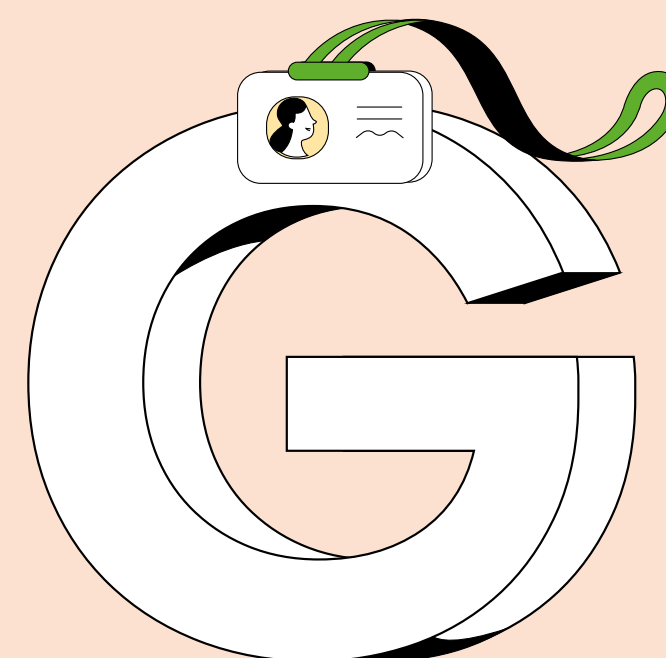
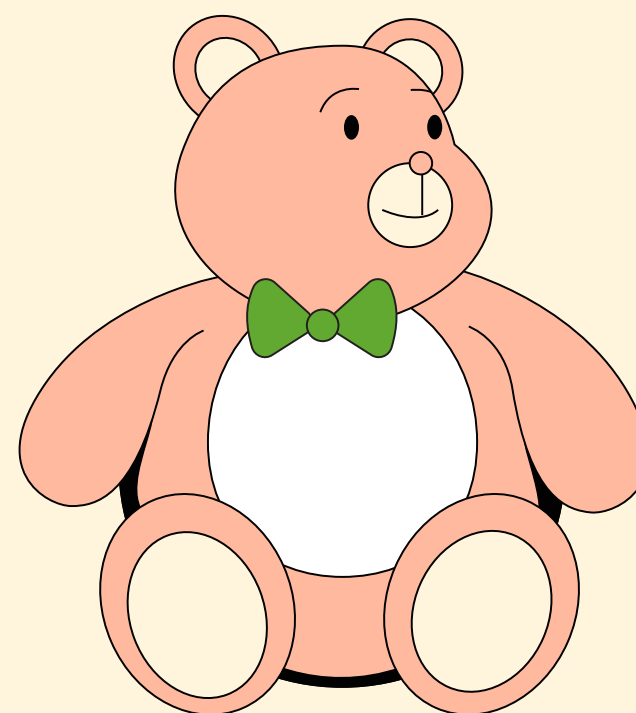
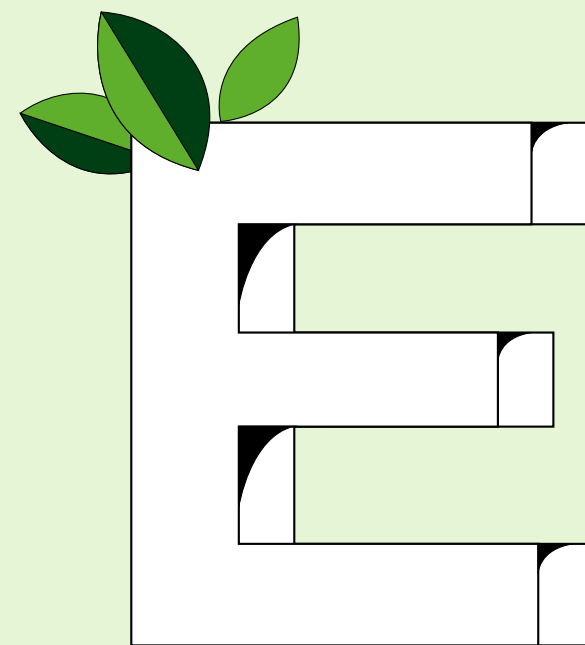


