

MIGROS 2024

INTEGRATED ANNUAL REPORT



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Chairman's Message



Migros made a total of TL 9.9 billion worth of investments in 2024. These investments created new jobs for more than ten thousand people.

Honored partners,

Despite the challenges of recent years, Anadolu Group has entered a period of significant potential in every sense of the word thanks to its robust financial strength, operational infrastructure, accumulated expertise, and leadership in sustainability and technology. We have the ability to act quickly and be operationally agile in response to evolving trends. 2024 was another year in which we were obliged to keep a particularly close watch on global uncertainties, inflation, recession concerns, and geopolitical risks. The Turkish economy grew by 3.2% year-on-year in real terms. As was expected, consumer price index, which peaked at 75% in May, closed the year at 44.4% thanks to measures that were taken during the year.

Despite all the challenges in food retailing Migros' growth lost no momentum; indeed, by rapidly adapting to changing dynamics, Migros not only grew but even gained market share. Focusing on its core business activity –food retailing– the company continued to invest its omni-channel and multiformat strategy. In the "Top 50 Strongest European Grocery Retailers" report prepared by ESM: European Supermarket Magazine and Brand Finance and published last year, we had the honor of being named the strongest retail grocery brand in Europe. In 2025 Migros will again continue to create sustainable value for all of its stakeholders both through its growing retail operations and thanks its services that go beyond retailing.

Operational & Financial Performance

Competition in the food retailing industry further intensified in 2024 as players continued to open new physical stores and invest in online channels. Known for delivering high-quality customer service and affordably-priced goods, Migros' share of the fast-moving consumer goods (FMCG) market increased by 40 basis points and reached 9.8%.

Migros continued its strong financial performance in 2024 and achieved all the targets it had set for the year. As it did in 2023, Migros recorded consolidated sales growth above the sector in 2024. With IAS 29 inflation accounting, the company invested a total of TL 9.9 billion during the year. 356 new physical stores that were opened in 2024 brought the total number to 3,621 as of year-end. There was also an increase in the number of stores supplying online services.

Migros registered a 12.1% rate of real growth in 2024 and achieved an EBITDA margin on the order of 5.4%. The company reported a net profit of TL 6.6 billion, which corresponds to a net profit margin of 2.2%. The company continued to invest in supply chain, energy, and technological infrastructure last year. These investments created new jobs for more than ten thousand people.

Chairman's Message

An expanding ecosystem and new initiatives

In addition to its core business of food retailing, Migros continued to grow with its subsidiaries and new initiatives. Migros One, which combines online grocery operations and food delivery platform Migros Yemek, increased its number of users and completed the year with a strong sales growth performance. Paket Taxi, the last-mile delivery solution that provides logistical support for Migros' online operations expanded its customer base last year by providing delivery services to third party restaurants.

MoneyPay, Migros' fintech subsidiary that provides financial solutions to both B2C and B2B online segments, more than doubled the number of its registered users and total transactions last year, and registered significant year on year growth in TPV (Total Payment Volume).

Mimeda, our retail media subsidiary whose operations focus on data, communication channels, and advertising technologies, continued to add new customers and new brands to its active portfolio in 2024. **Migen Enerji**, a subsidiary that provides electric vehicle charging services, steadily

increased the number of its registered users and its total sales throughout the year. In late 2024, Migen Enerji took the first step towards becoming an active player in Türkiye's electricity market by obtaining an electricity supply license. **GurmePack**, which joined the Migros ecosystem in late 2023, continued to offer the packed ready meals that it produced in its Istanbul facility through Migros' physical and online channels.

Besides our subsidiaries, our new initiatives, such as the personal care products format **Mion** and the **Macroiosk** format which mainly offers beverages, delicatessen and snacks, continued to flourish.

Looking ahead

Dear Stakeholders,

I believe that investing in sustainable sources of energy is crucial for ensuring a sustainable future for young generations. In order to achieve its goal of becoming carbon-neutral by 2050, Migros is allocating a substantial part of its investment budget for renewable-energy projects. As a result of these investments, whose aim is to reduce our carbon footprint, Migros and its subsidiaries will be

in a position to meet a third of their total energy needs from company-owned solar power plants by end-2026.

Thanks to its strong financial performance and sustainability-focused investments, Migros views the future with confidence. We intend to continue growing our physical store network, to invest in online operations, and to pursue solid, sustainable growth with our subsidiaries and new business lines. That in turn will allow us to go on contributing to our country's economy, to employ even more people, and to create value for all of our stakeholders.

I thank all our stakeholders for their confidence in Migros and the support they have shown.



Tuncay Özilhan

Chairman of the Board of Directors
Migros Ticaret A.Ş.

We intend to pursue solid, sustainable growth with our subsidiaries and new business lines.

Thanks to its strong financial performance and sustainability-focused investments, Migros views the future with confidence.

Message of the CEO



Migros delivered a solid operational performance in 2024, achieving its sales growth, EBITDA margin and new store opening targets which it had set for the year.

Driven by a combination of physical store expansion and significant investment in online channels that intensified the already competitive landscape, the food retailing industry remained dynamic throughout 2024.

In an effort to provide our customers with more affordably-priced goods in the face of challenging economic conditions, we maintained our competitive stance all year long. Customer-value driven initiatives increased footfall at our stores in 2024. Although consumer spending shifted towards more affordable options in certain categories, the inflation-adjusted growth observed in shopping-cart value shows that customers appreciate our market positioning. According to Nielsen data, Migros' share of Türkiye's overall FMCG market sales increased by 40 basis points and reached 9.8% in 2024.

Financial & Operational Performance

As was the case in 2023, 2024 was another year in which our sales growth outpaced that of the overall sector. Migros delivered a solid operational performance in 2024, achieving its sales growth, EBITDA margin and new store opening targets which it had set for the year. The 356 new stores that we opened last year brought the total number in the portfolio to 3,621. In addition to opening physical stores, we also continued to invest in online channels, supply chains, energy, and technological infrastructure.

According to our financial results with IAS 29 inflation accounting, Migros' consolidated turnover grew by 12.1% year-on-year and reached TL 293.8 billion in value in 2024. Strong growth momentum

was registered across all of our retailing formats. Benefitting from our omnichannel and multiformat approach, our online channels experienced growth rates that surpassed even the highly successful ones achieved by our physical stores. Not only did the share of consolidated turnover contributed by online sales continue to increase last year but there were improvements in online channel profitability performance as well.

With IAS 29, Migros' EBITDA (earnings before interest, taxes, depreciation, and amortization) amounted to TL 15.8 billion in value in 2024. This corresponds to an EBITDA margin on the order of 5.4%. The pressure on our operational expenses in the first half of the year, mainly due to personnel costs, eased in the second half of the year. Migros booked a net profit of TL 6.6 billion in 2024. This corresponds to a net profit margin of 2.2%.

Operations and Strategies

While focusing on its principal business activity—food retailing—Migros also continues to invest in the omnichannel and multiformat aspects of its operations. We are continuing to open new physical stores; but we are also expanding the dimensions of our online operations. To provide the logistical support needed by the increase in physical store numbers, we are investing in new distribution centers as well. 16 distribution centers of varying sizes that we opened in 2024 not only significantly expanded our overall storage capacity but also improved operational efficiency. We will be opening more distribution centers in 2025. Also, we reduced our inventory levels through more prudent inventory management.

Message of the CEO

Migros is constantly on the lookout for ways to further expand its service-channel reach. We have both the technological resources and the logistical capabilities to deliver online service through each and every one of our retailing formats. We intend to extend the effective format-management practices developed for our Mion personal-care stores, the category-specialized format Macroiosk, and packed ready meal operations into other business lines as well.

There are two areas in which we will be investing more in 2025: expanding the use of electronic shelf price tags and increasing the number of self-checkouts in our stores. These investments are intended to improve customer service while also increasing operational productivity. We will likewise continue to invest in digitalization and technological infrastructure.

The ecosystem which we have built up through our subsidiaries and new initiatives continues to develop and nourish our core business. The improving profitability of our subsidiaries encourages us to keep investing in them as we move forward. At the same time, the support which our subsidiaries provide for our core business, food retailing, through the synergies that they generate is becoming increasingly more beneficial and significant. This ecosystem has even more to contribute to our company's sales growth and our ability to create even more long term value for our stakeholders.

A Sustainable Future

In line with Migros' medium and long-term sustainability and productivity goals, we intensified our investments in solar energy. A solar power plant that we built in Kırşehir began generating

electricity in March 2025. With the addition of this investment to existing capacity provided by solar power arrays installed on the roofs of some of our distribution centers, we are now in a position to generate a tenth of all the energy consumed by Migros and its subsidiaries from company-owned renewable sources. Our goal is to supply a third of that energy requirement from company-owned solar by the end of 2026.

Migros has been awarded an "A" rating—the highest possible—in both the "Climate Change" and the "Water Security" programs of the Carbon Disclosure Project (CDP), a highly respected global environmental reporting platform, thus achieving "Global A Leader" status for the second year in a row. Also, the Science Based Targets initiative (SBTi), a leading global authority on climate action, fully approved our company's carbon reduction initiatives aimed at addressing climate change. Having examined our 2030 carbon-reduction and 2050 net-zero goals, SBTi confirmed that the goals are consistent and methodologically sound. Migros is the first food retailer in Türkiye to receive such confirmation.

Migros: Europe's Strongest Grocery Retail Brand

Migros has become the hub of an extensive stakeholder group and ecosystem consisting of employees, customers, suppliers, subsidiaries, and investors. We are proud of the fact that for seven decades our company has been contributing to the growth and development of Türkiye's food retailing industry and national economy. We are focused and enthusiastic about creating value for all stakeholders. I'm therefore delighted to

share some good news we had last year about the success of our efforts in this direction.

In the "Top 50 Strongest European Grocery Retailers" report released by ESM: European Supermarket Magazine and Brand Finance in September 2024, Migros was named the strongest grocery retail brand in Europe. Recognitions such as these are what encourage us to work even harder to achieve our long-term goals.

In 2025 we plan to open about 250 new physical stores and to increase the number of stores serving online. We anticipate that these investments will create new employment opportunities for another 8,000 people.

I feel confident when I say that when I come before you again next year it will be to tell you that we have achieved all the goals we set for 2025 and that once again we and all of our stakeholders can view the future with confidence.



Ö. Özgür TORT

Board Member & CEO
Migros Ticaret A.Ş.

In 2025 we plan to open about 250 new physical stores and to increase the number of stores serving online. We anticipate that these investments will create new employment opportunities for another 8,000 people.

About the Report



Türkiye Sustainability Reporting Standards

This report has been prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), which mark the first reporting year under the applicable legislation.



Reporting period and basis

Migros Ticaret A.Ş. embraces transparency, accountability, responsibility, and fairness as the guiding principles of its corporate governance. In this spirit, the company reports to its stakeholders the value it generates in the economic, environmental, social, and governance spheres. This Integrated Annual Report covers the period beginning on 1 January 2024 and ending on 31 December 2024. This report provides all of the

company's financial performance and 99.9%* of its sustainability performance during the reporting period.

Standards

The Migros 2024 Integrated Annual Report has been prepared in accordance with **Global Reporting Initiative (GRI) Standards** and the International Integrated Reporting Framework published by the **International Integrated Reporting Council (IIRC)**. The report has also been structured in accordance with the expectations of the United Nations Global Compact (**UNGC**), World Economic Forum Stakeholder Capitalism Metrics, United Nations Women's Empowerment Principles (**WEPIs**), Task Force on Climate-related Financial Disclosures (**TCFD**), and stock exchange indices in which the company's shares are included. When preparing this report, attention was given to the Türkiye Sustainability Reporting Standards (TSRS) drawn up by the Public Oversight, Accounting & Auditing Standards Authority (**KGK**) in line with international sustainability reporting standards published by the International Sustainability Standards Board (**ISSB**). Using the transition-year exemption stated in the related legislation for the first reporting year (as per the E5 clause of TSRS S1), Migros disclosed and had verified information that are exclusively pertinent to climate-related risks and opportunities (per TSRS S2).

* For accounting purposes, the financials of a Migros subsidiary which operated a shopping mall in Kazakhstan and was sold in July 2024 are included in this report; the subsidiary's sustainability performance however is not.

About the Report



Created value, impact, and performance are presented in relation to the six capital elements and so as to be transparent, reliable, consistent, and comparable.



While focusing on current developments in the various sectors which the company serves, this report also discloses the contributions which Migros' medium and long-term goals and its ongoing and completed projects make towards the realization of UN Sustainable Development Goals (UN SDG).

All financials in the report are presented in accordance with the requirements of Turkish Financial Reporting Standards (TFRS). All financials in the report are presented in accordance with the requirements of Turkish Financial Reporting Standards (TFRS). Migros' 2024 independent financial audit was conducted in

accordance with TFRS, the Independent Auditing Standards set by the Capital Markets Board of Türkiye, and the Independent Auditing Standards (BDS) which are part of the Turkish Auditing Standards.

The structure and scope of this report

This report considers Migros' sustainability, financial, and operational performance within the framework of the Six Capitals Model (**financial, manufactured, intellectual, human, social & relationship, and natural capital**). All information about created value and the company's impact and performance is presented so as to be transparent, reliable, consistent, and comparable with previous reporting periods for all stakeholders.

This report provides detailed information about the company's sustainability approaches, corporate governance principles, business process-related risks and opportunities, and efforts to integrate emerging technologies into business operations. Migros regards its stakeholders' feedback as valuable input and takes it into account in its ongoing efforts to improve its sustainability performance.

Independently audited and verified selected 2024 data on greenhouse gas emissions, water consumption, supply chain, and human rights issues are presented in the **Appendices** to this report. Please send any questions, suggestions, or comments regarding the report to malimigros@migros.com.tr and / or to surdurulebilirlik@migros.com.tr.

Migros' Impact Journey

MIGROS TÜRK 1954

Migros Türk Ticaret A.Ş. is established as a joint venture of the Swiss-based Federation of Migros Cooperatives and the Istanbul municipality.

Koç 1975

Koç Group acquires a majority stake in Migros.

