

## **SUPERVISORY BOARD REMUNERATION POLICY 2024**

### **Introduction**

This remuneration policy for the Supervisory Board of X5 Retail Group N.V. ("X5" or "the Company", and together with group companies, "X5 Group") applies as from May 1, 2024 onwards. The remuneration policy was approved by the Supervisory Board of X5 upon recommendation of its Nomination and Remuneration Committee, and submitted for adoption by the Company's General Meeting of Shareholders on May 8, 2024.

### **Objectives and benchmarking**

The objective of X5's remuneration policy for the Supervisory Board (the "Remuneration Policy") is to attract, reward and retain top leaders from our industry and beyond to continue to have a strong and diverse Supervisory Board. Supervisory Board fees are set at an appropriate level to attract individuals with the necessary experience, knowledge and ability to make a significant contribution to the Company's strategy, long-term developments and sustainability. As such the remuneration policy supports the long-term development of the Company, while aiming to fulfil all stakeholders' requirements. The Remuneration Policy is designed to be simple, effective and transparent.

In preparing this policy, the Supervisory Board has considered the external environment in which the Company operates, the relevant laws, rules and regulations, and competitive market practice. The level of support by our shareholders and stakeholders, and in a broader manner within the society where the Company operates, is important to us and has been taken into account when formulating this remuneration policy.

The remuneration of the Supervisory Board should be competitive as compared to a relevant reference market. Given X5's geographic operating area across 8 regions in the Russian Federation, the primary reference market consists of the largest Russian companies in terms of capitalization that are included in the first level listing of the Moscow Exchange.

In addition to their mandate at Company level, Board members are given the opportunity to fulfil their non-executive role and receive their Board fee at the level of X5 Corporate Centre LLC, the Russia-based consolidation centre for X5's operational assets. The Supervisory Board believes that such extra layer of Board activity and oversight, closer to the operational business, strengthens the continuity and governance of the Company's operations in Russia and is in the interest of X5 Group.

X5 believes that the level and structure of the remuneration of the Supervisory Board members safeguard their independence of judgement and thought, and adequately reflect the time spent and the responsibilities of their role for the Group. As stipulated in the Supervisory Board Rules of Procedure, any member of the Supervisory Board who is a representative of a legal entity or person holding at least 30% of the voting rights in the Company, shall waive his/her entitlement to remuneration for acting as a member of the Supervisory Board.

### **Elements of remuneration**

Given the nature of the responsibilities of the Supervisory Board as an independent body, remuneration is not tied to the performance of the Company and therefore only comprises fixed remuneration delivered in cash. In addition to a base fee, Supervisory Board members are offered committee fees and additional compensation contingent upon their activities and responsibilities.

In view of current restrictions affecting payments between Russia and EU members states, Supervisory Board fees are paid by the Company in the Netherlands or its operational subsidiary X5 Corporate Centre LLC in Russia. Remuneration to EU-based Supervisory Board members is denominated and paid in Euro; remuneration to Russia-based Supervisory Board members is denominated and paid in Russian Ruble.

Annual fees are as follows, in each currency of denomination:

#### Base fees

Role	Fee (EUR)	Fee (RUB)
Supervisory Board Chair	300,000	30,000,000
Supervisory Board Member	120,000	12,000,000

#### Supplementary fees

Role	Fee (EUR)	Fee (RUB)
Committee Chair	90,000	9,000,000
Committee Member	25,000	2,500,000

#### Legacy

Equity-based awards granted to members of the Supervisory Board since 2022 under the Company's Phantom Stock Plan will continue to vest in respectively 2025, 2026 and 2027 in accordance with the plan rules.

Phantom Stock Units awarded and outstanding to members of the Supervisory Board					
	Tranche	PSUs awarded in 2022	PSUs awarded in 2023	PSUs awarded in 2024 (FINAL)	Year of vesting
P. Demchenkov	1	23,095			2025
	2		21,356		2026
	3			4,250	2027
O. Vysotskaya	1	7,849			2025
	2		11,670		2026
	3			2,322	2027
V. Stavrou	1	1,746			2025
	2		5,835		2026
	3			1,347	2027

#### Other items

Supervisory Directors benefit from liability insurance coverage, and the reimbursement of expenses. The Company does not grant variable remuneration to Supervisory Board members, they do not accrue any pension rights and are not eligible for personal loans or guarantees. Supervisory Board members do not receive any other benefits or entitlements and are not entitled to any severance payment or benefits upon termination of their appointment.

Supervisory Directors are appointed and reappointed based on the provisions of the law and articles of association of the Company.

**Adoption**

Adoption of the remuneration policy by the General Meeting of Shareholders, upon proposal by the Supervisory Board, takes place at every change and in any case at least every four years. The Nomination and Remuneration Committee is responsible for the development of the remuneration policy and making a proposal to the Supervisory Board.

**Amendments**

This remuneration policy may only be amended by the General Meeting of Shareholders pursuant to a proposal of the Supervisory Board, based on recommendations by the Nomination and Remuneration Committee.