Sustainable development

Key news digest
for 2023



Wrapping up three years of work

Responsible business conduct remains X5's top priority

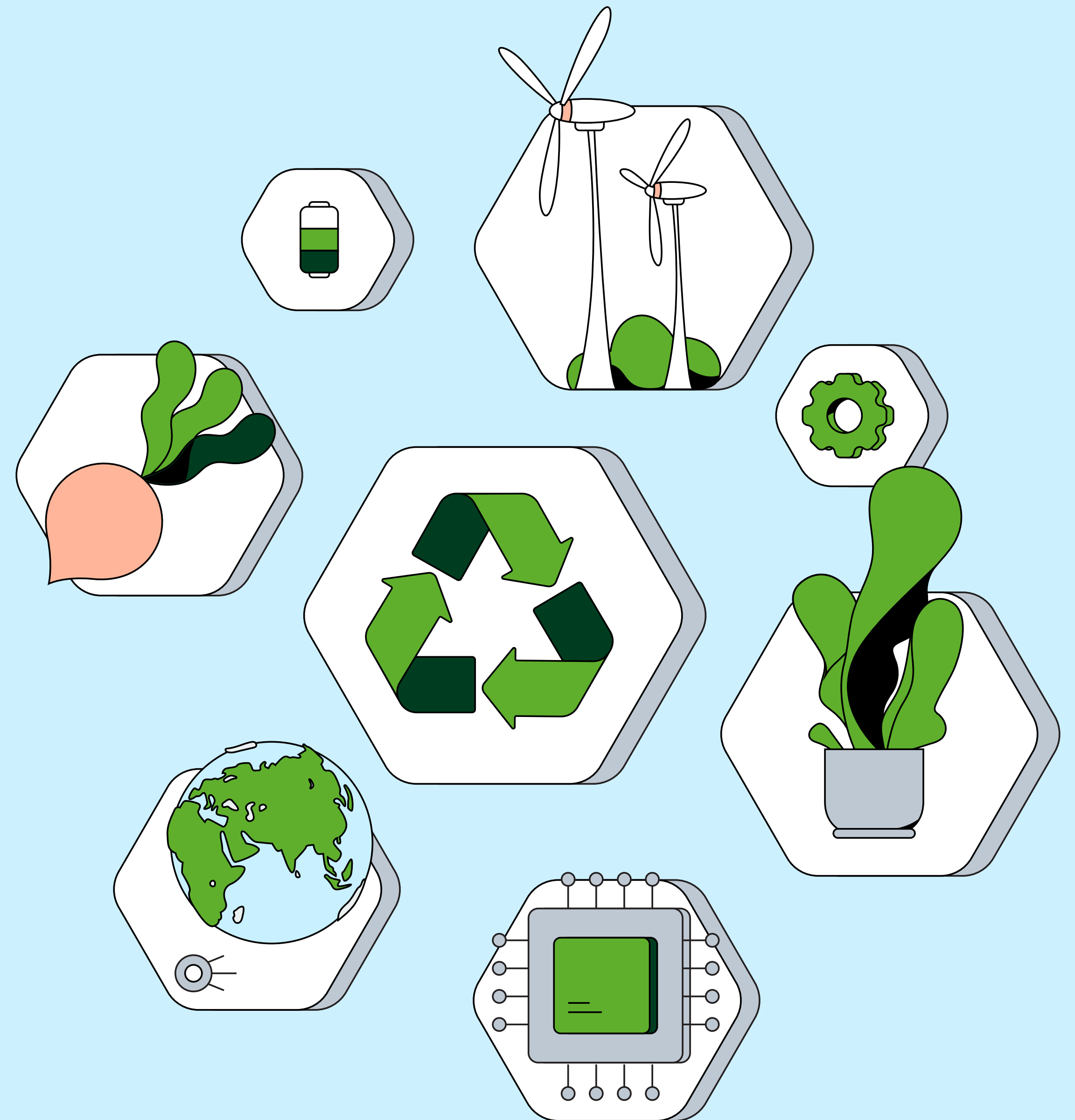
In 2023, the Company maintained its focus on its sustainability strategy areas, such as the Planet, Care for the Community, Employees, and Health, and also took stock of its progress on X5 Group's Sustainable Development Strategy over the past three years.