MIGROS 1991

Migros shares begin trading on the stock exchange.

MIGROS sanalmarket 1997

Online supermarket Migros Sanal Market is launched.

Tansas 2005

Migros acquires Tansas, a national food retailer. Macrocenter format is launched.

MIGROS TİCARET A.Ş. 2009

Migros shares are transferred to Moonlight Perakendecilik T.A.Ş.

Migros and Moonlight are merged into Migros Ticaret A.Ş.

ANADOLU GROUP 2015

Anadolu Group acquires 40.25% of Migros shares.

ANADOLU GROUP 2017

Anadolu Group's share in Migros reaches 50%. Migros acquires 95.5% stake in Kipa.

kipa 2018

Migros merges with Kipa under the roof of Migros.

MIGROS Hemen 2019

The Migros Hemen mobile app is launched. 25% stake acquired in Paket Taxi.

MONEY pay 2020

Migros fintech subsidiary MoneyPay commences operation.

MIGROS ONE mimedia 2021

Media-retailing subsidiary Mimedia is formed.

Migros One is formed to manage and develop online operations.

MIGROS yemek MİGEN 2022

Online food-delivery platform Migros Yemek is launched.

Migros' energy subsidiary Migen Enerji is formed.

mion qurmePack 2023

Personal care product retailing format Mion is launched.

50% stake in prepackaged meal producer GurmePack is acquired by Migros (30%) and MigrosOne 20%.

MIGROS 2024

Migros is named the strongest grocery retail brand in Europe in a joint report published by ESM: European Supermarket Magazine and Brand Finance.

2024 Highlights

Migros was named the strongest grocery retail brand in Europe in the inaugural “**Top 50 Strongest European Grocery Retailers**” report published jointly by **ESM: European Supermarket Magazine** and the Brand Finance collaboration.



Migros advanced to 12th place on both the **Fortune 500** and the **Capital 500** lists of Türkiye's biggest companies.

FORTUNE
TÜRKİYE

Capital

Migros has been selected as the “**Most Admired Retail Company**” for the 20 times in the Capital Magazine survey and ranked among the “**Top 20 Most Admired Companies in Türkiye**”. Migros also ranked 2nd on the magazine's “**100 Female Executive Friendly Companies**” list and 4th on its “**100 Female Employee-Friendly Companies**” list.

Capital

Migros has been in the **BIST Sustainability Index** and **BIST Sustainability 25 Index** since the launch of both indices.



Migros has been included among the leaders of the “**Global A List**” by receiving the highest score of “**A**” for the second consecutive time in both the **CDP (Carbon Disclosure Project) Climate Change** and **Water Security** programs.



Migros' climate change mitigation initiatives and 2030 carbon-reduction and 2050 net-zero goals are rated “**Fully confirmed**” by the **Science-Based Targets Initiative (SBTi)** to be consistent and methodologically sound.



Migros Group CEO Ömer Özgür Tort ranked 2nd among 50 leaders in Fast Company's “**Türkiye's Sustainability Leaders**” survey.

FAST COMPANY

In addition to the existing Sustainability Committee composed of representatives from each of Migros' key functional areas, a **Board-Level Sustainability Committee** consisting of company directors was formed in 2024.

Migros' 14.7 **Sustainalytics ESG Risk Assessment** score puts the company in the “**Low ESG risk**” category and also ranks it 8th among 188 food retailers worldwide on the same measure.



MSCI's (Morgan Stanley Capital International) “**AA**” rating of Migros' ESG performance is above the retailing-industry average.



Migros have been in the İstanbul stock exchange's **BIST Corporate Governance Index** since 2015. On 27 December 2024 the company's corporate governance performance rating was updated to 9.67 (96.74%)



Migros' 2024 **S&P Global** Corporate Sustainability Assessment score is twice the retailing industry's worldwide average.

S&P Global

Migros is included in the **FTSE4Good Emerging Markets Index**, which is compiled by FTSE Russell to identify high-performing companies in the field of Environmental, Social, and Governance (ESG).



FTSE4Good

In 2024 Migros placed first for the second year running in the “**Chain stores**” category of the “**Türkiye's happiest workplaces**” survey conducted by Happy Place To Work.



Further information about Migros' 2024 awards and recognitions may be found on the **company's corporate website**.



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Our Vision, Mission, Strategy and Values

Purpose

We pave the way for a better future.



A Better Future for our Customers

We provide healthy and sustainable choices for a better future, creating a trustworthy customer experience by integrating new services and initiatives.



A Better Future for our Associates

We firmly believe that a better workplace and equal opportunities that support continuous improvement bring out the best in employees.



A Better Future for our Community

We support improvement and local development for a strong community and expand growth as we grow through strong collaborations with our stakeholders.



A Better Future for our Planet

We help to bring about a better future for the planet by providing sustainability of food and effective use of limited resources.

Our Vision, Mission, Strategy and Values



Our Vision

To be the most beloved and valuable new-generation retailer in Türkiye.



Our Mission

Providing a unique shopping experience through its ultimate service approach, pioneer applications, broad product portfolio and family budget-friendly pricing strategy. Creating value for all stakeholders through its eco- friendly and community-focused operational approach.



Our Strategies

- Omni-channel growth
- Integrated subsidiary management
- Creating a unique shopping experience
- Competitive and winning corporate culture
- Sustainable ecosystem



Our Values

The company values which have been formed by the participation of our employees and which bound everyone are as follows:

- Customer Orientation
- Reliability
- Sensitivity
- Leadership
- Efficiency
- Innovativeness



Our Principles

Our Company has adopted the main principles of Corporate Governance which are:

- Fairness
- Transparency
- Responsibility
- Accountability



About Migros



MiGROS ONE

E-commerce



Fintech



Logistics



Retailing Media



Energy, EV Recharging Networks



Prepackaged Ready Meals

About Migros



Celebrating its 70th year in business in 2024, Migros offers a wide range of superior-quality, affordably-priced products that satisfy customers' needs and expectations.

Seven decades of experience, strong focus on the future

Celebrating its 70th year in business in 2024, Migros offers a wide range of superior-quality, affordably-priced products satisfying customers' needs and expectations through a network of stores and online channels that reaches all 81 of Türkiye's provinces and 100% of the country's households. Aiming to deliver an unrivaled shopping experience, Migros adds speed, convenience, and value to its customers lives.

Through innovative approaches grounded in many decades of experience, Migros leads the country's retailing industry forward while also shaping the sector's future service processes as it goes. Migros conducts its operations through the integrated management of subsidiaries that generate synergistic relationships with one another and as a whole.

By supporting local production across every region of Türkiye and contributing directly and indirectly to employment and prosperity, Migros is the heart of a vast and socially impactful ecosystem consisting of 75 thousand employees, 23,500 supplier, producer, and farmer business partners, and millions of customers.

Physical and online operations serving all 81 provinces

The 356 new stores that Migros opened in 2024 brought the total number across the country to 3,621. 1,422 of them were supplying goods for the company's online operations as of year-end.

Migros' **Migros Sanal Market, Migros Hemen, Migros Ekstra, Macronline, Tazedirekt, Mion,** and

Migros Yemek online shopping and service channels are all managed under the **Migros One** brand.

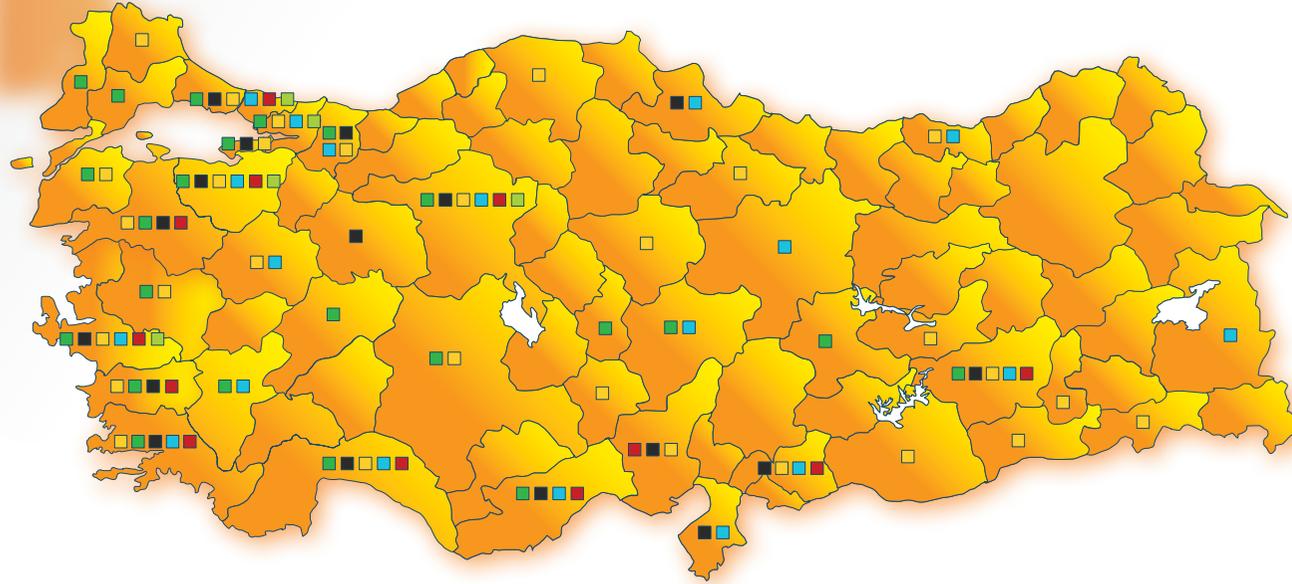
Other Migros Group subsidiaries include **Mimeda**, a media retailing company; **MoneyPay**, a payment systems and fintech product and service provider; **Paket Taxi**, an expedited delivery and logistical services provider; **Migen Enerji**, an EV recharging station installer, and **GurmePack**, a packaged-meals manufacturer.

Migros sells more perishables than any other retailer in Türkiye

Migros generates 77% of its turnover from the sale of agriculture-based products. One of the greatest advocates of sustainable agriculture practices, Migros invests in the future of the country's agriculture by undertaking and supporting projects that aim to strengthen smallholders, promote regenerative farming practices, and support local development.

Migros has formulated a sustainability roadmap consistent with its Migros Better Future Plan. The company has identified combating climate change, improving the efficiency of water and energy consumption, supporting sustainable agriculture, preventing food waste, promoting gender & opportunity equality, contributing to society, and ensuring employee wellbeing as material sustainability-target issues. Migros' plans for achieving carbon net zero by 2050 have been approved by the **Science-Based Targets Initiative (SBTi)**. Migros is a signatory to the **Women's Empowerment Principles (WEPs)**, a set of guidelines developed by **UN Women** and the **UN Global Compact** to promote gender equality and empower women in the workplace, marketplace, and community.

Our Stores and Online Activities



Physical Stores

■ **Migros:** 81 Provinces

■ **5M:** Afyon, Ankara, Antalya, Aydın, Balıkesir, Bursa, Çanakkale, Denizli, Diyarbakır, Edirne, İstanbul, İzmir, Kayseri, Kocaeli, Konya, Malatya, Manisa, Mersin, Muğla, Nevşehir, Tekirdağ, Yalova

■ **Macrocenter & Macroiosk:** Adana, Ankara, Antalya, Aydın, Balıkesir, Bursa, Diyarbakır, Eskişehir, Gaziantep, Hatay, İstanbul, İzmir, Mersin, Muğla, Sakarya, Samsun, Yalova

■ **Mion:** Adana, Ankara, Antalya, Aydın, Balıkesir, Batman, Bursa, Çanakkale, Diyarbakır, Elazığ, Gaziantep, İstanbul, İzmir, Kastamonu, Kırklareli, Kocaeli, Konya, Kütahya, Manisa, Mardin, Muğla, Niğde, Sakarya, Şanlıurfa, Şırnak, Tokat, Trabzon, Yalova, Yozgat

■ **Migros Toptan:** Ankara, Antalya, Bursa, Denizli, Diyarbakır, Gaziantep, Hatay, İstanbul, İzmir, Kayseri, Kocaeli, Mersin, Muğla, Sakarya, Samsun, Sivas, Trabzon, Van

Online Operations

■ **Migros Sanal Market:** 81 Provinces (1,288 Stores)

■ **Macroonline:** Adana, Ankara, Antalya, Aydın, Balıkesir, Bursa, Diyarbakır, Gaziantep, İstanbul, İzmir, Mersin, Muğla (12 Provinces, 112 Stores)

■ **Tazedirekt:** Ankara, Bursa, İstanbul, İzmir, Kocaeli

■ **Migros Hemen:** 81 Provinces (585 Stores)

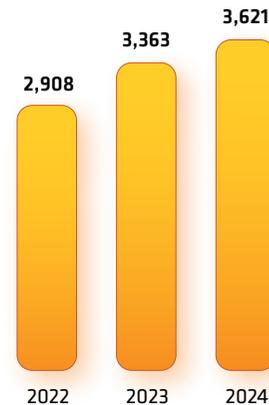
■ **Migros Yemek:** 81 Provinces

■ **Migros Ekstra & Mion:** 81 Provinces with shipping

2024 Breakdown of Store Types

Store Type	Number of Stores in 2024
Migros	1,355
MM Migros	539
MMM Migros	159
Migros Jet	1,186
5M Migros	54
Migros Toptan (Wholesale)	29
Macrocenter	123
Macroiosk	76
Mion	100
Total	3,621

Year-based Store Numbers



Physical Stores



Migros

The friendly staff and innovative features of Migros' Jet, Migros, MM, MMM, and 5M stores offering high-quality products at affordable prices deliver a unique shopping experience for customers in all 81 of Türkiye's provinces.



Macrocenter

With its unique product selection, commitment to high-quality customer service, and innovative store design, Macrocenter stands out as the premier supermarket chain in Türkiye. Macrocenter offers customers a selection of fine foods from around the world and regional specialties from all over the country, all carefully selected to appeal to its customers' lifestyles and preferences.



