



August 2023

ESG

HIGHLIGHTS

OVERVIEW

- We do everything to create an unprecedented customer experience by offering **the most relevant assortment at outstanding value**
- We take our business **personally** and love to shop at our own stores. We **care about our products** and work hard continuously to **exceed our customers' expectations** with high quality goods at affordable prices
- Our unique value proposition and treasure hunt experience make us increasingly **appealing to all customer target groups**
- We **engage with our partners** across the whole value chain to ensure **continued sustainable growth**
- Our people make a difference knowing that **we value their efforts** to make Fix Price a better place to work, shop and grow



HIGHLIGHTS¹



c.90%



Estimated market share in VVR² in Russia³

c.5,700



Fix Price stores⁴

7



Countries of presence

39,013



Personnel⁵

1,200+ thous. sqm



Total selling space⁶

c.500



Suppliers

RUB 278 bn



2022 revenue

Notes: 1. Numbers as of FY 2022; 2. VVR – variety value retail; 3. INFOLine estimate for 2022 based on Company’s and other sources’ data; 4. Number of stores includes franchise stores; 5. The personnel of Fix Price Group PLC in all countries where it operates, including contractors; 6. Total selling space of Group-operated and franchise stores

FOUR PILLARS TO DRIVE ESG STRATEGY

ESG STRATEGIC PRIORITIES – THE 4PS

After an in-depth analysis of our ESG practices we identified the following strategic priorities. The 4Ps approach is helping us thoroughly assess a roadmap of metrics and activities to further embed ESG into our business and culture.



UN SUSTAINABLE DEVELOPMENT GOALS

When defining our 4Ps, we considered the scope for delivering on the Sustainable Development Goals (SDGs) established by the United Nations. Out of the total seventeen, we selected seven SDGs where Fix Price can deliver the largest impact and divided them into two groups: primary and secondary SDGs.

Primary SDGs

embrace three goals where Fix Price can make the biggest contribution:

SDG 8



Decent Work and Economic Growth

SDG 12



Responsible Consumption and Production

SDG 13



Climate Action

Secondary SDGs

comprise four goals that are still core priorities for us, but to which, due to the specifics of our business, we can only offer a more limited contribution:

SDG 2



Zero Hunger

SDG 3



Good Health and Well-Being

SDG 5



Gender Equality

SDG 10



Reduced Inequalities

PEOPLE: OUR ACCOMPLISHMENTS IN 2022

Forbes named Fix Price one of [Russia's Best Employers](#) in 2022, placing the Company in the silver tier

RBC ranked Fix Price fifth in the Russian retail segment in its [best employers ranking](#)

Fix Price made it into the top five of HeadHunter's list of [the best employers](#) in the retail segment

Fix Price managed to achieve a high level of routine process automation in recruitment and HR record management by successfully deploying the new HR solutions Skillaz and HRLink



Fix Price continued honing health and safety excellence and once again delivered one of the best sets of occupational health and safety results both for regular staff and contractors among public retail companies



We launched 45 training groups in 10 various fields for office employees, rolled out a new condensed training programme containing 25 short educational videos, built a new digital community for store employees to share professional experience, and improved the process of adding our store staff to the talent pool

We continued to support young people's sport through the Future Champions League charitable endowment. In 2022, through donation boxes placed in our stores, we raised more than RUB 4.6 million. We also directly contributed around RUB 40 million to the endowment. All of these funds went to the development of junior football in Russia

PEOPLE: SAFETY AND MOTIVATION ARE CORNERSTONES TO SUSTAINABLE GROWTH

People are at the heart of our Company - our personnel are key to making Fix Price business model efficient and customer-oriented. We strive to create a supportive environment for everyone and build a culture of learning and development. Our employees are also our customers, and, every day, they make changes that create unique customer value, effect positive changes in society, and contribute to local communities



CORE PILLARS OF HR AT FIX PRICE

-  Creating a comfortable work environment in line with occupational safety standards
-  Developing fair compensation and motivation system
-  Building an effective employee training and development system to support further professional and personal growth
-  Building open and streamlined team communications to avoid unnecessary bureaucracy
-  Welcoming employee feedback at all levels of the corporate structure
-  Constant monitoring and assessment of employee satisfaction at all units of the Company
-  Supporting diversity and inclusion



HIGHLIGHTS ¹

86%



Share of women in total employees

48%



Share of women in management ²

100%



All store and newly hired DC and office employees receive training

100%



New store managers enrolled in the mentoring programme

0



Number of work-related fatalities for employees and contractors

0.06 | 0.14



Lost time injury frequency rate for employees and contractors ³



Notes: 1. Numbers as of FY 2022 and, if not stated otherwise, comprise employees of Best Price LLC– the main operating company of the Fix Price Group PLC; 2. Comprises top, middle and junior managers; 3. Per 1 million hours worked