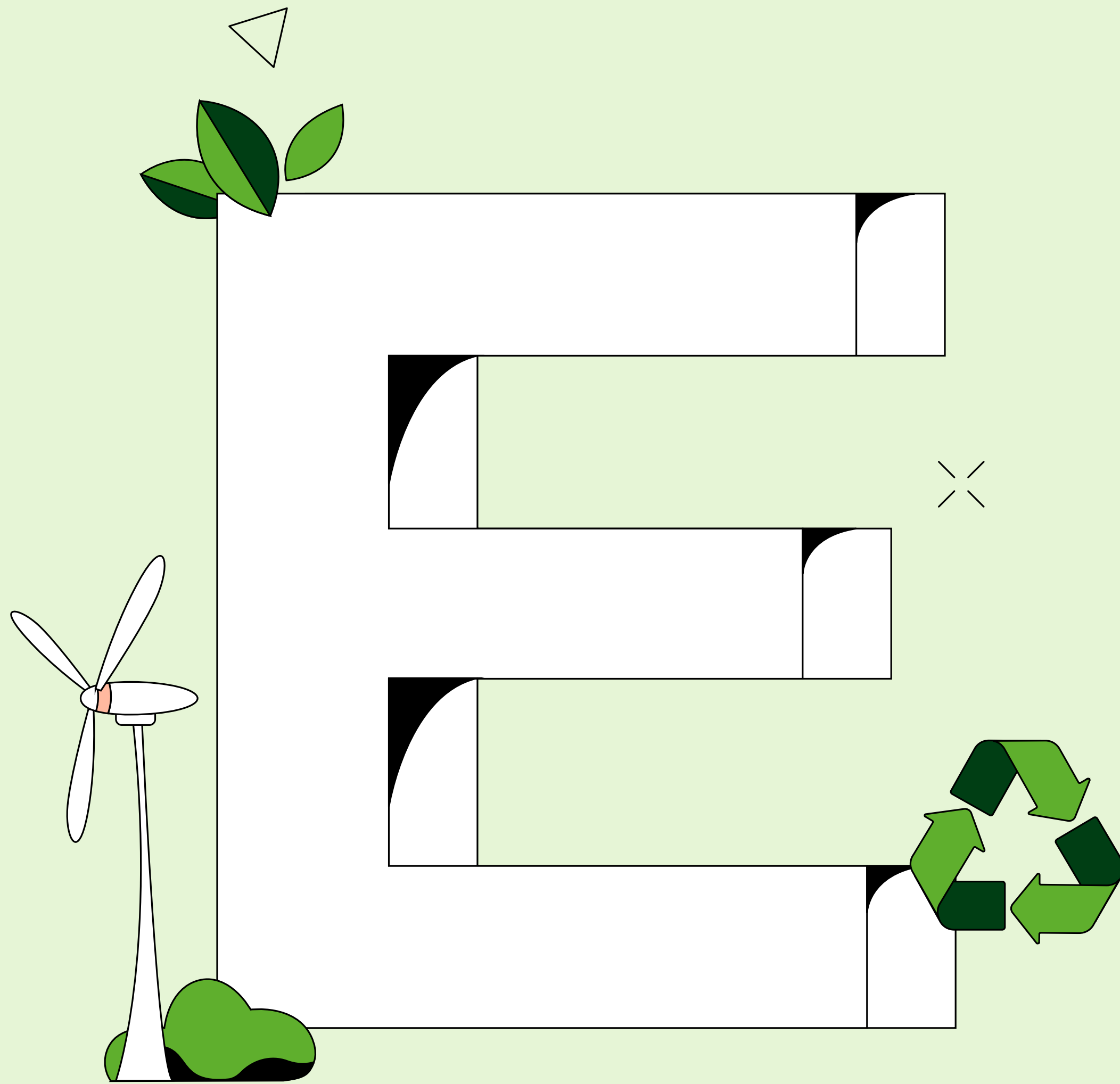
72
regions

24,472
stores

299,786
employees

>350,000
customers every day

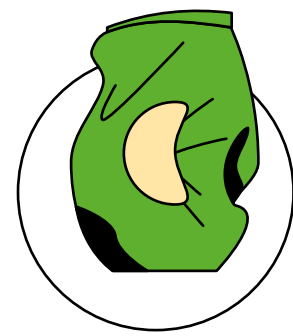




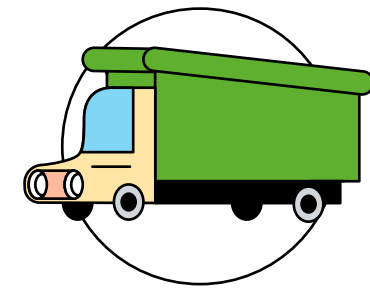
Environmental

Our environmental efforts focus on areas that are critical for us and where we can manage our impact, such as energy efficiency, climate change, and waste management

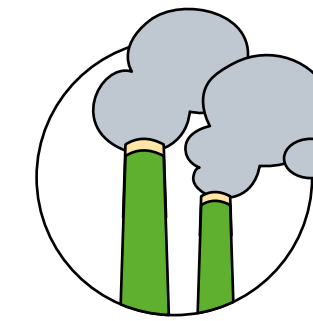
Performance highlights



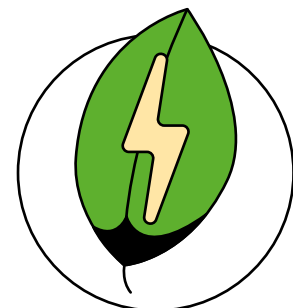
Over the past three years, more than 290,000 tonnes of non-expired products that were not in saleable condition have been sent to farmers as fodder for livestock or for composting



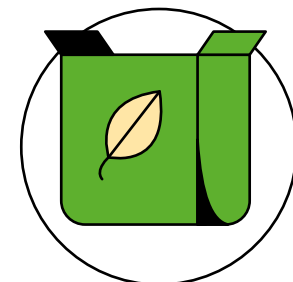
792,000 tonnes of recyclables sent for recycling over the past three years



We measure our greenhouse gas emissions annually and take steps to reduce them. While total emissions in 2023 were up by more than a third from a 2019 baseline due to business growth, emissions intensity was down by 15.3%



Consumption of renewable and low-carbon energy totalled 271,297 MWh over three years



More than half of private-label products (52%) have environmentally friendly packaging

Caring for the planet ^{1/4}

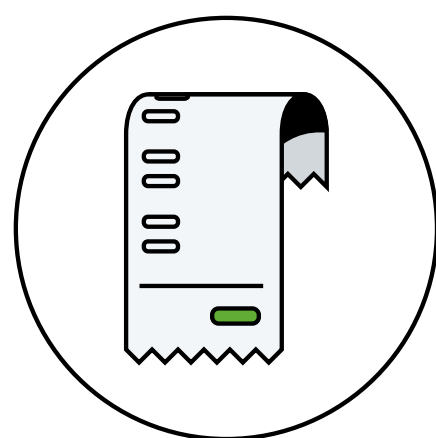


Pyaterochka and Perekrestok run regular plastic, glass, and battery collection campaigns. We also encourage customers to switch to paperless receipts and use reusable shopping bags.