Migros Toptan

Migros Toptan is Migros' wholesaling format. As of end-2024, Migros Toptan was conducting its operations in 11 provinces through stores at 27 locations, 18 of which also offer online sales. Migros Toptan's operations are supported by 11 wholesale warehouses. In 2024 Migros entered the bulk-purchase format with the reactivation of the Tansaş Gross brand. Two Tansaş Gross stores—one each in İstanbul and Sakarya—have been opened so far; their operations are being supported by newly-established bulk-purchase warehouses.



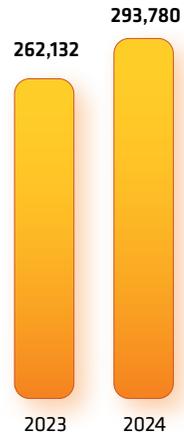
Mion

Launched in 2023, Migros' personal care product retailing format Mion was serving customers through 100 stores located in 29 provinces as of end-2024. Mion currently offers more than 9,000 items made by leading domestic and national brands in its stores as well as online. The company has also introduced a portfolio of personal care products under its proprietary Shoshin and Miself private-label brands. The first product to emerge from Mion's shop-in-shop project was launched in 2024 at the Akmerkez Macrocenter in İstanbul. Mion plans to increase the number of stores in 2025. It also intends to further enlarge its product portfolio and expand its range of private-label offerings so as to embrace all product groups.

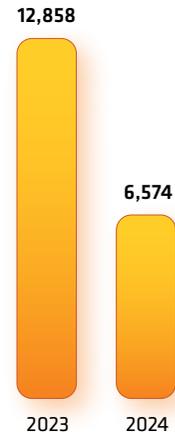
Detailed information about Migros' online channels and subsidiaries is provided in the **"Digitalization & Innovation Practices"** section of this report.

2024 Financial Review

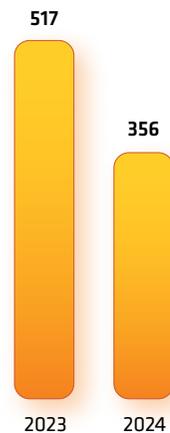
Net Sales (TL million)



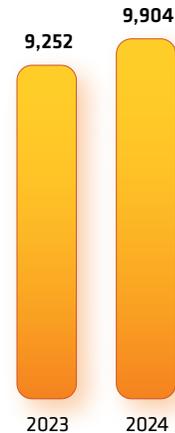
Net Profit (TL million)



Store Openings



Investment Outlays (TL million)



Migros' independently audited consolidated financial statements for the years 2023 and 2024 have been prepared in accordance with the principles of TMS 29 ("Financial Reporting in Hyperinflationary Economies").

Migros demonstrated strong operational performance in 2024 by achieving its consolidated sales growth, EBITDA margin, new store openings and investment targets.

Migros' consolidated sales turnover with IAS 29 increased by 12.1% year-on-year in 2024, totaling TL 293.8 billion. The contribution of space growth in consolidated sales growth was 5.3% in 2024. The remaining of the sales growth was driven by real like-for-like sales increase and traffic growth. In 2024, the basket size grew by 3.9% in real terms and the customer traffic increased by 3% on a like for like basis. The strong like-for-like sales across all formats, the customer traffic gain in physical stores and online channels, new store openings and competitive pricing strategy were the main drivers of the robust sales growth throughout the year.

By the end of 2024, online channels' share in total sales reached 18.5%, excluding tobacco and alcohol products. Moreover, the profitability levels of online operations also improved in 2024.

According to Nielsen, Migros' market share in 2024 increased by +40 bps in total FMCG and +80 bps modern FMCG markets. In 2023, the market share gains were +60 bps and +120 bps, respectively. Price investments, further penetration in rural districts and growth focus on "omni channel & multi format" strategy were the main drivers of market share gains. By the end of 2024, Migros' market share reached 9.8% in total FMCG market and 17% in modern FMCG market.

With IAS 29, Migros reported a consolidated EBITDA of TL 15,796 million in 2024. The EBITDA margin increased to 5.4% in 2024 from 1.7% in 2023. Despite the negative impact of inventory inflation adjustment, high due date charges were effective in the increase in EBITDA margin. The positive impact of imputed interest on EBITDA in 2024 was 300 bps higher compared to 2023.

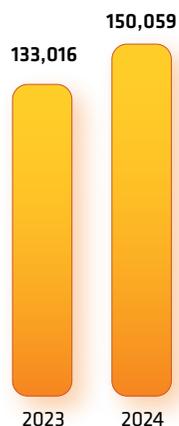
The inflationary pressure on operational expenses in 1H24 eased in the second half of 2024. The opex/sales ratio increased by 80 bps year-on-year in 2024 mainly due to increase in employee cost.



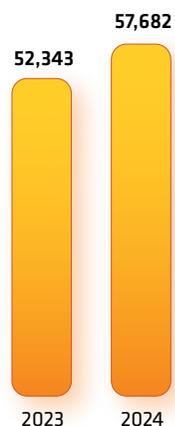
Migros delivered a solid operational performance in 2024, achieving all of the targets which it had set itself for the year.

2024 Financial Review

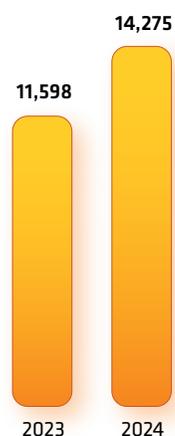
Total Assets (TL million)



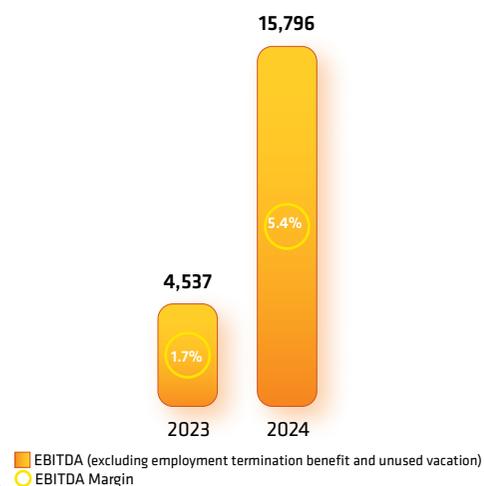
Total Shareholders' Equity (TL million)



Free Cash Flow (TL million)



EBITDA (TL million) & EBITDA Margin



Financial income in 2024 grew by 23% year-on-year and reached TL 6,934 million. In 2024, financial expenses increased by 64% year-on-year, amounting to TL 8,628 million. These expenses were mainly driven by a substantial rise in credit card commissions due to hike in interest rates compared to last year. Interest expense on lease liabilities also increased noticeably.

The Company's net profit in 2024 reached TL 6,574 million, corresponding to net profit margin of 2.2% (2023: 4.9%). The main reason of the decrease in net profit margin in 2024 is the impact of inflation accounting, which resulted in booking less monetary gains on assets in 2024 compared 2023, as this year's average inflation was considerably lower than last year's average inflation.

Migros continued to strengthen its net cash position. The Company's net cash increased by 37% in real terms year-on-year and reached 21.3 billion TL by the end of 2024. The financial debt (without IFRS 16) decreased by 59% year-on-year to TL 1,208 million in 2024.

Migros recorded TL 14.3 billion Free Cash Flow in 2024, with an increase of 23% in real terms. Robust inventory management contributed strong free cash flow generation in 2024.

With IAS 29, Migros spent TL 9,904 million in capital expenditures in 2024. The capex to sales ratio stands at 3.4% in 2024. Besides new store openings and expansion in online channels, Migros invested in refurbishment of its existing stores, solar power plant, information technologies, R&D and especially new distribution centers in 2024.

The Company opened 16 new distribution centers in 2024 to support its growing store network. The

total space of distribution centers grew by 23% in 2024.

The capex/sales ratio was relatively high in 2024 due to investments in logistics and solar panels. Although these investments will continue, the Company targets a more prudent investment program in 2025.

As part of the Company's energy sustainability investments, Migros recently built a solar plant in Kırşehir in central Anatolia, Türkiye. The plant has an installed power of 34.4 MWp and an annual electricity generation is 55,040 MWh. This solar plant, together with the existing rooftop panels of some distribution centers covers 10% of Migros' yearly electricity consumption as of today.

In 2025, Migros' main focus will continue to be our core retail business. The Company's subsidiaries and new initiatives have been continuing to flourish and support Migros' core business.

With IAS 29 inflationary accounting, Migros expects a consolidated revenue growth of 8-10% in 2025. The consolidated EBITDA margin for 2025, with IAS 29, is targeted ~6.0%. Migros plans to open ~250 new stores this year and is committed to continuing its investment program. The capex to sales ratio in 2025 is expected to be 2.5-3.0% with IAS 29.

2024 Financial Review

Key Indicators (TL thousand)	2023	2024	Change
Total Assets	133,015,623	150,058,883	13%
Total Liabilities	80,672,262	92,376,687	15%
Total Equity	52,343,361	57,682,196	10%
Net Sales	262,132,403	293,779,664	12%
Gross Profit	48,962,215	68,003,753	39%
EBITDA	4,536,950	15,795,871	248%
Net Profit	12,857,520	6,573,991	-49%
Net Cash Position (w/o lease liabilities)	15,590,312	21,337,495	37%

TL 293,780 million

Net Sales

2023-2024 change **12.1%**

TL 15,796 million

EBITDA

Margin **5.4%**

TL 6,574 million

Net Profit

Margin **2.2%**

TL 14,275 million

Free Cash Flow

2023-2024 change **23.1%**

TL 57,682 million

Equity

2023-2024 change **10.2%**

TL 150,059 million

Total Assets

2023-2024 change **12.8%**

LIQUIDITY RATIOS	December 2023	December 2024
Current Ratio	0.84	0.81

FINANCIAL STRUCTURE RATIOS	1 January-31 December 2023	1 January-31 December 2024
Financial Leverage (Total Liabilities/Total Liabilities & Equity)	0.61	0.62
Total Liabilities/Total Equity	1.54	1.60
Financial Liabilities (w/o Lease Liabilities) / Total Assets	0.02	0.01

PROFITABILITY RATIOS (%)	December 2023	December 2024
Gross Profit Margin	18.7%	23.1%
EBITDA Margin	1.7%	5.4%
Net Profit Margin	4.9%	2.2%

SHARE PERFORMANCE RATIOS	December 2023	December 2024
Market Capitalization (TL thousand)	87,570,186	99,036,538
Share Price (TL)	483.67	547.00
Earnings/Loss per Share from Continuing Operations	70.40	35.02

Migros Better Future Plan

ECOSYSTEM SUSTAINABILITY THROUGH TRANSPARENT, RESPONSIBLE, ETHICAL GOVERNANCE

To adopt the governance practices that are rightful for all stakeholders through our value-focused business model and integrated thinking system.
To create shared value for all by integrating our stakeholders into our goals through our economic value, recruitment, and investments.

A Better Future for Our Planet

EXTENSIVE COMBAT AGAINST CLIMATE CHANGE

To carry out studies to measure and reduce our carbon footprint;
To develop projects for effective use of water and energy resources

SUSTAINABLE AGRICULTURE AND SAVING FOOD

To support sustainable agriculture and agriculture-oriented biodiversity; To make improvements and collaborations throughout our value chain to reduce food waste

SUPPORTING THE CIRCULAR ECONOMY

To measure, reduce and recycle our wastes or return them into economy;
To improve the life cycle of our private label products

A Better Future through Transformative Innovation

INNOVATIVE PRACTICES

To implement innovative practices that increase our efficiency and add convenience and speed to the lives of our stakeholders

PRODUCT DATA ACCESSIBILITY AND TRANSPARENCY

To ensure the transparent, consistent and fast flow of product ingredients and information

INCREASING ACCESS TO HEALTHY/SUSTAINABLE PRODUCTS AND SERVICES WITH BUSINESS PARTNERS

To continuously develop a product and service portfolio to support a behavioral change towards a healthy and sustainable lifestyle

A Better Future for Our Customers and Stakeholders

GOOD AND TRUSTWORTHY CUSTOMER EXPERIENCE

To offer a unique shopping experience to customers through both physical and online channels;
To connect customers with the highest quality products at affordable prices

RESPONSIBILITY AND AWARENESS STUDIES

To carry out social responsibility and awareness raising activities for a better world and a strong society

A Better Future for Our Employees

EMPLOYEE SATISFACTION AND TALENT MANAGEMENT

To support our employee's personal and professional development and manage their career plans fairly and transparently

GENDER AND OPPORTUNITY EQUALITY

To work in compliance with human rights in all our activities to observe gender equality and equal opportunity

