Regulations

In its corporate governance practices, Magnit adheres to the following regulations:
- Russian laws;
- Moscow Exchange listing rules;
- Corporate Governance Code recommended by the Bank of Russia[1].

The Company's activities are governed by its Articles of Association[2] and internal regulations. In 2024, the following nine internal regulations were amended:
- Articles of Association;
- Regulations on the Board of Directors[3];
- List of Insider Information[4];
- Responsible Supply Chain Policy[5];
- Industrial Safety Policy[6];
- Health and Safety Policy[6];
- Environmental Protection Policy[6];
- Fire Safety Policy[6];
- Code on Terms and Conditions of Transactions with Financial Instruments[7].

The full list of Magnit's public internal documents is available on the Company's website at: https://www.magnit.com/en/corporate-governance/corporate-documents/.

Amendments for 2024

In 2024, the following amendments were made to the Articles of Association of PJSC Magnit:
- the number of members on the Board of Directors was reduced from eleven to nine;
- certain provisions of the Articles of Association were updated to ensure compliance with applicable Russian laws;
- the remit of the Board of Directors was expanded;
- other technical amendments were made.

In 2024, the following amendments were made to the Regulations on the Board of Directors of PJSC Magnit:
- the criteria for director independence were updated to align with the latest Listing Rules of PJSC Moscow Exchange;
- the list of grounds for recognising a director as having resigned was expanded;
- the procedure for determining the remuneration of Board members was revised;
- the procedure for reimbursing expenses related to performance of Board members' duties was amended;
- other technical amendments were made.

General Meeting of Shareholders

The General Meeting of Shareholders is the highest decision-making body of the Company. Shareholders of PJSC Magnit can significantly impact the Company's business by participating in the General Meeting of Shareholders.

The key responsibilities of the General Meeting of Shareholders include:
- approval of the Company's annual report;
- approval of the Company's annual accounting (financial) statements;
- election of the Company's Board of Directors;
- distribution of profits, including dividend payments;
- approval of major and related party transactions;
- approval of the Company's auditor organisation.

The procedure for the General Meeting of Shareholders aims to ensure the respect of shareholder rights and fully meets applicable laws and regulations of the Russian Federation.

In 2024, the annual General Meeting of Shareholders of PJSC Magnit was held on 27 June through absentee voting, with the following resolutions passed:
- approval of the Company's Annual Report and annual accounting (financial) statements for 2023;
- approval of distributing a part of the net profit for 2023 in the amount of RUB 42.0 bln as dividends on ordinary registered shares (RUB 412.13 per ordinary share) and retaining the remaining net profit undistributed;
- election of the Board of Directors;
- approval of the auditors for the Company's accounting (financial) statements prepared according to the Russian Accounting Standards (RAS)[8] and International Financial Reporting Standards (IFRS)[9];
- approval of the revised Articles of Association;
- approval of the revised Regulations on the Board of Directors.

The extraordinary General Meeting of Shareholders of PJSC Magnit scheduled to take place on 26 December 2024 in the form of absentee voting was declared inquorate.

Detailed information regarding the resolutions of the General Meeting of Shareholders is available on the Company's website at: https://www.magnit.com/en/shareholders-and-investors/shareholders-meeting/

Board of Directors

The size and composition of the Company's Board of Directors are determined by resolutions of the General Meeting of Shareholders according to the Articles of Association of PJSC Magnit.

No more than one-fourth of the Board of Directors may consist of the members of the collective executive body (Management Board), and the sole executive bodies (President and Chief Executive Officer) may not serve as the Chairman of the Board of Directors.

The Board of Directors of PJSC Magnit steers the Company's operations, defines strategic goals and implements effective management practices, while also electing the Management Board, CEO and President. The main objective of the Board of Directors is to increase the value of the business, taking into account the interests of shareholders and other stakeholders.

Activities of the Board of Directors extend beyond formal meetings. The Board regularly engages with the management team to improve the performance of both the Company's executive bodies and the Board itself.

The make-up of the Board is governed by Federal Law No. 208-FZ On Joint-Stock Companies dated 26 December 1995 and also by the Articles of Association, Regulations on General Shareholders Meeting, Regulations on the Board of Directors, and Regulations on the Committees of the Board of Directors.

1 For the full Report on Compliance with the Principles and Recommendations of the Corporate Governance Code prepared according to the recommendation letter of the Bank of Russia dated 27 December 2021 No. IN-06-28/102, see Appendix 1.
2 Approved by the annual General Meeting of Shareholders of PJSC Magnit on 27 June 2024.
3 Approved by the annual General Meeting of Shareholders of PJSC Magnit on 27 June 2024.
4 Approved by the resolution of the CEO of PJSC Magnit on 16 May 2024.
5 Approved by the resolution of the CEO of PJSC Magnit on 20 January 2024.
6 Approved by the resolution of the CEO of PJSC Magnit on 15 January 2024.
7 Approved, as amended, by the resolution of the Board of Directors of PJSC Magnit on 29 October 2024.
8 Russian Accounting Standards (RAS) are a set of accounting rules stipulated by federal laws of the Russian Federation and Accounting Regulations issued by the Ministry of Finance of the Russian Federation.
9 International Financial Reporting Standards (IFRS) are a set of documents (standards and interpretations) for the preparation of financial statements enabling external users to make informed financial decisions.