmes for its employees:

- **online sustainability course** Retail with Purpose
- **webinars** on employees and ageing, children's safety, and financial literacy
- **contest Best Mentor** across the Retail Chain, Logistics and Own Production. Recognising the importance of on-the-job training, we held a contest for the best mentor in the country for the first time in 2021 to highlight the significant role mentors play in developing talent
- **Training Store mentoring project.** Over 2,000 training stores in 1,105 localities across the country have trained more than 13,000 mentors in retail, logistics and own production
- **Magnit has implemented** a mobile and portal version of the **learning management system** (LMS) based on the WebTutor software. Our employees can now take courses using any device at any convenient time
- **online anti-corruption and information security course** – part of the onboarding and training programme for new hires (office/store)

Online sustainability course Retail with Purpose

In addition to providing professional training to our employees, we also help them realise the importance of sustainable development principles for business and society alike.

In 2021, the Company's Sustainability Department designed and rolled out the Retail with Purpose training course. The course explains the basic principles of sustainable development, sheds light on ESG practices in Magnit's business processes, and underscores the need for each and every employee to support the Company's Sustainability Strategy.

After each lesson, students take a short test to better absorb what they have learned and share their impressions. Over 17,400 people completed the course in 2021. We have received a great number of positive reviews, which makes us believe that our employees fully recognise the priority of sustainable development for Magnit and are committed to its principles.

After piloting, the course is now mandatory not only for managers, but also for all Magnit new hires.

Integrating DIXY: training

In 2021, we relaunched the corporate employee training system at DIXY:

1. A DIXY Academy training platform selected and configured, including a mobile app
2. 265 training activities developed, training courses for head cashiers, senior cashiers, deputy store managers, store managers, directors of store clusters
3. New training formats created: video courses, long reads, infographics, webinars, and mobile trainings added to traditional courses
4. A news feed launched for sales employees
5. 25 remote managerial courses designed

In 2021, DIXY signed a partnership agreement with the Russian University of Cooperation to ensure tuition benefits for employees. The Company will compensate 50% of the education costs at the University for 25 people annually.

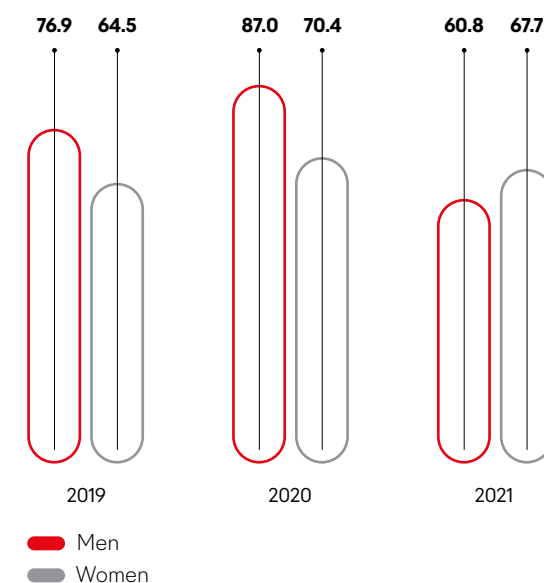
Social support

GRI 401-2, 401-3, 404-1, 404-2

In addition to remuneration, Magnit offers its employees a range of non-financial benefits and incentives with additional health services for employees such as telemedicine, medical partners' advice and a second opinion, expanded voluntary health insurance; and a considerably improved scope of insurance programmes. In 2021, the Company spent RUB 78.9 mln on medical insurance and financial assistance to employees.

We support our employees taking maternity leave. All of our employees are entitled to a vacation leave. An employee can stay on maternity leave until their child reaches three years of age. During this time, the person's employment period and professional experience continue uninterrupted, and the employee gets compensation in accordance with the Russian law. In 2021, 27,400 Magnit employees took maternity leave, including 210 men.

Retention rate, %



Employee benefits at Magnit



Reimbursement of mobile expenses



Partial reimbursement of meals



Reimbursement of transport expenses



Relocation support



Voluntary health insurance (VHI)



Emergency financial assistance



Accident and critical illness insurance



Health resort treatment



Extra support for employees in the Far North



Free gym for Head Office employees



Preferences and discounts for holders of HO employee cards

Social support

(continued)

Corporate culture

Non-financial incentives

Employees enjoy a wide range of opportunities for self-realisation and professional growth:

- Professional skills competitions
- Gold badges for 10 years of service at Magnit. By 2021, over 16,000 employees received the award
- Operating efficiency platform Golden/Favourite Store for employees of Magnit convenience stores and Magnit Cosmetics
- Diplomas from the Ministry of Industry and Trade, Ministry of Agriculture, and Ministry of Transport
- New Year gifts with goods of own production for employees' children