HEALTH AND SAFETY OF OUR EMPLOYEES

To work to protect the physical and mental health of our employees

GENERATING SUSTAINABLE ECONOMIC VALUE

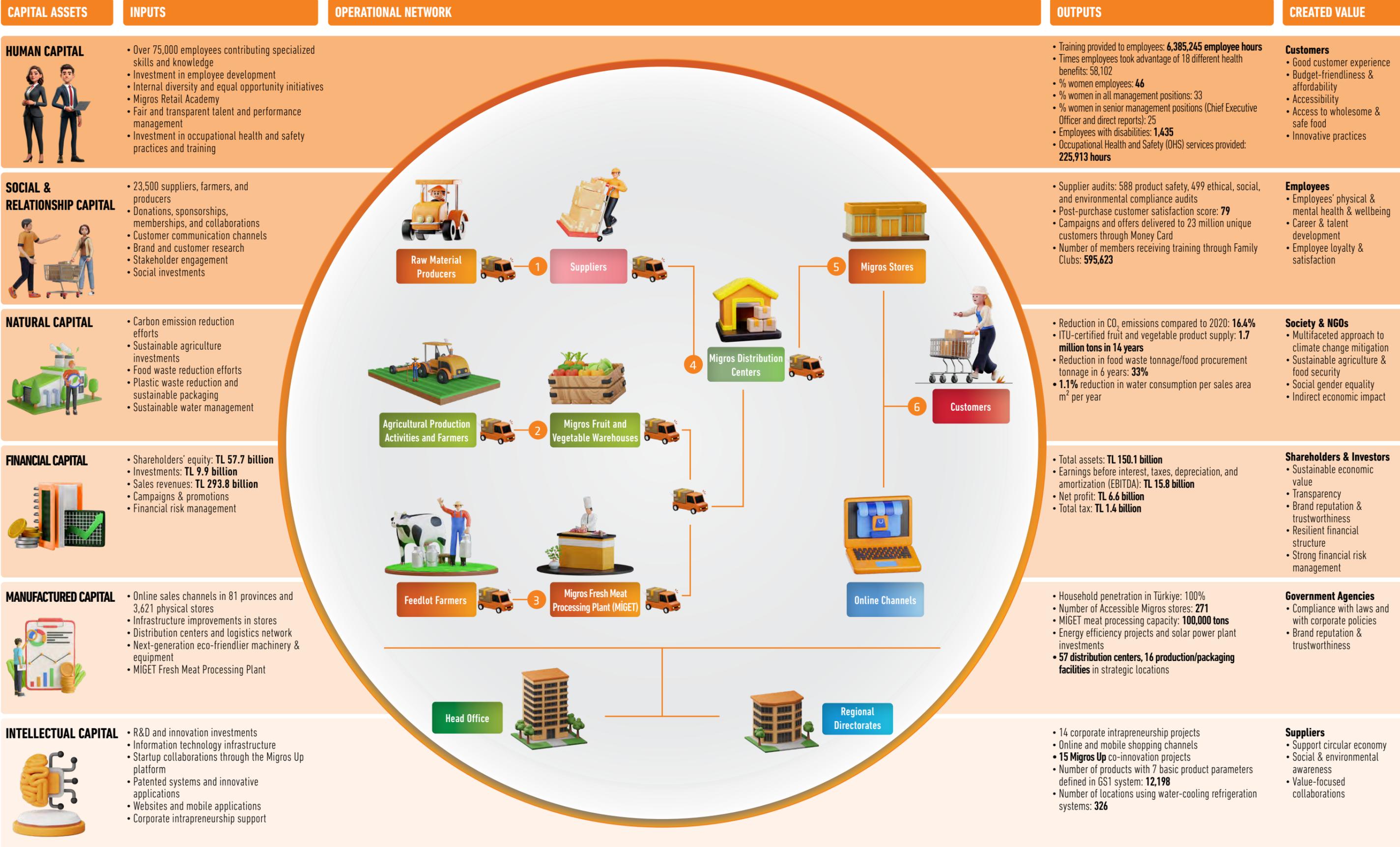


Sustainability Targets

Migros defines sustainability-related value areas and focus topics within the framework of its Migros Better Future Plan. The company manages business processes accordingly and tracks performance and progress in light of predefined short, medium, and long-term numerical targets. These targets allow risks to be identified and, where possible, opportunities to be created while also addressing critical environmental, social, and corporate governance issues within the framework of the six-capital integrated-thinking system.

	Target	Base year	2024 performance	Status	Details
A Better Future for Our Planet	Achieving net zero by 2050	2020	16.4%↓	In progress	Extensive Combat Against Climate Change
	42.65% ↓ reduction in absolute Scope 1 and Scope 2 carbon emissions by end-2030	2020	16.4%↓	In progress	Extensive Combat Against Climate Change
	32%↓ reduction in Scope 3 Category 1 Greenhouse Gas Emissions by the end-2033	2023	2%↑	New	Extensive Combat Against Climate Change
	Reduce per-day water withdrawal/m ² sales area by 10% ↓ by end-2030	2023	1.1%↓	In progress	Sustainable Water Management
	Reduce per-day electricity consumption/m ² sales area by 35% ↓ by end-2030	2019	13.7%↓	In progress	Energy-efficiency Practices
	Reduce our food waste tonnage/food supply tonnage by 50% ↓ by end-2030	2018	33%↓	In progress	Food-waste Prevention Practices
	Reduce CO ₂ emissions per shipped unit by 2.5% ↓ by end-2030	2023	1.07%↓	In progress	Sustainable Distribution Systems
	Transformation of single-use plastics into environmentally friendly products in our Macrocenter stores by end-2025	2023	-	In progress	Plastic-waste Reduction Practices
A Better Future through Transformative Innovation	Develop 15 Migros Up co-innovation projects with startups by end-2024	2021	15 projects	Completed	Migros' Entrepreneurial Ecosystem
	Standardize and digitalize all merchandisable goods product data by end-2030	2021	18%	In progress	Transparent & Fast Flow of Product Information
A Better Future for Our Customers and Stakeholders	Increase GAP-certified fruit and vegetable procurements tonnage by 10% ↑ by end-2024	2023	10%↑	Completed	Good Agricultural Practices (GAP) -Vegetative Production
	Increase GAP-certified fruit and vegetable procurements tonnage by 10% ↑ by end-2025	2024	-	New	Good Agricultural Practices (GAP) -Vegetative Production
	Increase sustainable certified fruit and vegetable procurements tonnage to 50% ↑ by end-2030	2023	31%	In progress	Good Agricultural Practices (GAP) -Vegetative Production
	Have all farmed fish put on sale sustainability-certified by end-2030	2022	30%	In progress	Good Agricultural Practices (GAP) - Aquaculture
	Reach certified classroom training to 850,000 people by the end - 2027 through Family Clubs	2018	595,623	In progress	Gender & Opportunity Equality - Family Clubs
A Better Future for Our Employees	Increase percentage of women in all management positions to 35% ↑ by 2027	2018	33%	In progress	Gender & Opportunity Equality
	Increase percentage of women in all management positions to 50% ↑ by 2050	2023	33%	In progress	Gender & Opportunity Equality
	Increase percentage of women in senior management (CEO and direct reports) to 27-33% ↑ by 2026	2018	25%	In progress	Gender & Opportunity Equality

Value Creation Model



Risks & Opportunities

How Migros Identifies Risks and Opportunities

Migros employs an integrated analysis framework in its strategic and operational management, enabling it to pinpoint risks and opportunities. This is done both to increase the company's long-term financial and environmental sustainability and to enable the company to adapt to changing market conditions. Risk and opportunity assessment extends beyond internal operations and encompasses such factors as supply chain, regulatory framework changes, consumer expectations, and global sustainability trends. All risk factors affecting the business's operational and financial processes are systematically assessed in order to determine their impact, likelihood, and financial implications. Climate-change risks and opportunities that may affect Migros' financial position, financial performance, and cash flows in the short, medium, and long term are addressed in accordance with TSRS S2 (Türkiye Sustainability Reporting Standard: Climate-Related Disclosures). These are presented in detail in the **"Extensive Combat Against Climate Change"** section of this report.

Along with mandatory Türkiye Sustainability Reporting Standards (TSRS), Migros adheres to Sustainability Accounting Standards Board (SASB), Task Force on Climate Related Financial Disclosures (TCFD), Climate Disclosure Standards Board (CDSB), and Global Reporting Initiative (GRI) principles to ensure that its risk and opportunity assessments are aligned with internationally recognized sustainability reporting frameworks. This approach makes it possible to analyze both financial and environmental risks and opportunities holistically.

Migros makes use of the Value Reporting Foundation's "6 Capital Model" when analyzing the sustainability risks and opportunities arising from the conduct of its own business operations. Inputs, outputs, outcomes, and consequences are assessed from the standpoint of each capital element; the results of this analysis are subsequently used as input when determining Migros' long-term strategies. Things that are detrimental are classified as risks; things that are beneficial are classified as opportunities.

Risk Management and Opportunity Creating Factors

To manage the sustainability risks that it identifies, Migros formulates risk-specific solutions and processes and develops proactive strategies for dealing with them. Actions that need to be taken to manage these risks are systematically presented in a **Risk & Opportunity** matrix. All issues included in these matrixes are considered from the standpoint of their potentially broad impact on Migros' operations. Reputation, workforce, technological, operational, compliance, environmental, financial, sectoral, and natural disaster risks are regarded as critical risk categories. For each risk element, the severity of its impact if realized; the probability of this impact occurring in the short, medium, or long term; the short, medium, and long-term environmental, social, and financial-performance consequences of the risk; the difficulty of compensating for these consequences; and strategies for managing the risks are all explained in detail. Besides helping the company to devise proactive risk management approaches and formulate crisis-management

strategies, the results of this analysis also serve as input for sustainable-growth policy-development.

Along with managing sustainability risks, Migros also looks for ways to create strategic advantages for itself by leveraging sustainability opportunities. As their name makes clear, risk & opportunity matrixes also present opportunities and in such cases, Migros explains how the company benefits from them. Strategic decisions are considered from the standpoint of their costs and benefits, with efforts being made to strike a balance between potential short-term gains and long-term costs.

Migros makes use of the Value Reporting Foundation's "6 Capital Model" when analyzing the sustainability risks and opportunities arising from the conduct of its own business operations.





Risks & Opportunities

Risk Area	Risk/Opportunity Description	Duration	IMPACT MATERIALITY			FINANCIAL MATERIALITY			Managing Risks	Potential Opportunities	Risk & Opportunity Tradeoffs	
			Impact of Magnitude (Environmental & Social Impact)	Likelihood of Occurrence	Priority	Impact Materiality	Impact of Magnitude (Financial Performance Impact)	Likelihood of Impact on Financial Performance				Financial Materiality
Reputation	<ul style="list-style-type: none"> - Adverse publicity, public perception, or uncontrollable events affecting corporate reputation caused by customers, partners, competitors, press, social media, etc. - Reputation risk arising from company actions (e.g., related to product/service quality, strikes, etc.) - Reputation risk arising from the actions of business partners (e.g., related to product/service quality, brand image, etc.) - Reputation risk arising from external events 	Short-term	Significant	Possible/Likely	Significant	<ul style="list-style-type: none"> - May adversely affect brand image, impair customer trust, and/or reduce business partners' support - Product/service quality issues may adversely impact customer satisfaction and erode market standing - Supply chain disruptions may affect Migros' brand perception and lead to customer attrition - Uncontrollable events may effect customer perception and go viral on social media and similar platforms 	Significant	Possible/Likely	<ul style="list-style-type: none"> - May necessitate crisis-management expenditures; however reputation can be protected and potential long-term revenue losses prevented through proactive communication strategies - Investments in quality control systems and employee satisfaction may generate short-term costs but are important for maintaining brand value and supporting growth - Crises may necessitate management and media campaigns expenditures but proactive approaches can limit potential financial impact 	<ul style="list-style-type: none"> - Proactive communication and media management strategies are deployed; crisis-communication training is regularly provided - Quality-control processes are strengthened; employee satisfaction-improving measures are deployed - Crisis management plans are formulated; unfavorable public perceptions are managed by monitoring social media and intervening to provide accurate and comprehensive information 	<ul style="list-style-type: none"> - Social media monitoring dashboards are used to quickly detect negative comments so that corrective action can be taken before potential crisis situations escalate 	<ul style="list-style-type: none"> - Proactive media relations management is crucial to avoid the spread of inaccurate or incomplete information; however this process must be carefully planned in terms of time and resource management - Stricter quality-management processes may make supply chains less flexible - Stricter supplier and business partner selection standards and controls may protect long-term brand value but may also increase supply-chain costs and complexity
Workforce	<ul style="list-style-type: none"> - Challenges in finding, developing, and retaining qualified employee - Challenges in recruiting employee skilled in adapting to new business lines and technologies - Productivity losses due to shortened working hours/or and failure to provide suitable working environments; inability to find enough qualified employee - Challenges in creating a uniform workplace culture 	Medium-term	Significant	Frequent/Probable	Medium	<ul style="list-style-type: none"> - Employee skill development and engagement are important to organizational productivity - Recruiting employees capable of adapting to new technologies increases innovation capacity - Deficiencies in the workplace may lead to long-term productivity losses 	Significant	Frequent/Probable	<ul style="list-style-type: none"> - Investments in employees support financial sustainability - Technology-focused investments in employees increase innovation - Productivity losses may impair financial performance 	<ul style="list-style-type: none"> - Employee development programs, flexible benefits, and reward systems are used - This risk is reduced by means of strategic hiring plans, university partnerships, and in-house training programs - Work environments are made ergonomic; flexible-work models are used 	<ul style="list-style-type: none"> • Formulate a roadmap based on employee opinions expressed during annual worklife assessment surveys; strengthen employee engagement through continuous-development programs and practices • Provide employees with career and personal-development resources through Migros Retail Academy • Policies and practices that strengthen employees' problem-solving, accurate decision-making, and job-ownership skills • Employee health and wellness programs • Develop new ideas for in-house deployment through Intrapreneurship Development Program • Use the "Good Idea Good Project" program as a fair and transparent platform on which employees may bring their ideas and projects to life • Initiatives and targets that prioritize gender equality, equal opportunity, and inclusivity across all operations • Increase the percentage of women in management roles to 35% by 2027 and to 50% by 2050. 	<ul style="list-style-type: none"> - Flexible-work models increase employee satisfaction but require effective team coordination and operational process management - External recruiting of qualified employees for new business lines promotes innovation but requires careful management of company-culture adaptation processes
Technology	<ul style="list-style-type: none"> - Failure to ensure IT system continuity - Disrupted operations due to IT infrastructure failures or interruptions - Threats to the security/privacy of sensitive information and personal data - Online operational continuity disruption - Cyberattacks; proprietary data breaches - Loss of competitiveness due to inability to keep pace with technological innovations 	Medium-term	Significant	Possible/Likely	Medium	<ul style="list-style-type: none"> - IT infrastructure problems cause operational disruptions - Data-security breaches adversely impact customer confidence - Cyberattacks create operational-process and reputation-loss risks - Shortcomings in technological adaptability hinder long-term growth objectives 	Significant	Possible/Likely	<ul style="list-style-type: none"> - IT problems increase operational costs - Inadequate data security may result in fines and other financial costs - Cyberattacks may cause operational and financial losses - Inadequate technological resources affect long-term growth 	<ul style="list-style-type: none"> - IT infrastructure redundancy is increased; systems are regularly tested - Personal data protection policies are complied with; cybersecurity measures are increased - Risks are reduced by means of advanced firewall systems, regular security tests, and employee awareness training - RGD investments are increased; new advances in technology are regularly monitored 	<ul style="list-style-type: none"> - Back up server systems and data in the Data Recovery System (DRC); ability to perform backups effectively thanks to active-active system operation mode • Possess control systems that regularly measure network and system infrastructure capacity • Include and enforce confidentiality and penalty clauses in all IT service-provider contracts • Be audited for compliance with Payment Card Industry rules; conform to PCI standards when processing payment-card transactions • Define and implement Data Loss Prevention (DLP) processes • Possess an RGD center; use the knowledge and experience the center generates to improve and enhance IT capabilities 	<ul style="list-style-type: none"> - Investing in a robust IT infrastructure is necessary to ensure operational continuity - Investments in data centers and cloud solutions can increase infrastructure security but may also increase costs - Additional security layers and backup systems are needed to prevent disruptions - Robust cybersecurity measures are needed to protect personal data - Additional investment and stringent audits are needed to ensure data-security regulatory compliance (Turkish Personal Data Protection Act, EU General Data Protection Regulation, etc) - Security protocol enhancement may complicate user interactions and slow down business processes