CARE FOR NATURE

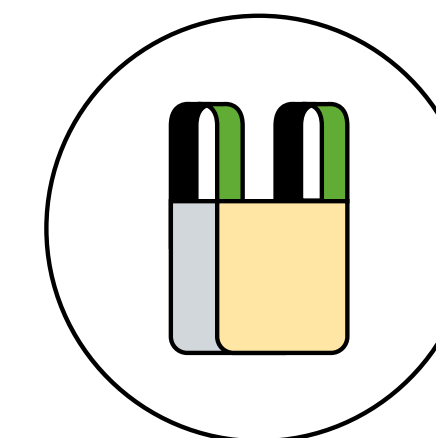
Saving on receipt tape

Equivalent to
RUB 111 million

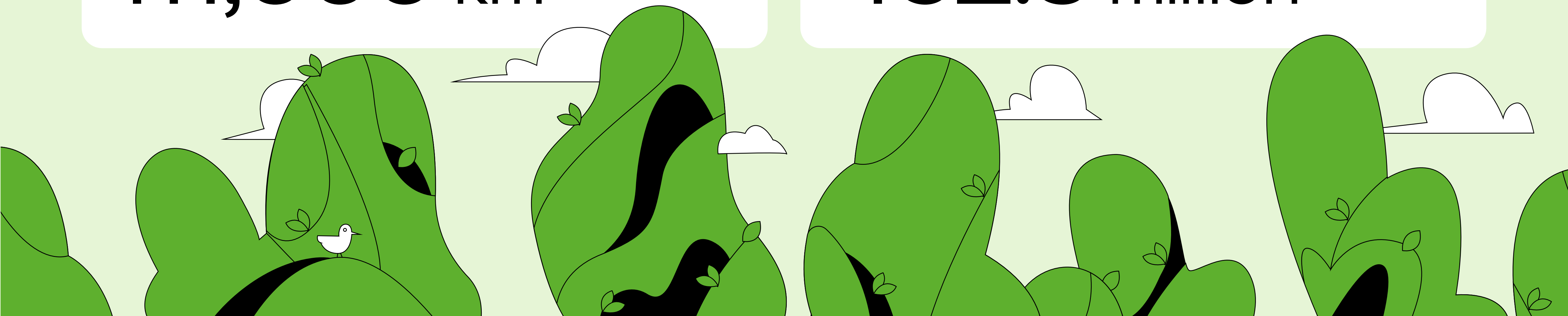


111,000 km

Reusable bags sold



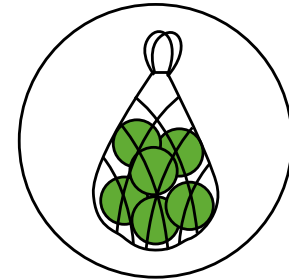
452.3 million



Caring for the planet ^{2 / 4}

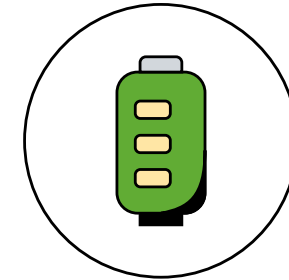
RECYCLABLES

Mesh produce bags sold



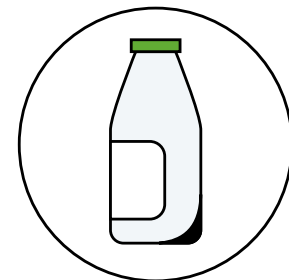
39,365

Batteries collected through reverse vending machines



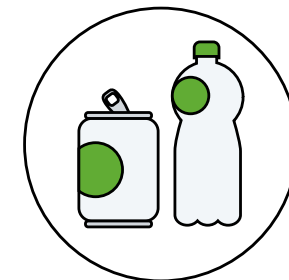
20,000 kg

Glass collected through reverse vending machines



39,237 containers

Plastic and aluminium collected through reverse vending machines



83,543 containers

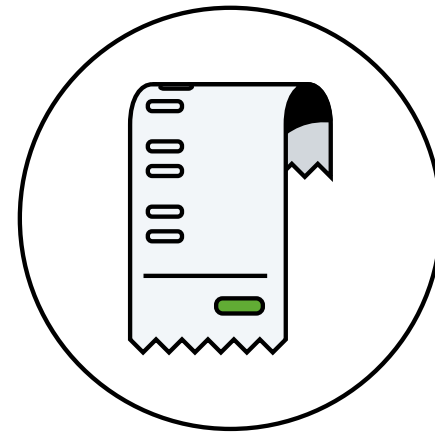


Caring for the planet ^{3/4}

CARE FOR NATURE

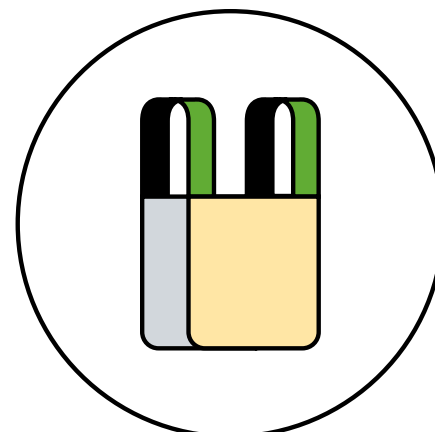
Saving on receipt tape

82,295,101 receipts –
13% of total receipts



5,706.9 km

Reusable bags sold



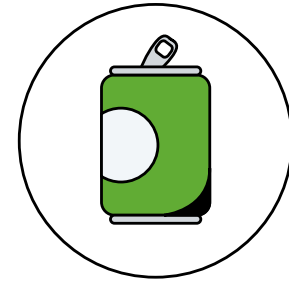
335,899



Caring for the planet ^{4 / 4}

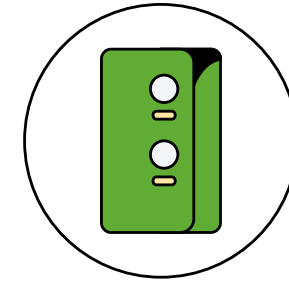
RECYCLABLES

Aluminium sent for recycling



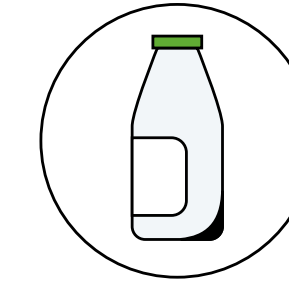
>242 kg

Collected through reverse vending machines and sent for recycling