Communication channels

- Social networks @magnit.family** on Instagram, VK, Facebook, and OK, regional social media accounts, Telegram channels, and a recently launched Tik-Tok account
- email newsletters:** Nash Magnit (Our Magnit), Corporate News, New Magnit, #etonashden, Magnit Volunteers
- Magnit media portal:** www.magnit.media
- Russian retail glossary:** www.retailwords.ru
- Employment website:** <https://rabota.magnit.ru/>
- Corporate postcard builder:** <https://cardsmgnt.ru/>

HR marketing and research

The Company has developed a unique methodology for measuring Brand Health that helps compare its employer brand with those of competitors and the market in general based on the PR metrics of the Association of Consulting Companies in the Field of Public Relations (ACOS): the number of mentions, loyalty and engagement rate (ER). For the second year in a row, Magnit shows unusually strong positive engagement for the retail market, exceeding the negative engagement. Magnit's net promoter score is higher than those of its peers.

Employee contests and competitions at Magnit

All programmes are aimed at retaining employees and ensuring competitive working conditions:

Golden Store – a professional skills competition at Magnit Cosmetics (30,000 employees). Throughout the year, employees compete for the best performer's ranking and carry out additional tasks. 144 employees qualify for the final, of whom 44 compete for the first place.

Battle of Cooks – 9,000 hypermarket own production employees go through three stages of competition: ranking, semifinal, and final. 216 participants (27 employees from each district, three teams competing in three categories: cooks, bakers, confectioners) get into the semifinal based on the ranking results. 72 participants make it to the final and nine are declared winners.

Magnit at the Wheel – a traditional contest of our delivery drivers. It consists of three stages: ranking, semifinal, and final. Five percent of drivers (three delivery types: direct, transit, category C) from each transport unit qualify for the semifinal. Drivers with the highest score in their unit take theory and practice tests to qualify for the final. In the final, three drivers in each category with the highest score after completing two tasks are declared winners.

Vse Skladno – a professional skills competition of warehouse workers (30,000 employees). Following a ranking stage, 5% of employees from each DC (in six occupations: loader drivers, storekeepers, accepters, unloading dispatchers, loading dispatchers, delivery dispatchers) go to the semifinal. Based on the semifinal results, one employee per occupation with the highest score in the theory and practice tests qualifies to the final from each DC.

The final includes three stages: a theory test and individual and team competitions. 24 people out of 234 are declared winners: three teams with the highest score, and six best performing specialists in their occupation.

Best IT Specialist – the winners are 120 best specialists out of 1,000 IT employees, with nine departments competing annually in eight categories.

Mentor contests:

The best retail mentor is a mentor competition in the Magnit convenience stores, Magnit Cosmetics and larger formats (12,000 employees). In each format, one winner is determined in three categories in each of the formats on a quarterly basis. In the final stage, participants compete in six categories, with one employee from each format declared the winner in each of the six categories. In total, there are 18 winners in a year.

The best logistics mentor competition is held among about 1,000 employees and includes three stages: ranking, regional and final ones. At the regional stage, winners are determined for every six months in four categories (based on DC and district results). Four people from each district (one in each category) are declared winners. Winners in each regional category qualify for the final stage. In the final, participants compete in five categories, with five out of 32 finalists declared winners.

The best own production mentor is held among 166 people and includes a qualifying and a final stage. Ranking takes place in each own production unit based on year-end performance. Each own production unit selects four winners in four categories, with one winner in each category qualifying to the final stage. In the final, the participants compete in four categories with one winner in each.

Fantastichesky Uchet is a professional contest among 1,786 Shared Services Centre employees. It includes team and individual competitions. In the individual contest, a winner is selected by heads of business units in seven categories. Additionally, 11 winners are determined by the vote of business unit employees. The team competition is held in two stages in an online quiz format. In the first stage, participants need to score a maximum number of points, with the top 110 contestants qualifying to the final. In the second stage, ten teams of 11 people compete against each other. The team with a maximum score for correct and quick answers comes out on top.

Best OSM Idea is a contest for the best idea to reduce workplace injuries. The competition is held in two stages every quarter. In the first stage, employees need to complete an application form to take part in the contest and submit their idea for consideration by the jury. In the second stage, the jury votes to select the three best ideas, and the employees who proposed them are declared winners and receive cash awards. In 2021, 168 employees participated in the contest, and 12 became winners.

Best Traffic Safety Specialist – a professional skills competition among 50 medical and traffic safety specialists. The competition is held in four stages with four winners.

Mr and Ms Magnit is a contest for non-financial incentivisation, with the winners having an opportunity to become the Company's face or voice and participate in nationwide corporate events. In 2021, more than 1,000 employees took part in the competition, compared to about 200 in 2020.