Risks & Opportunities

Risk Area	Risk/Opportunity Description	Duration	IMPACT MATERIALITY			FINANCIAL MATERIALITY			Managing Risks	Potential Opportunities	Risk & Opportunity Tradeoffs	
			Impact of Magnitude (Environmental & Social Impact)	Likelihood of Occurrence	Priority	Impact Materiality	Impact of Magnitude (Financial Performance Impact)	Likelihood of Impact on Financial Performance				Financial Materiality
Operational	<ul style="list-style-type: none"> - Inability of stores and distribution centers to provide service due to natural disasters or technical problems - Merchandise losses due to unfavorable ambient conditions (temperature etc) during storage and logistics operations - Business continuity disruption - Supply chain sustainability disruption - Service-process disruptions caused by employees - Occupational health and safety risks 	Long-term	Significant	Possible/Likely	Medium	<ul style="list-style-type: none"> - Disruption of store-provided services impairs customer satisfaction - Unsuitable ambient conditions impair merchandise quality and logistical service productivity - Supply chain sustainability deficiencies disrupt business processes - Service processes may be disrupted by employee absence, poor motivation, incompetence, malfeasance etc 	Significant	Possible/Likely	<ul style="list-style-type: none"> - Store closures may lead to revenue losses - Supply chain problems may increase operational costs - Logistical losses may adversely affect financial results 	<ul style="list-style-type: none"> - Risks are analyzed; insurance coverage is contracted; operational continuity plans are put in place - Temperature-controlled storage solutions and logistical services - Long-term supplier agreements; alternative sources of supply - Employees are provided with training resources; work processes are automated. 	<ul style="list-style-type: none"> - Have all business and operational premises checked for structural integrity; have alternatives available for relocation - Maintain stock levels capable of coping with supply chain process delays - Enhanced product control and efficiency due to the fact that a significant portion of distribution operations is conducted via company-owned distribution centers - Ability to integrate local producers into national distribution networks 	<ul style="list-style-type: none"> - Merchandise storage and logistics-process solutions that are more resilient to ambient conditions may protect the product quality but developing them may necessitate process optimization - Identifying alternative sources to ensure supply chain management sustainability can enhance supply security but it also necessitates flexibility in strategic planning - Increasing investment in employee training and development can strengthen service quality but it also necessitates careful management of continuous-improvement processes - Widespread adoption of automation and digitalization solutions can increase operational efficiency but it may also necessitate careful planning in solution-integration processes
Policy and Regulatory Compliance	<ul style="list-style-type: none"> - Financial and commercial losses arising from legal & regulatory frameworks - Fines and/or reputational loss arising from non-compliance with personal data protection laws and regulations - Shelf-placement, product-category, and marketing-communication restrictions - Restrictions on store openings, location changes, and business days - Violations of competition law in the conduct of marketing and sales operations 	Short-term	Significant	Possible/Likely	Medium	<ul style="list-style-type: none"> - Non-compliance with laws and regulations may give rise to serious fines and financial losses - Lapses in personal data protection undermine customer satisfaction and trust - Constraints on marketing affect brand reach and sales - Location constraints diminish operational flexibility 	Significant	Possible/Likely	<ul style="list-style-type: none"> - Non-compliance penalties generate immediate financial loss - Lapses in data security lead to customer loss and penalties - Marketing constraints may diminish revenue streams - Location constraints may stifle revenue growth 	<ul style="list-style-type: none"> - Legal compliance is regularly checked; expert consulting services are outsourced - Data processing procedures are made more rigorous; employees are regularly provided with data-protection training - Close contact is maintained with regulatory authorities; proactive compliance strategies are put in place - Local regulations are taken into account when planning operations 	<ul style="list-style-type: none"> - As a member of the Consumer Goods Forum, keep a close watch on regulatory developments in other countries; refine internal processes so as to be ready for the introduction of similar practices at home - Use Migros Approved Supplier certification to encourage suppliers to comply with Migros' food-safety standards and environmental & social impact criteria - Manage multi-format stores with varying sizes and product ranges while maintaining regulatory compliance - Operate nationwide online home-delivery platforms featuring a broad range of offerings including special product range and a variety of service options 	<ul style="list-style-type: none"> - Although proactively ensuring compliance with anticipated changes in laws and regulations may be competitively advantageous, it may also adversely impact operational pace and flexibility - Adjusting product variety to comply with regulations while simultaneously satisfying customer demand could necessitate new supply chain management procedures - Developing store-location strategies compliant with local regulations supports sustainable growth in the long term but may necessitate alternative short-term solutions
Environment	<ul style="list-style-type: none"> - Adverse impact of climate change on infrastructure and supply chains - Lost sales revenues and higher costs due to harvest losses and supply-side issues as a result of water-resource depletion and drought - Operational disruptions caused by natural disasters and extreme weather events (floods, storms) - Impact of contagious diseases on workforce and operations - Low-carbon transition adaptation challenges - Restrictions/bans on the use of some refrigerant gases - Water, air, soil, environmental pollution caused by operations 	Medium-term	Moderate	Possible/Likely	Medium	<ul style="list-style-type: none"> - Climate change threatens supply chain continuity - Drought and water depletion adversely impact the agricultural sector and its production processes - Natural disasters may disrupt operations - Epidemics constrain workforce availability and disrupt operations - Low-carbon transition necessitates strategic investments 	Moderate	Possible/Likely	<ul style="list-style-type: none"> - Climate change risks impact financial stability - Developing alternative sources and processes may necessitate additional costs but can also have long-term benefits from the standpoint of sustainability - Natural disasters increase operational costs - Epidemics complicate labor costs and financial planning - Carbon-management investments may generate short-term costs but regulatory compliance and reduced energy costs may have long-term financial benefits - Although legal compliance investments may impose short-term financial burdens, achieving legal compliance enhances brand reputation and reduces litigation risk 	<ul style="list-style-type: none"> - Sustainable energy resources are used; green logistical service practices are adhered to - Water-sparing production methods and alternative suppliers are developed - Insurance is contracted; disaster-resilience projects are carried out - Health protocols are put in place; remote-working infrastructure is strengthened - New technologies capable of reducing carbon emissions are invested in - Alternative refrigerant gas and energy resources are investigated and tested for possible deployment - Employees are provided with comprehensive training aimed at heading off potential environmental problems and protecting employee health 	<ul style="list-style-type: none"> - Achieve a 42% base-year 2020 absolute reduction in Scope 1 and Scope 2 carbon emissions by 2030; become carbon net-zero by 2050 - Identify operations in areas exposed to water risk; set water-reduction targets for them - Reduce base-year 2023 sales-area/per-day water consumption performance by 10% by 2030 - Increase stores' use of Migros-patented chilled-water refrigeration systems that eliminate up to 90% of refrigerant gas leakage - Help fight food wastage by reducing base-year 2018 food-destruction rates by 50% by 2030 - Convenient access to a variety of products and a strong supply chain through an extensive network of suppliers and farmers - Increase percentage of sustainability-certified (organic, GAP, regen ag etc) fruits and vegetables to 50% of all fresh-produce procurements by 2030 - Renewable energy investments: <ul style="list-style-type: none"> - Solar power systems installed on the roofs of the Adana, Muğla, Diyarbakır, and Torbalı Distribution Centers, MİGET, and Kocaeli Derince 5M Migros - Generate about a third of all electricity needed from company-owned renewable energy sources by end-2026 	<ul style="list-style-type: none"> - Although creating alternative sources of supply may safeguard supply continuity, it may also make logistical service processes more complex - Although shifting towards agricultural products that consume less water optimizes production processes, it may pose transition challenges for existing suppliers and producers - Although transformation processes aimed at reducing carbon emissions provide environmental benefits, they may increase the need to restructure operational processes



Risks & Opportunities

Risk Area	Risk/Opportunity Description	Duration	IMPACT MATERIALITY			FINANCIAL MATERIALITY			Managing Risks	Potential Opportunities	Risk & Opportunity Tradeoffs	
			Impact of Magnitude (Environmental & Social Impact)	Likelihood of Occurrence	Priority	Impact Materiality	Impact of Magnitude (Financial Performance Impact)	Likelihood of Impact on Financial Performance				Financial Materiality
Financial	<ul style="list-style-type: none"> - Adverse impact of financing on funding costs and balance sheet - Financial losses caused by economic volatility and changes in market interest rates - Impact of mandatory/regulatory changes in payment terms on cashflow - Increase in energy and product costs due to fluctuations in exchange rates 	Medium-term	Significant	Possible/Likely	Medium	<ul style="list-style-type: none"> - Difficulties in accessing sources of financing adversely impact growth plans - Economic volatilities make cost and pricing strategies more complex - Changes in payment terms adversely impact cashflow - Exchange-rate volatilities may increase costs and reduce profit margins 	Significant	Possible/Likely	<ul style="list-style-type: none"> - High financing costs may constrain growth - Economic volatilities make budget management more difficult - Cashflow disruptions impact operational budgets - Exchange-rate volatilities make financial projections more complicated 	<ul style="list-style-type: none"> - Financial risks are regularly monitored; strategies are developed to cope with them - Policies are developed to manage FX and interest rate risk exposure - Systems are developed to manage cashflows - FX rates are hedged; preference is given to domestic suppliers 	<ul style="list-style-type: none"> • Protect net cash position • Secure cost-effective financing from organizations which support sustainability initiatives that are aligned with our own sustainability practices • Provide suppliers with additional financial support to ensure supply chain sustainability • Deploy subsidiaries to create new business models 	<ul style="list-style-type: none"> - Although securing financing for investment projects and expansion strategies supports growth, it may increase borrowing costs and balance-sheet liabilities - Although opting for equity-based funding keeps debt levels low, it can limit the resources the company has for other investment opportunities - Although developing strategies to hedge against interest rate increases maintains financial stability, the strategies may entail additional costs associated with derivative instruments and insurance coverage - Although maintaining high cash reserves to increase liquidity provides financial flexibility, it can also limit the use of those funds for other purposes
Sectoral	<ul style="list-style-type: none"> - Increased competition in offline and online retailing - Inability to keep pace with changing customer expectations - Increased competition due to new entries into the sector - Inability to foresee new consumer trends in time; difficulties in adapting to them 	Medium-term	Significant	Possible/Likely	Medium	<ul style="list-style-type: none"> - Inability to keep pace with customer expectations may lead to market loss - Greater competition may make it difficult to establish a market position - Inability to adapt to new trends may lead to strategic-advantage loss 	Significant	Possible/Likely	<ul style="list-style-type: none"> - Customer loss affects financial performance - Increased competition puts pressure on profit margins - Inability to keep pace with trends may lead to revenue losses 	<ul style="list-style-type: none"> - Customer analytics and data-driven decision support systems are used - Innovative product and service development strategies are embraced - Market research and trend analyses are conducted regularly 	<ul style="list-style-type: none"> • Deploy the Migros Up co-innovation platform to create strategic partnerships among entrepreneurs and Migros specialists working together as teams • Deploy the Migros Interaction Platform to host AI-supported applications and provide needs-based self-service solutions by anticipating questions customers are likely to ask • Ability to respond to inquiries from call centers, social media, and mobile applications within 48 hours • Migros Yellow-Label system directs customers' attention to a large number of best-quality/lowest-price items throughout the year • Manage multi-format stores with varying sizes and product ranges while addressing local needs and ensuring regulatory compliance • Operate nationwide online home-delivery platforms featuring a broad range of offerings including special product range and a variety of service options • Partner with brands to create special product ranges under the "Only at Migros" portfolio 	<ul style="list-style-type: none"> - Although investing in digitization and e-commerce to rapidly align with customer demands is competitively beneficial, it may also necessitate short-term operational restructuring and budget planning - Although innovative solutions to maintain market share provide a sustainable advantage in the long term, they may also necessitate channeling more resources into R&D and new-product development processes - Although rapid changes in the product portfolio to capture trends allow for better responsiveness to customer demand, they may also increase the need for flexibility in supply chain management
Earthquakes	<ul style="list-style-type: none"> - Interruption of operations due to earthquakes* - Damage to distribution centers and disruption of their operations - Damage to stores and disruption of their operations - Damage to headquarters; employees unable to perform jobs; disruption of services across nationwide - Damage to server systems; nationwide disruption of IT services 	Medium-term	Devastating	Possible/Likely	Significant	<ul style="list-style-type: none"> - Operational process disruptions may impact supply chains and customer satisfaction - Reduced regional access and service capacity may also adversely affect customer experience - Disruptions may occur in corporate governance and coordination; critical processes may be adversely impacted - IT infrastructure failures can disrupt digital services and lead to a loss of confidence in customer and operational processes 	Devastating	Possible/Likely	<ul style="list-style-type: none"> - Backup storage facilities and alternative logistics plans are prepared; rapid-response crisis management and damage-control teams are formed - Regional risk analyses are conducted; structural integrity is strengthened at critical stores; mobile store solutions are used to provide temporary services - Infrastructure is installed to allow employees to work remotely; alternative management hubs are created - Backup centers, cloud systems, and data security solutions are deployed 	<ul style="list-style-type: none"> - Make structural seismic resilience testing a prerequisite for any newly-opened stores and distribution centers - Require the structural integrity of existing buildings to be inspected by chartered surveyors; have preliminary assessments performed; require property owners to have buildings reinforced when deemed necessary 	<ul style="list-style-type: none"> - Ability to ensure business continuity both by shifting operations to regionally and geographically dispersed stores and distribution centers and by getting support from other locations across the country 	

* Determined as the top 2 risks in the company's risk assessment.