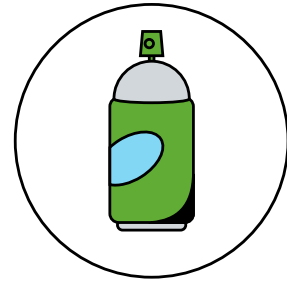
10,654 kg

Glass sent for recycling



8,452 kg

Aerosol cans sent for recycling



>2,496 kg

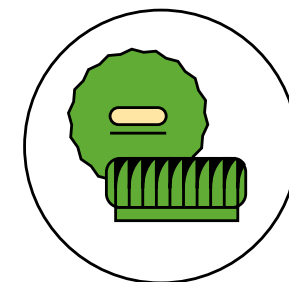
PET bottles sent for recycling



1,959 kg

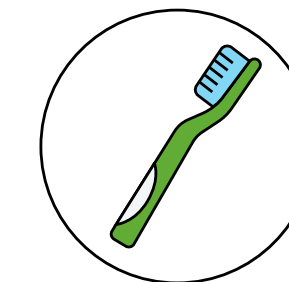
Plastic bottle caps sent for recycling

The proceeds were used to help 16 orphaned children



12,605 kg

Toothbrushes sent for recycling



>800 kg

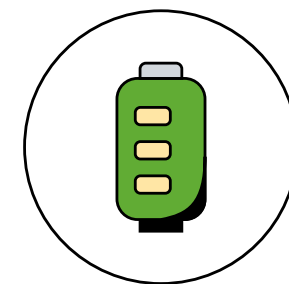
Unwanted clothes sent for recycling

Reused: 42,959 items, recycled: 35,623 items

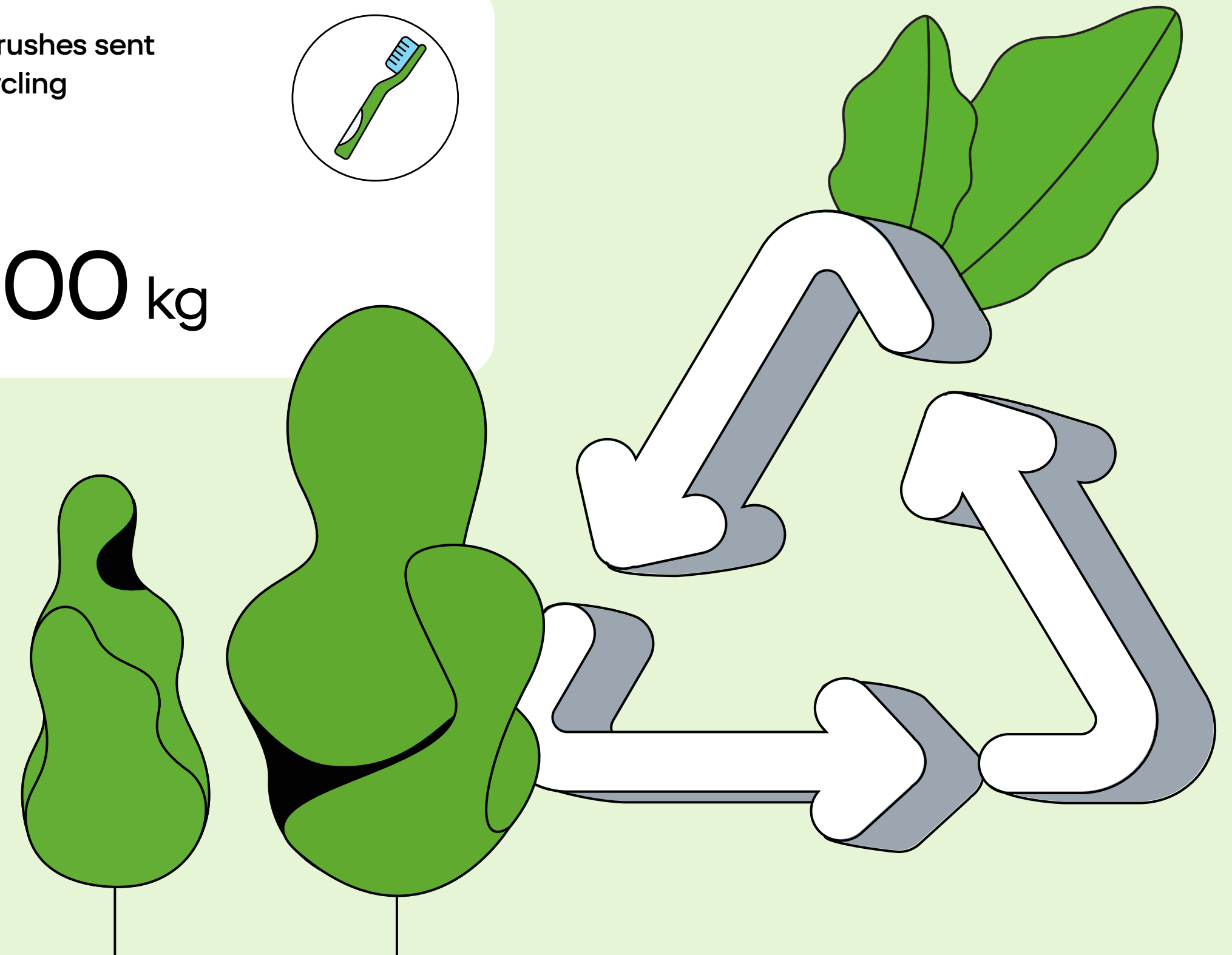


75,582 kg

Batteries sent for recycling



22,471 kg

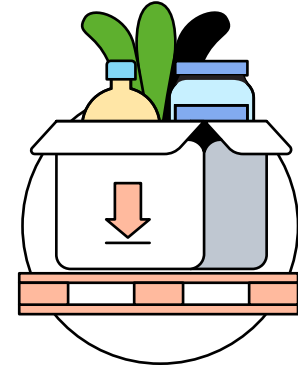




Social

We care for the communities across our footprint, guided by the national development goals of the Russian Federation, the UN SDGs, and international best practices while also incorporating feedback from our customers and local communities

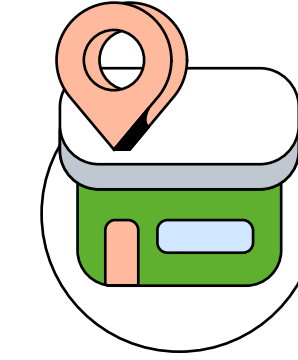
Performance highlights



More than 1,811 tonnes of food donated to people in need and those in difficult circumstances as part of food aid programmes (Basket of Kindness, food sharing) over three years