PRODUCT: OUR ACCOMPLISHMENTS IN 2022

In spring 2022, Fix Price was recognised at the 12th annual Golden Bear Cub National Awards for its achievements in providing goods for kids, specifically for its private label Kid's Fantasy, which encompasses educational water colouring cards, a multiple-use water colouring book and a set of colour stencils



In autumn 2022, at the Quality Guarantee 2022 contest, which celebrates excellence in food products, three Fix Price products won gold medals: creamy waffles, dates and roasted shelled peanuts

Fix Price's loyalty programme was named the Project of the Year at the Time for Innovations Awards

~2,000 SKUs
in our assortment

60%
Net Promoter Score (NPS)

~22 million
registered loyalty
cardholders

3,107
quality and safety tests performed¹ including

2,018
voluntary tests

~50
new products every week



●●● Notes: 1. Includes laboratory tests to obtain certifications and declarations of conformity for imported products; tests performed in external laboratories to confirm product composition, quality and safety; inspections by our in-house Quality Control Centre and additional tests performed in external laboratories after in-house inspections by Quality Control Centre



APPROACH TO QUALITY CONTROL

How we inspect quality at different stages of the product life cycle, right up until sale



Prior to manufacturing

- ✓ Accredited laboratories test samples of certain goods to obtain certification and declarations of conformity
- ✓ Tasting sessions for certain product samples
- ✓ Internal checks and laboratory testing of product samples, if necessary



During manufacture

- ✓ Remote inspections of samples
- ✓ Physical inspections of samples by category managers
- ✓ Testing at external laboratories after manufacture to confirm product composition, quality and safety



Transportation

- ✓ Visual inspection of goods by agents prior to shipping



Warehousing

- ✓ ✓ ✓ Inspection of goods and associated documentation upon acceptance at distribution centres
- ✓ ✓ ✓ Regular inspections for package integrity by the quality controller



Distribution to stores

- ✓ ✓ ✓ Inspection of goods and associated documentation upon delivery to the store
- ✓ ✓ ✓ Periodic spot checks at stores by the Quality Control Centre and laboratory testing, if necessary

- ✓ Russian private labels
- ✓ Imported goods
- ✓ Branded products

PARTNERS: OUR ACCOMPLISHMENTS IN 2022

> 500
suppliers



2x increase
in the number of
private label supplier
audits

77%



share of
local suppliers
in procurement

0



Major breaches
identified in supplier
audits

In 2022, the Fix Price franchising project won a Best for Russia — Regional Development award

WE ARE COMMITTED TO ENSURING THAT OUR PARTNERS COMPLY WITH THE COMPANY'S POLICIES, INCLUDING:

-  [the Code of Conduct](#)
-  [the Modern Anti-Slavery and Human Trafficking Policy](#)
-  [the Anti-Bribery and Corruption Policy](#)
-  [the Environmental, Health and Safety Policy](#)
-  the Guidelines for Ensuring Quality in All Product Categories

PLANET: OUR ACCOMPLISHMENTS IN 2022

In 2022, we managed to increase the total amount of waste sent for further recycling by 45% due to a newly implemented recyclables management system, which envisages using enhanced accounting procedures, specialist software and KPIs linked to store turnover

We increased the share of sustainable goods in our stores by introducing new types of recyclable bags, which are 40% made of recycled polyethylene; shoppers, etc.

In 2022, Fix Price decreased its paper consumption related to document flow by 32% y-o-y thanks to our EDI (Electronic Document Interchange)

In 2022, we continued to calculate our GHG emissions and published our first disclosure on the Company's climate impact and its management in [2022 Annual Report](#). Our analysis and disclosure were guided by the pillars and approach of the TCFD framework



Amount of recyclable waste

28 thous. tonnes (+45% y-o-y)



waste collected at DCs for further recycling, incl.

88%



cardboard

12%



stretch film

PLANET: CLIMATE ASPECTS OF THE COMPANY'S ACTIVITIES



In 2022, Fix Price decided to start adopting TCFD recommendations when addressing climate-related matters, and now the Company is gradually incorporating these principles into its business processes. We continued to measure our GHG emissions, thus expanding the amount of historical data, which allows us to assess changes in emissions and strengthen the foundation for expanding and enhancing our climate impact management efforts going forward.

See more details in our [2022 Annual Report](#)

GHG EMISSIONS (SCOPE 1, 2 AND 3),¹ tCO₂-eq.

	2020	2021	2022
Total GHG emissions (Scope 1 and 2)	91,841	109,907	121,007
Total GHG emissions (Scope 1, 2 and 3)	2,183,473	2,523,197	2,880,643
Direct GHG emissions (Scope 1)	3,080	3,299	2,606
Energy indirect GHG emissions (Scope 2)	88,761	106,608	118,401
Other indirect GHG emissions (Scope 3)	2,091,632	2,413,290	2,759,636

●●● Notes: 1 GHG emissions for 2020-2021 were recalculated following the refinement of the data collection and calculation methodology. In 2022, the calculation methodology was also refined due to the unavailability of previously used coefficients

Should you have any questions about Fix Price's sustainability agenda, please do not hesitate to contact

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