Risks & Opportunities

Risk Materiality & Impact Analysis Framework

Migros has created a comprehensive risk-materiality matrix to quantify and manage the impact of sustainability-related risks on its business. This matrix shows how Migros prioritizes risks by considering their timeframe, probability, and financial impact on the one hand and how this materiality informs the company's strategic plans on the other.

By assessing the potential contributions of risks to financial and operational losses, the analyses in the table offer a systematic approach for determining which risks are the most critical and how their management should be prioritized.

Risk Duration and Probability of Occurrence:

Migros classifies risks on the basis of their short, medium, and long-term likelihood and details their impact on its operations accordingly. Classifying risks according to their risk duration and likelihood of occurrence helps to better understand their impact over time and thus to prioritize their management.

Impact Magnitude and Financial Consequences of Risks:

For purposes of risk management, the magnitude of a risk is a measure of its potential impact on turnover and profitability; the consequences of that impact inform the company's decision-making processes. Analyzing the impact and financial consequences of risks and opportunities shows Migros' exposure to them broken down by their magnitude and effect.

Classification According to the Risk Materiality Matrix:

To compute the priority of a risk, Migros multiplies the likelihood of its occurrence by its financial impact. This calculation provides a clear framework for deciding which risks are critical and which may be dealt with less urgently.

Risk Duration		Likelihood of Occurrence		Impact Magnitude			Risk Priority (= Likelihood * Impact)	
0-1 year	Short-term	1.0-1.5 points	Rare/Unlikely	1.0-1.5 points	Less than 1% loss in turnover or profitability	Negligible	1.0-3.0 points	Low
1-5 years	Medium-term	1.5-2.5 points	Possible/Likely	1.5-2.5 points	1%-10% loss in turnover or profitability	Moderate	4-8 points	Medium
5+ years	Long-term	2.5-3.5 points	Frequent/ Probable	2.5-3.5 points	10-20% loss in turnover/10% or more loss in profitability	Significant	9-12 points	Significant
		3.5-4.0 points	Very Often / Almost Certain	3.5-4.0 points	More than 20% loss in turnover / 1 year loss in profit	Devastating	12-16 points	Critical

Double Materiality Analysis

Migros prioritizes issues in two ways taking into account both the impact of the company's operations on society and the environment on the one hand and the impact of externalities on Migros' business model and value chain on the other. For the conduct of its 2024 materiality analysis, Migros used the double-materiality methodology to determine the financial priority and impact priority of issues. This analysis approach results in a comprehensive view that takes into account the impact of key sustainability issues on Migros' finances and operations while simultaneously drawing attention to the social and environmental ramifications of those issues.

Identifying Focus Topics

When defining its sustainability value areas and focus topics, Migros keeps a close watch both on current retailing-industry developments and on national and international standards and regulations. The company shapes its business processes in line with the expectations of its employees and other stakeholders while also seeking to align itself with global sustainability dynamics.

A variety of methods are used to ensure the comprehensiveness and currency of all focus topics:

- A detailed review is conducted of the key themes that were highlighted in previous years;
- Stakeholder feedback is collected through workshops, surveys, and sectoral research;
- Global sustainability developments (especially United Nations Sustainable Development

Goals), sectorally-recognized best practices, and international reporting standards are analyzed;

- Consideration is given to risks which have been expressed by the Migros Board of Directors or by investors and shareholders at general meetings.
- All prioritization processes are regularly reviewed by means of comprehensive stakeholder surveys that are conducted every other year.

Key focus topics identified using the methods outlined above are strategically and comprehensively integrated into Migros' business and operational processes. This method effectively ensures that risks are minimized and opportunities are taken in line with the company's long-term value-creation goals. Once identified, focus topics provide the overall framework for Migros sustainability strategies and roadmaps and are communicated to stakeholders through the **Migros Better Future Plan**.

Associating Risks & Opportunities with Focus Topics

By identifying the relationship between sustainability-related risks and opportunities with Migros' key focus topics in sustainability, the company establishes its sustainability strategies on solid foundations in terms of both operational efficiency and financial sustainability. Topics with a significant impact on Migros are prioritized, and necessary actions are planned to ensure financial stability. This approach allows Migros to manage its most critical risks while simultaneously enabling the company to reap the benefit of opportunities which generate the most value but which are also consistent with Migros' sustainable-growth goals.

Linking risks to focus topics reveals the direct relationship between risk/opportunity factors on the one hand and Migros' long-term sustainability goals on the other; it also makes it possible to prioritize whatever action needs to be taken. This in turn helps ensure that the management of both operational processes and financial performance is correctly aligned with Migros' sustainability principles.

For the conduct of its 2024 materiality analysis, Migros used the double-materiality methodology to determine the financial priority and impact priority of issues.





Double Materiality Analysis

Risk Categories Focus Areas	Product Data Accessibility & Transparency	Responsibility & Awareness Studies	Ecosystem Sustainability Through Transparent, Responsible, Ethical Governance	Supporting the Circular Economy	Increasing Access to Healthy/Sustainable Products and Services with Business Partners	Innovative Practices	Gender & Opportunity Equality	Good & Trustworthy Customer Experience	Extensive Combat Against Climate Change	Health & Safety of our Employees	Employee Satisfaction & Talent Management	Sustainable Agriculture & Saving Food	Generating Sustainable Economic Value
Earthquakes			X		X	X		X		X	X		X
Reputation			X		X		X	X			X		X
Workforce		X				X	X			X	X		
Technological	X		X			X		X			X		X
Operational	X	X	X	X	X		X	X	X	X	X	X	X
Compliance, Policies & Regulations	X		X		X	X		X			X		X
Environmental		X		X	X	X			X	X	X	X	X
Financial			X		X			X			X	X	X

Double Materiality Analysis

Double Materiality Analysis: Impact Materiality & Financial Materiality

Impact Materiality

Migros analyzes each risk and opportunity in terms of its current and potential impact on the company's business processes, operational productivity, and brand reputation. A stakeholder engagement survey was carried out for the purpose of prioritizing the current impact of Migros' operations and sustainability strategies. The survey aims to comprehensively understand the current sustainability impacts based on feedback solicited from all stakeholder groups which interact with Migros and its operations whether directly or indirectly. This stakeholder survey was conducted with approximately 600 participants, including suppliers, employees, customer stakeholder groups, and Sustainability Committee members. Stakeholder feedback was used to identify which topics were of the most concern to respondents. These topics were then integrated into the company's strategic governance mechanisms. The magnitude of the environmental and social impact of each risk, the likelihood of the risk's occurrence, the risk's priority, and how it was prioritized were all determined. Sustainability risks and opportunities were considered and prioritized not just in terms of their existing impact but also in light of their potential impact in the future as well, with the results of this analysis being included in strategic planning. This process provides a better understanding of Migros' environmental and social impact, enables the company to deploy its resources in the most productive way possible by channeling them into critically important areas, and ensures that Migros shapes its sustainability strategies more effectively.

Financial Materiality

Besides assessing the environmental and social impact of Migros' risks and opportunities, double-materiality analysis also allows for a comprehensive assessment of the risks' impact on the company's financial performance. In the course of this analysis, consideration was given to the magnitude and likelihood of a risk's impact on Migros' financial performance; the findings then determined how the risk should be financially prioritized. Financial materiality analysis ensures that sustainability investments are effectively managed, that risks can be minimized and long-term financial stability achieved, and that new opportunities can be tapped through revenue-enhancing activities.

Risks and opportunities that may affect Migros' financial position, financial performance, and cash flows in the short, medium, and long term are addressed in accordance with TSRS S2 (Türkiye Sustainability Reporting Standard: Climate-Related Disclosures). These are presented in detail in the "Extensive Combat Against Climate Change" section of this report.

Double-Materiality Analysis Results

According to the results of this year's double-materiality analysis, the areas which are likely to have the greatest impact on both financial performance and operational results are:

- Generating sustainable economic value
- Good & trustworthy customer experience
- Access to healthy/sustainable products and services

Initiatives in these three areas are important from the standpoint of ensuring business continuity and supporting growth.

Three issues are seen as being strategically important from the standpoint of enhancing organizational productivity and improving the company's competitive position:

- Employee satisfaction & talent management
- Sustainable agriculture & saving food
- Innovative practices

Finally, three issues are seen as contributing to more sustainable business models and as being intrinsic to the company's long-term value-creation strategies:

- Extensive combat against climate change
- Gender & opportunity equality
- Supporting circular economy

All sustainability issues are regularly and closely monitored and are reconsidered as need be in light of changing dynamics. While action to address priority issues is taken as quickly as possible, other issues are also being taken into consideration during the development processes. All action is taken in line with sustainable growth objectives. This helps ensure that resources are effectively and strategically managed so as to achieve Migros' long-term success.

Migros analyzes each risk and opportunity in terms of its current and potential impact on the company's business processes, operational productivity, and brand reputation.





Double Materiality Analysis



Operating Environment

Migros closely monitors changes in laws and regulations, standards, technology, and economic conditions as well as national and international trends that may have an impact on the retailing industry. Migros aims to achieve full compliance with the requirements of laws and regulations and to quickly and effortlessly manage change through its effective risk and opportunity assessment processes, its adaptability, and its agile transformation strategies.

Migros strives to fulfill its responsibilities through transparent approaches that prioritize stakeholder engagement. The company focuses on creating enduring, end-to-end value and on delivering benefits to all stakeholders across its value chain.

Technology

Across the globe, the rapid adoption of innovative technologies is revolutionizing how supermarkets and food retailers manage their operations and supply chains and how they interact with customers. 2024 proved to be a pivotal year for technology-focused transformation in retail. Advancements in **artificial intelligence (AI)**, **augmented reality (AR)**, **virtual reality (VR)**, and e-commerce platforms created key opportunities to enhance the customer experience and to drive operational improvements. AI continued to be a key engine of growth in the retail sector in 2024. This was especially true in online shopping, where AI-driven personalization has become a crucial factor for enhancing the customer experience.

According to Mastercard's 2024 Retail Renaissance Report, 80% of online shoppers say that AI personalization makes their shopping experience better. Personalization, driven by artificial intelligence, yields a 40% revenue premium for fast-growing firms according to industry analysis. This metric underscores AI's pivotal role in consumer-insight and targeted-marketing efficacy, a trend set to reshape retail competition. AR and VR technologies in particular gained notable traction in 2024. By giving consumers a simulated chance to try products out before they commit to buying them, these technologies make customers' purchasing decisions easier. The same technologies have become a significant tool that retailers can use to enhance the online shopping experience while also reducing product return rates. Forecasts of a USD 120 billion global AR/VR enabled e-commerce market by 2027 clearly signal the significant growth potential inherent in these technologies.

E-commerce remained a major growth driver in retailing in 2024. According to Deloitte's Global Retail Outlook 2024 report, the retailing industry as a whole is optimistic about future revenue and profit growth. This optimism stems from efforts to boost e-commerce profitability on the one hand and to focus on high-margin revenue streams on the other.

In 2024, social media platforms further solidified their role in shaping consumer shopping habits and driving business. Global social commerce revenues are estimated to have approached USD 700 billion in value. This growth has made it increasingly essential for retailers to support their digital presence and to interact with consumers more effectively.

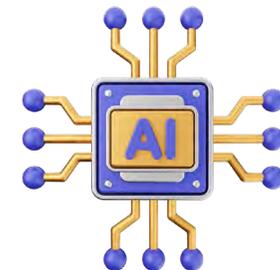
At the same time, more progress in supply-chain and logistical-service technologies also drove substantial productivity gains across the sector in

2024. The emergence of smaller logistical hubs has accelerated product delivery, resulting in greater customer satisfaction with delivery services. That said, the demand for rapid delivery has also increased logistical service costs and this is putting pressure on some retailers' bottom lines.

Blockchain technology emerged as an important asset for retailers in 2024 because of its ability to improve both transparency and traceability in the conduct of business operations. Meanwhile, cloud technologies, smart packaging, predictive analytics, and IoT are all proving to be transformative in food retailing due to the practical solutions they offer for such issues as safe and trustworthy food accessibility, product traceability, longer and dynamically more predictable product shelf life, hygiene control, and waste reduction.

The rapid growth of e-commerce mirrors the increasing speed and availability of internet access. According to the Market Data of the Turkish

AI continued to be a key engine of growth in the retail sector in 2024.



Operating Environment

Electronic Communication Sector provided by the Information Technologies Authority, the number of mobile broadband subscribers who accessed internet services via mobile computers and mobile phones through 3G and 4.5G services reached 96.4 million in the third quarter of 2024.

According to the 2024 **Household Information Technologies Usage Survey** conducted by **Turkish Statistical Institute (TurkStat)**, the internet utilization rate among individuals aged **16-74** increased from **87.1% in 2023 to 88.8% in 2024**. Among those who accessed the internet during the most recent twelve months, the percentage of those doing so to purchase or order goods or services online (e-commerce) passed the midway mark, going from 49.5% in 2023 to 51.7% in 2024. 38.8% of those who were surveyed said they had made at least one such purchase or order during the most recent three months.

Although 2024 was a year of rapid technological progress, it was also a year in which risks associated with that progress became even more apparent. AI is rapidly being embraced across the retail industry, most notably in sales, marketing, and customer-experience processes. However, consumer trust has also been shaken by concerns about the fairness and transparency of AI-powered algorithms. For instance, algorithmic bias in personalized product recommendations can actually impair customer satisfaction. Additionally, the risk of AI-generated misinformation has heightened the need for robust digital reputation management strategies throughout the industry.

In 2024, Migros enhanced its online channels by expanding product variety and delivery options. These improvements were driven by innovative practices focused on customer expectations, logistics infrastructure, and supplier collaborations.