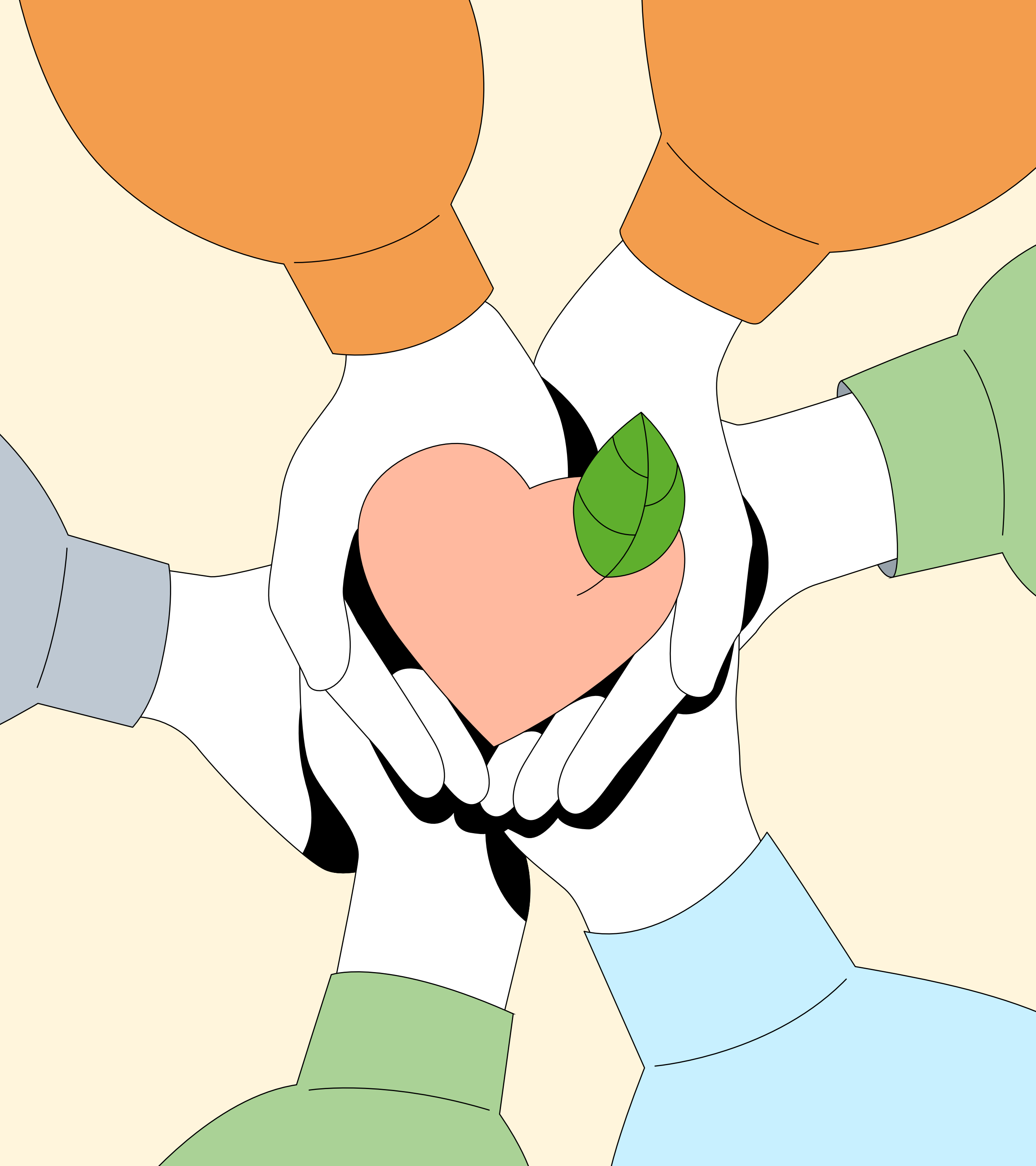
Food assistance provided to a total of more than 948,000 people



The Local Community Centres project is run via more than 1,350 Pyaterochka stores in 30 Russian regions



Supporting pensioners: almost RUB 32 billion worth of discounts provided across the Company's retail chains over three years



X5's Helping Out foundation

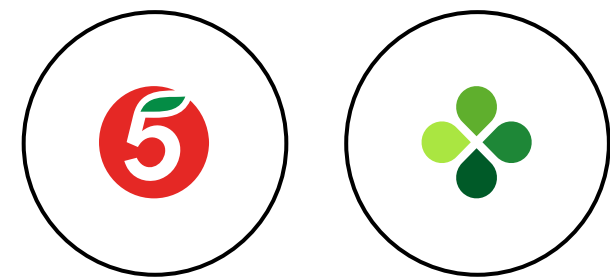
To enhance the impact of its charitable and social programmes, X5's Helping Out foundation was established to centralise the Company's CSR initiatives

Выручаем[🌿]
Благотворительный
фонд X5 Group

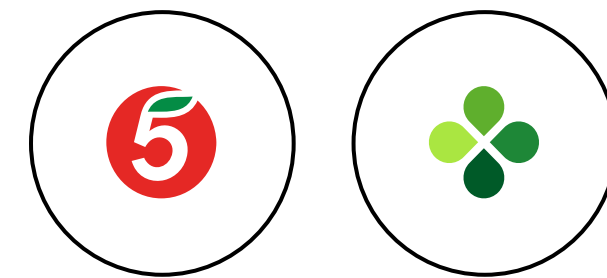
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Promoting inclusivity

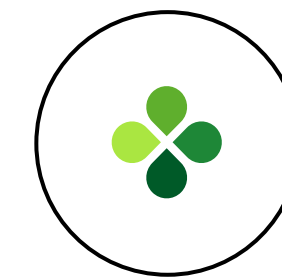
In 2023, the Company continued the effort to make its stores and services more accessible to people with special needs. Pyaterochka and Perekrestok audit stores and online resources for accessibility for all categories of customers.



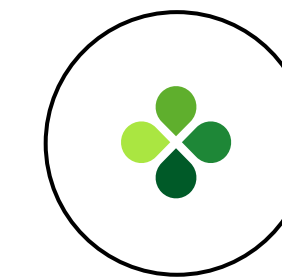
A section dedicated to inclusion was added to store managers' daily checklist: managers now check that there are currently no barriers for customers with special needs on a daily basis and ensure that any barriers are removed promptly



The Mystery Shoppers Club programme, enabling mystery shoppers to check X5's stores, now includes a separate task to check the store for accessibility for customers with limited mobility



In early 2023, the Everland inclusivity project, run by social entrepreneurs, audited Perekrestok's website and mobile app for accessibility for people with visual and motor impairments, which resulted in the chain making a number of improvements



Following the audit, Perekrestok's website was recognised as the most accessible website for blind and motor-impaired people in the industry

Food assistance

In 2023, over 936 tonnes of food were collected and distributed to people in need through a joint project between X5 Group and Foodbank Rus.

469,000 people in 43 Russian regions benefitted from the project

X5 continued to scale up its food-sharing initiative – distributing food items that are still safe to eat a couple of days before their expiry date. The range of donated food items was expanded to **80 SKUs**.