AI and automation solutions were deployed to streamline online operations, resulting in their greater efficiency. The company's innovative Migros Mobile app has evolved into a super-app that offers integrated access to all of Migros' online sales channels. Customers who wish can also continue to use the www.migros.com.tr website for their online shopping needs. Customers using the MAYA (Migros Smart Life Assistant) application for online orders enjoy a personalized shopping experience. This includes an AI-powered search engine, a "What's Cooking?" chatbot, and suggested ready-made baskets

All the innovative solutions that Migros has developed to increase efficiency in operational and business processes, adapt to new innovative trends, enhance mobile payment and self-service systems, create joint innovation with entrepreneurs and offer to its customers through stores and online channels in line with its multi-channel growth strategy can be accessed in the **"A Better Future Through Transformative Innovation"** section of this report.

Customer Trends

Consumers today are more discerning than ever and are concerned not just with the goods and services they buy but also with the values embraced by the brands and companies associated with them. To ensure customer experiences align with such evolving expectations, retailers must actively pursue sustainability initiatives and stay informed about the latest developments in such matters. High inflation emerged as a key factor in 2024, significantly impacting how consumers shop and spend their money. According to the Global Prosperity Index data, consumers' financial well-being has declined throughout the year, leading to changes in purchasing behavior. In addition to the

effects of global economic fluctuations, consumer habits and expectations are changing every day, and customer trust in the shopping experience is becoming more important. With the availability of numerous sources of information on online and offline channels, it has become even more important for brands to exhibit a transparent, reliable, and value-oriented approach.

While the power of trust has become an essential component of brand loyalty, addressing this factor with varying generational expectations has also gained increasing importance. While Generation Z in particular tends towards personalized and sustainable options, Generation X and Y place more emphasis on price-performance balance. As conscious consumption gains momentum, sensitivity to ethical production and sustainability issues is growing today.

As the world evolves, new applications such as personalized experiences, fast delivery processes, and social media-focused shopping require brands to maintain consistency in their customer promises. At the same time, ensuring data security remains a critical priority. Ensuring the secure and transparent management of customer data has become an essential priority today.

Brands that earn consumers' trust and adapt to the diverse shopping expectations across generations will secure lasting customer loyalty in the long run. In this context, Migros continues to enhance its innovative strategies that strengthen consumer trust, track evolving shopping trends, and provide sustainable solutions. According to Ipsos Global Trends research, the percentage of those who agree with the statement "I tend to buy brands that reflect my personal values" was 53% on average in the world in 2013, while it reached 69% in 2024.

The EY Future Consumer Index reveals that consumers are increasingly being drawn back to physical stores, indicating that investments in AI and technology-while still important-are not sufficient to replace the in-person shopping experience. However despite a desire to physically interact with products before purchase (57%), a bigger majority of consumers (68%) say they are happy to receive and trust personalized offers and promotions generated by AI.

NielsenIQ's latest research on the fast-moving consumer goods (FMCG) market also highlights several emerging consumer trends. In a world where innovation and multi-channel experiences drive consumer behavior, promotions must evolve beyond simple pricing strategies. **"Smart Promotions"** that communicate product value across various channels are becoming increasingly important according to survey results. Migros for its part provides customers with personalized offers through a variety of channels, including Money, Türkiye's leading loyalty program. In

It is critically important to prioritize understanding evolving consumer values and to take the influence of Generation Z (which currently makes up 24% of Türkiye's population) into account.



Operating Environment



In addition to various price discounts offered year-round, Money members enjoy exclusive benefits like point accumulation and targeted discounts. When customers consent to the processing of their personal data, Migros can analyze their shopping habits based on factors like gender and demographics. This allows the company to make personalized recommendations such as **“Meant For Me”** offers and **“Wellbeing Offers”** suggestions that enhance the customer experience.

As the FMCG market continues its robust expansion, it is critically important for manufacturers and retailers to prioritize understanding evolving consumer values and

to take the influence of Generation Z (which currently makes up 24% of Türkiye’s population) into account in their strategic planning. According to Euromonitor’s 2025 Global Consumer Trends Report, wellness plans are a top trend influencing consumer choices. With just over half (52%) of consumers saying they will be healthier in five years’ time than they are now, there is a growing demand for products that promote longevity and wellness. Taking this as its cue, Migros is constantly expanding its product range to make it possible for its customers to actually make healthier and more informed choices about what they buy and eat.

Migros supplied its customers with a total of 18,230 line items capable of supporting healthier lifestyles in 2024. These goods generated 43% of the company’s turnover in 2024. 572 of them were Migros private-label items. The percentage of products that support healthy living in the total food items turnover is 52%. Also 31% of the fresh fruits and vegetables that Migros procures have sustainability certifications such as Good Agricultural Practices (GAP), organic and regenerative agriculture.

Migros is committed to continuously expanding its offerings in sustainable and eco-friendly product categories, together with products such as organic, low-calorie, and gluten-free options that promote healthier living.

Please refer to the **“A Better Future For Our Customers And Stakeholders”**  section for more details about the sustainable and innovative solutions and practices that Migros develops to better address customers’ expectations and preferences.

Economic Review

While monetary tightening policies remained in place in 2024, particularly in developed economies, their impact on global economic activity still exerted pressure albeit somewhat less than in 2023. As a result, global economic growth lagged behind historical averages and varied from region to region. While growth was sluggish in the eurozone and China, the US economy proved more resilient.

With disinflation targets coming within reach, the second half of the year saw the expected start of gradual interest rate cuts, first by the European Central Bank and then by the US Federal Reserve Bank.

IMF estimates put global growth at 3.2% in 2024. Looking ahead, the fund forecasts a slight uptick to 3.3% in 2025 and 2026 expects global growth to remain steady at the same rate.

With global consumer inflation expected to fall from 5.7% in 2024 to 4.2% and then to 3.5% in 2026, the IMF also says that while advanced economies are on track to meet their inflation targets, they are likely to get there sooner than emerging markets are capable of doing.

There is a general consensus that 2025 will see a rise in protectionism and that uncertainties in global economic policies and geopolitical tensions will pose more serious downside risks to global growth and upside risks to inflation.

According to Euromonitor’s 2025 Global Consumer Trends Report, wellness plans are a top trend influencing consumer choices.



Operating Environment

The Turkish economy is projected to expand by 3.2% in 2024. Although the impact of consumption and investment expenditures on growth has weakened, net exports have consistently made a positive contribution throughout the year.

Consumer price inflation, which remained high throughout the year, nonetheless entered a downward trend in the second half-year after peaking at 75.5% in May.

At the end of 2024, the Consumer Price Index (CPI) rate was realized at 44.4%

Despite a decline in consumption expenditures from the second quarter onwards, total retail sales increased by 13.5% in 2024 while food retail sales were up by 12.7%.

As consumer shopping preferences shifted, retailers adapted by expanding their online and physical channels and stepping up investments in digitalization and infrastructure.

Maintaining its strong growth trajectory in its physical and online sales channels throughout the year, Migros performed successfully in 2024 while also continuing to effectively transform its ecosystem by focusing on new subsidiaries and business lines. During a period of heightened price sensitivity due to the erosion of consumer purchasing power, Migros continued to gain market share in both organized and overall FMCG retailing through competitive pricing strategies.

National and International Developments

In the conduct of all of its business operations, Migros gives the utmost attention to keeping abreast of national and international

developments, monitoring and deploying retailing-industry innovations, and complying with applicable laws and regulations, including but not limited to those Governing Retail Trade, E-Commerce, Consumer Protection, Competition, Advertising, Labor, and The Protection of Personal Data. The company meticulously monitors all changes in the legal framework and complies with them fully and immediately.

Migros is a member of the Environment & Climate Change Working Group of the Turkish Industry and Business Association (TÜSİAD), to which it submits its formal opinions as a company on such matters as climate change mitigation, low-carbon economy, and water management and conservation. During the preparation of 2024-2030 **National Climate Change Compliance & Action Plan** published by the Ministry of Environment, Urban Planning & Climate Change in 2024, Migros submitted its views to the ministry through TÜSİAD. Migros plays an active role in the same ministry's working groups dealing with such matters as the collection and recycling of packaging waste. As a member of the Food Retailers Association, Migros engages in stakeholder dialogue regarding these issues and facilitates two-way communication across its value chain.

During 2024, two important summits addressing climate change issues were held. Some progress in funding was achieved at **COP29**, with developed countries pledging USD 300 billion by 2030 to support developing countries' low-carbon transition. This summit also witnessed the resolution of protracted negotiations concerning UN-supported carbon markets. New rules enhancing the transparency of carbon credits were agreed on to generate USD 1 trillion in annual financing through carbon markets. At COP29, Türkiye unveiled its **2053 Long-Term**



Climate Strategy, a strategic roadmap that will substantially contribute to achieving the country's 2053 Net Zero Emissions Target. The roadmap projects wind and solar capacity reaching 120 GW by 2035 and renewable energy making up 69% of the energy mix by 2053; it also anticipates 1.7% of GDP being invested in green initiatives every year between now and 2053. At the **United Nations Biodiversity Conference of the Parties** held in 2022 (COP15), an agreement was reached to protect 30% of the world's total land and sea areas by 2030. This is known as the "30X30" target. At the 2024 **Biodiversity Conference of the Parties** (COP16), discussions centered on expanding biodiversity

At COP29, Türkiye unveiled its 2053 Long-Term Climate Strategy.



Operating Environment

conservation programs, securing necessary funding, and reducing food waste, in order to achieve the 30X30 target.

The significance of sustainability as a core component of corporate strategy grew in 2024. The introduction of new standards and frameworks for corporate sustainability reporting made it necessary for companies to revise their environmental, social, and governance (ESG) targets. Compliance with Türkiye Sustainability Reporting Standards TSRS S1 (General Provisions on Disclosure of Sustainability-Related Financial Information) and TSRS S2 (Climate-Related Disclosures), both of which are aligned with IFRS, has been mandated by the Public Oversight Accounting and Auditing Standards Authority for companies that are subject to that authority's reporting requirements.

The World Economic Forum's 2025 Global Risks Report highlights a period in which environmental, social, economic, geopolitical, and technological risks are interconnected, presenting significant findings on their impact on the retail sector.

The report indicates that the four most prominent risks over the next 10 years are associated with environmental and climate concerns. Among these, extreme weather events are pointed to as the foremost environmental risk. While this situation will have an impact on a great many sectors, it can be expected to be a matter of substantial concern to food retailers because of its implications for logistical-service and supply-chain processes. In the longer term, natural resource depletion and biodiversity loss jeopardize the retail industry's raw-material inputs. As retailers become increasingly more dependent on sources of sustainable-agriculture products and renewable raw-material inputs because consumers demand

them, they will necessarily have to come up with alternative supply strategies. Likewise, growing consumer appetite for eco-friendly goods has spurred the retail industry to rapidly advance its carbon footprint reduction efforts and its shift towards a circular economy.

Regenerative Agriculture is a topic that has been on the global agenda recently in the context of preventing environmental and climate risks. It is an important method of implementation in achieving many of the United Nations goals, such as Zero Hunger (2), Sustainable Cities and Communities (11), Responsible Consumption/Production (12), Climate Action (13), and Life on Land (15). Main purposes of Regenerative Agriculture are improve soil health, increase productivity and implement sustainable, environmentally friendly practices. As part of its regenerative agriculture efforts, Migros has developed the "Regenerative Agriculture Certification Criteria for Plant Production," which has been approved by the Turkish Standards Institution (TSE).

2025 forecasts point to increased retail-industry investment in sustainability, a focus on local production and sourcing, accelerated consumer demand for sustainable products, and more transparent consumer communication. Over the long term, the responsible use of technology and enhanced environmental awareness will rank among the fundamental drivers of the retailing industry's ability to make both its growth and its sustainability goals a reality.

Shaping its sustainability roadmap within the framework of its **Better Future Plan**, Migros has set 2030 targets in the areas of combating climate change, optimizing water and energy consumption, supporting sustainable agriculture, and fighting food waste while also confidently moving forward

on its way to achieving its 2050 **carbon net-zero target**.

Migros actively participates in the Food Waste Reduction, Collaboration for Healthier Lives, Product Data Coalition, and Carbon Net Zero coalitions established by the Consumer Goods Forum (CGF), bringing together international retailers and manufacturers. Additionally, Migros adopts global measurement and monitoring methods in product safety processes in line with Global Food Safety Initiative (GFSI) practices and holds a board membership in the Food Safety Association (GGD) and the Reliable Product Platform.

Information about Migros' efforts and targets regarding food safety, quality, hygiene, and supplier audits can be found in the **"A Better Future For Our Customers And Stakeholders"** section, while information on its efforts and targets related to combating climate change, waste management, circular economy, and the collection and recycling of packaging waste can be found in the **"A Better Future For Our Planet"** section.

The Global Risks Report indicates that the four most prominent risks over the next 10 years are associated with environmental and climate concerns.