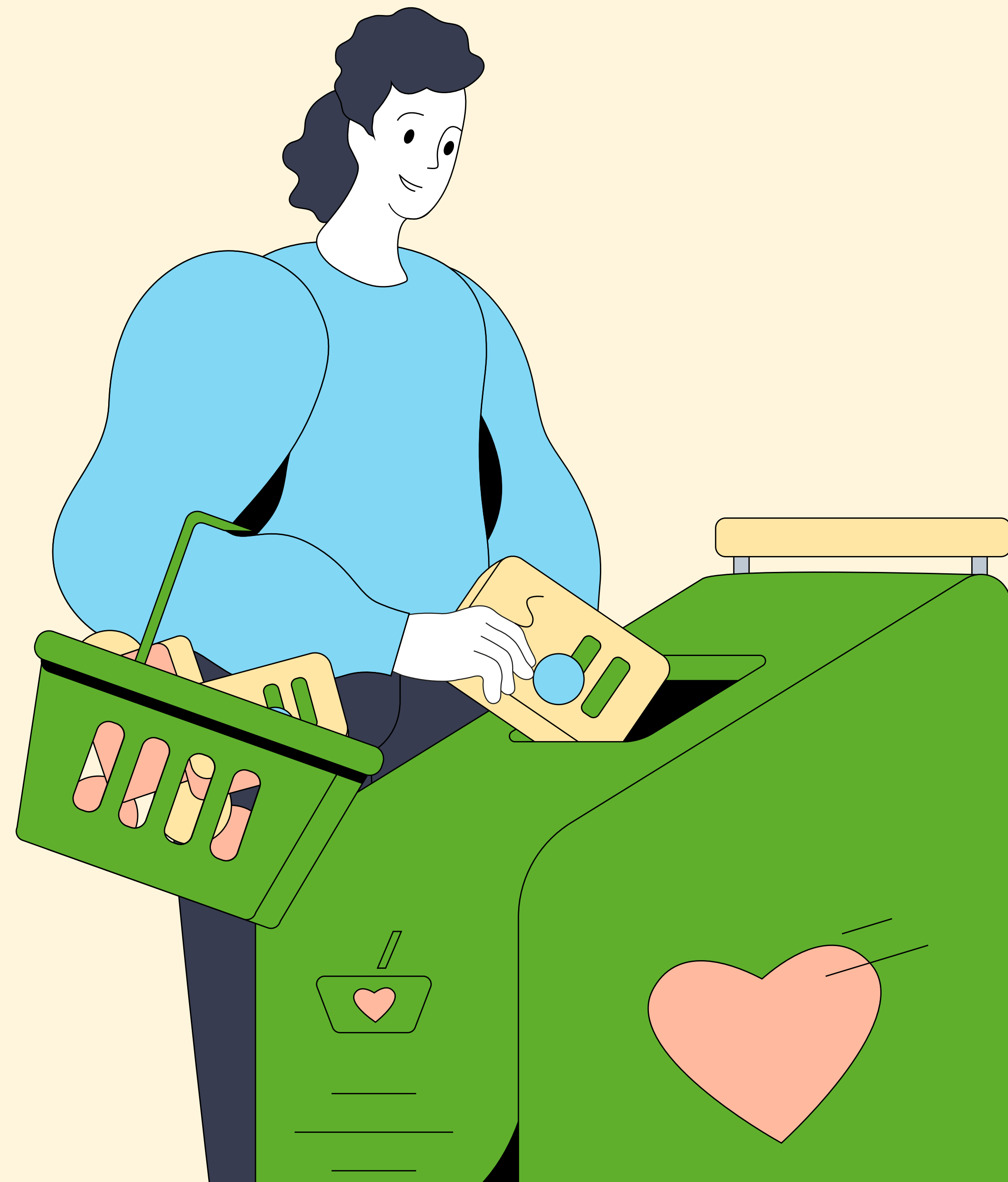
95,012 people benefitted from the project in 2023

THE PROJECT INVOLVES

62
stores

11
dark stores

1
distribution centre



Con-necting

X5 continued its collaboration with the Con-nection foundation started in 2017 and support for assisted living facilities for deafblind adults. As part of the project, free food has been supplied to people living in houses overseen by the foundation in the villages of Puchkovo and Knyazevo every week over all these years

Over this period of collaboration, the Company has donated a total of close to RUB 109.9 million to support a range of various programmes of the foundation, such as assisted living, the construction of 25 leisure centres across 16 regions, the operation of the Yaseneva Polyana resource centre, and so on.

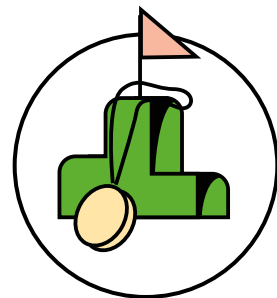


Helping seriously ill children

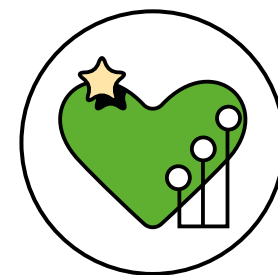
In 2023, we continued our collaboration with the Life Line Charity Foundation by supporting its key activities and running our own campaigns to raise and donate funds to the foundation

A total of RUB 47.9 million was collected and transferred to support the foundation's programmes in 2023.

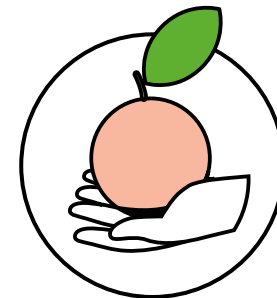
OUR PROJECTS



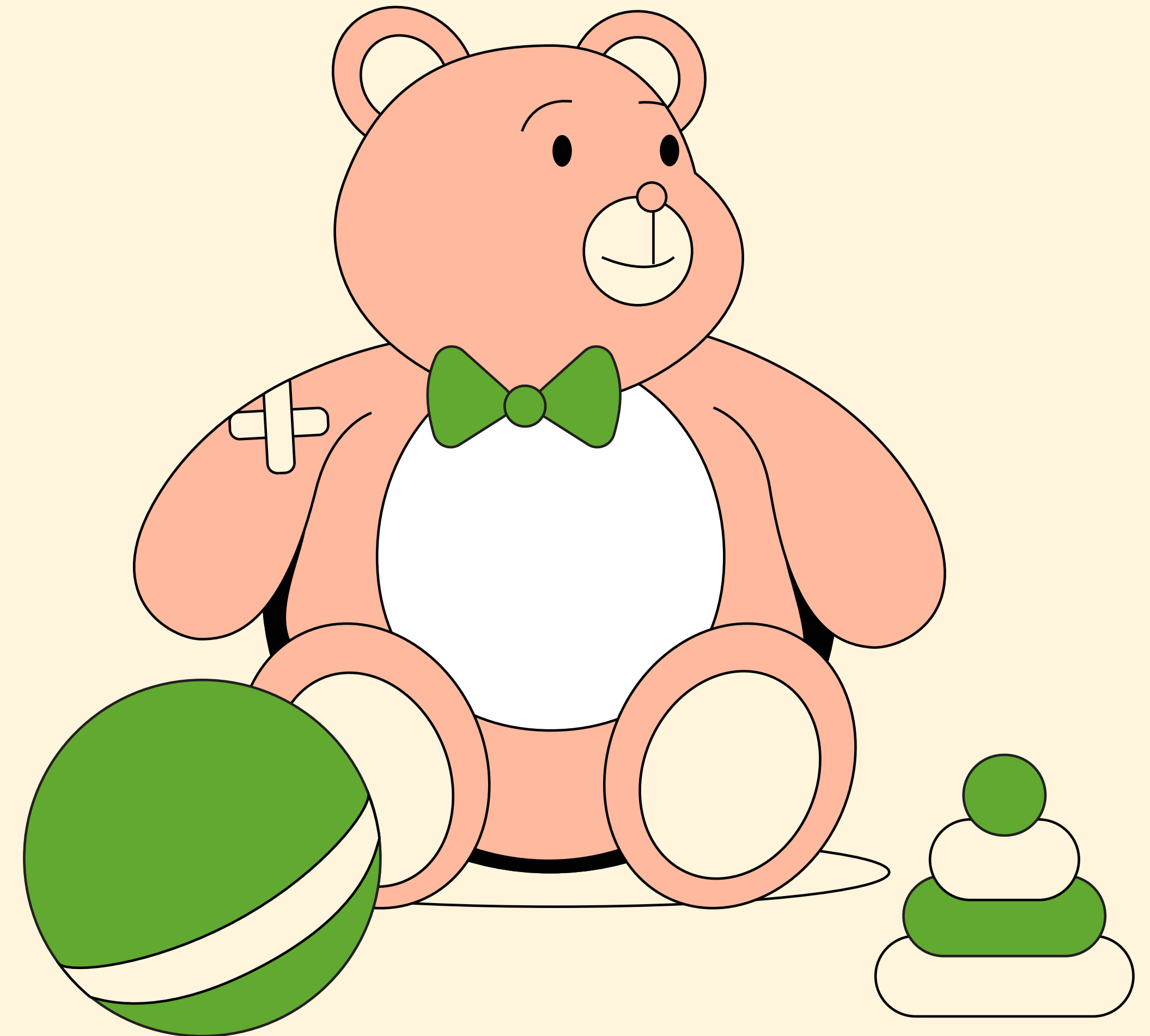
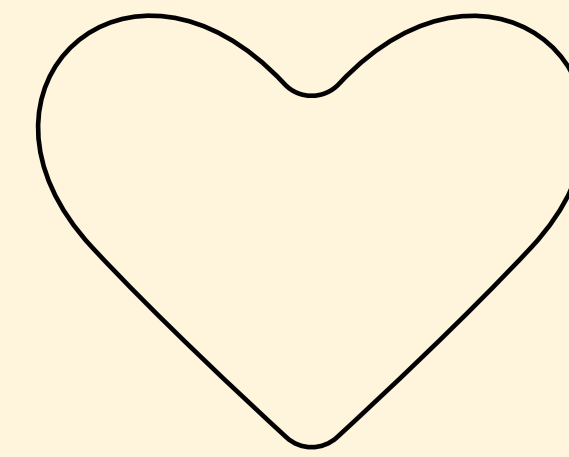
Running for Life



Candies of Kindness



Charity fairs

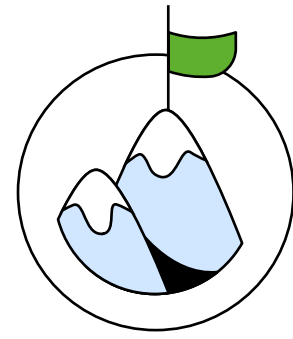




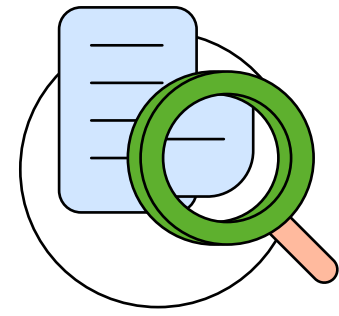
Governance

Embedded in the business strategy, the Company's agenda of sustainable long-term value creation is implemented by the Company's executive team, included in the LTI programme 2021–2023, and reviewed by the Supervisory Board and its committees

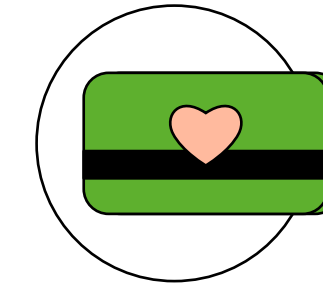
Performance highlights



Strengthening the management system: 5% – the proportion of relevant KPIs in the management long-term incentive programme



Listening to customers: 98% – rate of responses to queries for key product categories sent within the target turnaround time



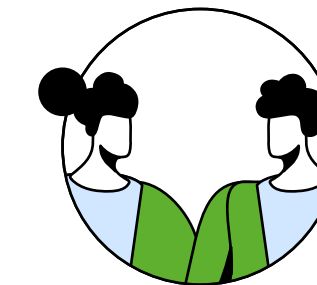
Caring about our employees: RUB 2.729 billion – spending on voluntary health insurance and social support



Complying with business ethics standards: 0 cases of anti-competitive actions or breaches of anti-trust laws



Expanding engagements with small-sized businesses: 53% – the share of SMEs among the Company's suppliers



Creating a gender-balanced workplace: 44% – the proportion of women in management in 2023



Subscribe to our news digest, which we plan to release on a quarterly basis,
and follow all sustainability projects and initiatives
on our website at esg.x5.ru/en/

For more information on X5 Group's sustainability projects and their
outcomes, see X5 Group's 2023 [Sustainability Report](#)