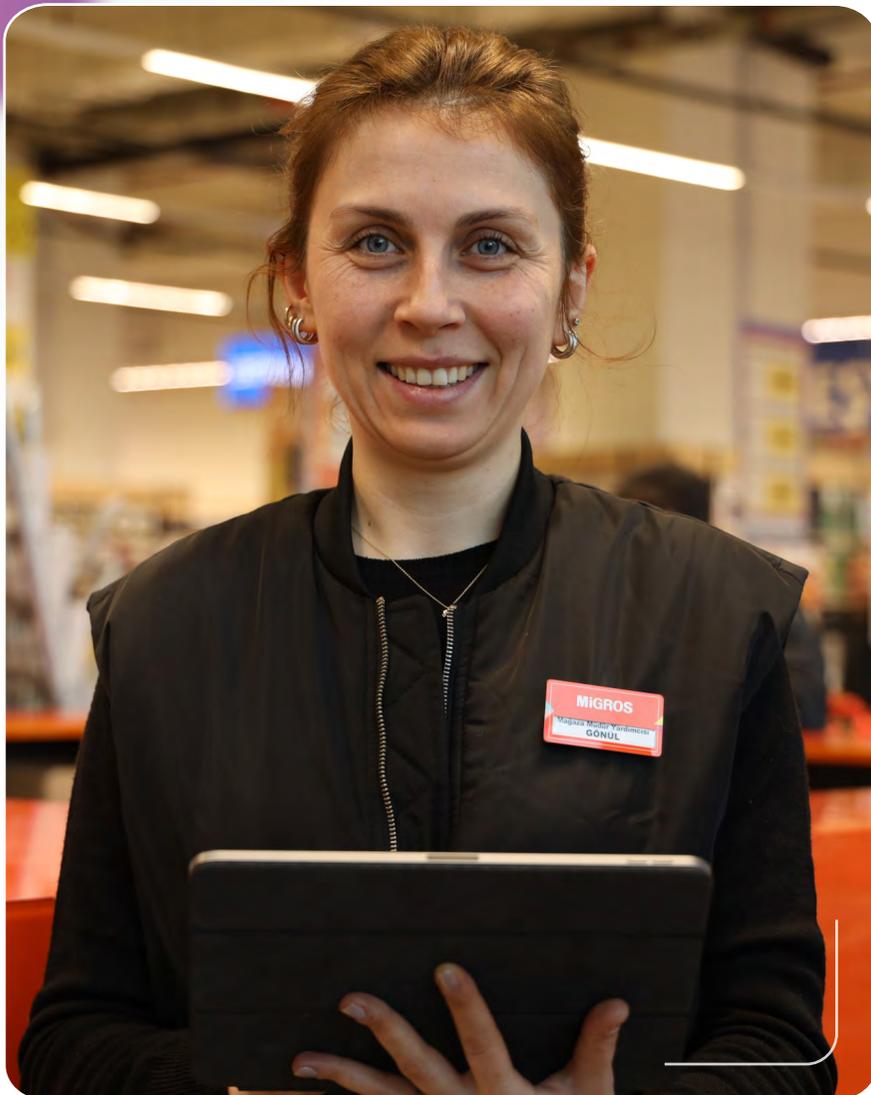




A Better Future for our Employees

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Employee Profile



Migros' value creation model centers around ensuring the health, safety, and development of its employees. The company achieves this through a strong corporate culture and effective governance, both underpinned by strong core values. While seeking to retain talented people by offering continuous-progression and career opportunities that enhance their abilities, Migros focuses its employee health and safety operations primarily on its employees' wellbeing and welfare. Making no distinctions whatsoever among stakeholders with respect to gender, language, religion, or ethnicity, Migros provides its employees with a workplace environment that is mindful of the principles of fairness, inclusivity, equality, and diversity. Migros adheres to a gender-balanced employment policy that embraces all age groups.

- 46% of Migros employees are female and 54% are male.
- New jobs were provided to 10,000 people.
- 96% of management positions were filled through internal promotions.
- 1,470 vacancies were filled internally through Migros' in-house recruitment system.
- 72% of Migros employees are employed outside Istanbul.
- Among employees whose average age is 33, 68% are Gen Y and 22% are Gen Z.
- Average length of employment among female employees is 4.1 years; among male employees, it is 7.6 years.
- Average tenure among administrative employees and store managers is 10 years.

- 57% of Migros' employees work in or near their hometowns.*
- 1,221 new employees were recruited as a result of Migros' Employee Recommendation project.
- The number of employees with physical disabilities on the company's payroll reached 1,435, about 2.8% of them in positions with management responsibilities.**

Migros provides its employees with a workplace environment that is mindful of the principles of fairness, inclusivity, equality, and diversity.



* Defined as the same province as which they were born.

** Disabled employees make up 2.8% of Migros' workforce; 28% of them are female and 72% are male.

Employee Satisfaction & Talent Management

Talent & Career Management

A key tenet of Migros' **Human Resources Policy** is to provide opportunity equality to every employee from the recruitment and hiring process forward. To prevent discrimination and ensure an equal evaluation environment for everyone, hiring decisions are made solely on the basis of a consideration of their competencies and skills.

Because Migros regards its employees as its most valuable asset, one of the company's priorities is to support their career progression and their professional and individual development. Seeking to create an employee profile of well-equipped, customer-focused difference-makers, Migros tracks its employees' competencies, abilities, and performance by means of a human resources evaluation system that is transparent and fair. Evaluation results are used as input for career-planning, potential-spotting, compensation, and training & development processes.

Performance Management

Migros ensures that each year's strategies and objectives are fairly and equally understood by all company functions through annually conducted **Target-Deployment Workshops**. Performance management processes once again played a key role in supporting Migros' opportunity equality principles and employees' career progression in 2024.

Employees' performance is tracked through a mix of **Key Performance Indicator (KPI)** and **Objective & Key Result (OKR)** criteria. Performance is assessed on the basis not only of financial targets

but also through an objective review of the status of ongoing/completed agile-team projects. When necessary, outside consultancies are contracted to carry out comprehensive assessments of employees' strengths and weaknesses. The results of these assessments are then integrated into individualized development plans.

In addition, the **"360° Performance Evaluation"** process implemented by managers in administrative units has enabled a multidimensional assessment of employees' working habits and styles. Through the **"360° Feedback & Personal Evaluation"** method, employees' performance is assessed by peers, subordinates, and supervisors, with the results being used as input for employees' personalized development plan. The Migros Code of Ethics is an integral element of the employee performance evaluation system. Compliance with its principles is taken into account in remuneration processes.

Administrative employees undergo performance evaluations once a year. Store managers' and employees' performance is reviewed twice a year. 50,815 employees performance reviews were carried out in 2024.

- The performance of **2,227 administrative employees** was subjected to an annual review in 2024.
- The performance of **48,588 store managers and employees** was subjected to two semi-annual reviews in 2024.

"Training calendar" and **"Feedback"** platforms have been specially developed for store managers for the purpose of strengthening employee-

management communication and generally providing a better work environment experience. Through the **"Migros Career Planning Platform"**, precedence is given to filling departmental vacancies with candidates from within the company itself, thereby giving existing employees a chance to be promoted and to advance their careers.

Migros manages its strategic workforce-planning and talent-vacancy analysis processes effectively. Forward-looking decisions are taken at strategic human resources planning meetings to proactively ensure that all critical positions are identified and have backup plans in place.

One of Migros' priorities is to support their career progression and their professional and individual development.



Employee Satisfaction & Talent Management

Compensation & Fringe Benefits

Migros' compensation system is informed by the company's principles of equality and fairness and is based on objective criteria such as performance-management and job-family levels. There are no differences in pay between male and female employees. Compensation is determined solely on the basis of job family level and individual performance; no gender-based distinctions are made. The company makes the same opportunities available to male and female employees and is just as equitable in its approach to paying all their salaries and bonuses. In line with the same principles of equitability and fairness, Migros uses

a monthly salary plus performance-driven bonus system to attract and retain qualified employees who will contribute to the company's success. Systematic assessment of employees' individual performance and project success is the bedrock of Migros' remuneration policy. Detailed information about Migros' remuneration system may be found in **"Migros Human Resources Policy"** and **"Migros Remuneration Policy"**. In determining these policies, the opinions of independent consultants are also considered, with the aim of enhancing employee satisfaction and conforming to industry standards.

Migros gives importance to stakeholders' views and has recourse to independent consultancy services when determining compensation policy and strives

to constantly improve the compensation system accordingly. This is intended to help ensure that the company's compensation practices are structured fairly and equitably among all employees. The presence of independent viewpoints in the conduct of compensation processes also helps ensure that they are more transparent and objective.

Migros strengthens its overall approach to management and governance by integrating the company's sustainability targets and performance indicators into its senior executive remuneration policy. Performance results achieved in managing the environmental, social, and governance (ESG) aspects of the organization are elements of the corporate performance evaluation system.

This strengthens ESG management approaches and ensures that senior executive pay is linked to corporate objectives. In addition to senior executives' annual performance targets, the company also has an incentives system which, by operating in three-year cycles, is designed to better serve Migros' longer-term performance. The monetary incentives which an executive qualifies for based on the financial results of one three-year cycle are paid out over the next three years. In the case of mergers and acquisitions that are subject to the company's control and a senior executive's contract is terminated without justifiable cause, the remuneration packages, rewards, bonuses, and fringe benefits to which they are entitled up to that point may be paid as part of the mutual rescission process (golden parachute)

The Migros Board of Directors has authorized the **Corporate Governance Committee** to determine remuneration policy. The board has also defined this committee's duties and working principles, details of which may be found in **"Working Principles for the Corporate Governance Committee"**. This committee may solicit the opinions of independent consultants when it considers them necessary; in such cases, the consultancy fees are paid by Migros itself. This approach helps ensure that executive remuneration processes are conducted objectively and professionally.

Migros has an in-house flexible-benefits program called **"DE-HA"** that contributes significantly to its reputation as a preferred employer by giving administrative employees and stores' white-collar employees a range of solutions addressing their particular needs. In 2024, 8,274 people benefited from this program, which won Stevie Awards for

The company makes the same opportunities available to male and female employees and is just as equitable in its approach to paying all their salaries and bonuses.



Employee Satisfaction & Talent Management



Great Employers in three separate categories. Under the DE-HA program, employees can customize their fringe benefit entitlements across an array of options ranging from private pension and health insurance coverage to discount shopping privileges, gasoline, and sports event packages.

Employees' salary, fringe benefit, and other entitlements are all determined by and will vary according to the terms of their work contract or collective bargaining agreement. All employees receive certain basic benefits such as salaries, bonuses, premiums and food allowance. Additional benefits such as allowances for travel, leave, holidays, clothing, education, maternity, bereavement, marriage, military service, office

supplies, mobile phones & accounts, fuel etc. may also be provided according to requirements. Moreover, supplementary benefits such as private health insurance with Migros contribution, life insurance, personal accident insurance, group private pension plan memberships, and medical check-up coverage are also available to employees. In 2024, the company paid out a total of TRY 30.58 billion for employee-related expenses and benefits, including bonuses and performance premiums.

Employees may be provided with up to one week of paid compassionate leave to care for family members or in the event of a bereavement. There is a bonus practice that applies to 40% of administrative employees, other than those in the

senior management, in line with their seniority and positions, and to all store employees. Migros store employees are permitted to determine their own work schedules on condition that they work at least four but not more than eleven hours during any 24-hour period and also satisfy the 45 hours-a-week requirement. Administrative-unit employees are permitted to arrive at/leave the workplace up to an hour early or late on condition that they satisfy the weekly worktime requirement.

Contributing to Employee Development

Aware that its employees are the greatest strength on which the company may draw in its efforts to keep pace with the business world's rapidly changing conditions, Migros designs technology-supported learning experiences for all employees. Through **Migros Retail Academy (MPA)**, the company contributes to employee career progression and personal development by means of in-house training and lifelong learning opportunities. In 2024, 98% of all employees benefited from Migros Retail Academy training resources; 87% of all training was delivered by the company's own sources.

- In 2024 a total of 6,385,245 (employee*hours) training were delivered both in-person and online. Each employee received 124 hours of training on average.
- In 2024 more than TL 60.1 million was budgeted and invested in employees' personal & occupational development, career planning & management, and performance management & review processes.

- In addition to job-related training, a total of 43 "Migros Orange Break", "We're Different/We're Equal", "Mfest", "Catch The Change", "Better Future Stories", and "Leadership Rhythm" themed webinars were attended by 9,276 people.

Sustainability Training

The "**Sustainability Series**" of training provided to strengthen and deepen sustainability awareness in Migros' corporate culture continued in 2024. Training focused on such issues as climate change, sustainable biodiversity, food loss, water management, and plastic waste management. 12,760 employees took part in sustainability training in 2024 bringing the total number over the last three years to 36,514.

Comprehensive training was introduced in 2024 to increase store managers' sustainability awareness and leadership skills. During this process, a total of 1,045 store managers were informed about the company's sustainability strategy and roadmap the topics it focuses on in this area, its goals and

Migros designs technology-supported learning experiences for all employees.



Employee Satisfaction & Talent Management

actions, and their knowledge and skills in this area were strengthened. Detailed information about company-provided training resources related to gender equality, diversity, and inclusion issues is presented in **"Gender & Opportunity Equality"**.

Leadership Training

In 2024 Migros conducted a comprehensive program to develop employees' leadership competencies and identify potential future managers. Course content was designed to address the particular needs of employees at different levels and was enriched with the addition of other resources. During 2024, 786 employees at the manager level or higher took part in Leadership Development Faculty programs and received a total of 19,044 hours of training. Average leadership training time for employees in this target group was 17 hours.

- **Mission:** Leadership and Leadership Attitude & Stance Workshop: Designed for newly-promoted managers, this program consists of 2.5 days of training and one-on-one coaching sessions.
- **Effective People Management:** Developed for managers with experience of managing teams, this program gives participants a chance to analyze their own behavior as well as that of their team members. Individual needs analyses were performed using a variety of checklists and assessment tools, culminating with the presentation of participants' individualized development and action plans.
- **Leadership Path: Discovery:** Designed for those who are not yet managers, this program gives employees a chance to find out whether or not they have the potential to become a leader who will play a role in Migros' future.
- **In-Store Leadership:** Designed for Migros store managers, this program aims to teach participants how to see events from different viewpoints and help them to develop their own strategic thinking competencies.
- **LeadNext:** Introduced in 2023, this program is presented as a catalogue aimed at supporting leadership competencies. This program was conducted 17 times in 2024.
- **Management Building Blocks:** Intended for those who have been newly promoted to executive positions, this program aims to equip participants with basic leadership skills. The program consists of three days of training and a one-day follow-up session. The program focuses on such issues as organizational priorities in a changing world as well as self-management and team-building processes.
- **Effective Performance & Feedback Training:** Intended for team leaders, this program aims to increase participants' one-on-one interaction effectiveness.
- **Leading The Future:** Intended for director and senior management level, this developmental program consisted of two modules in 2024: "Leadership That Strengthens" and "Inclusive Leadership".
- **Subconscious Bias Training:** Intended for managers, this training program uses "Shed Those Prejudices" workshops to teach participants how to create a more inclusive workplace environment by making themselves aware of many of the unconscious prejudices that leaders may harbor.

- **Business Awareness & Management Simulation:** Consisting of case studies and simulations, this program aims to equip store managers with the knowledge and experience they need to do business and understand financial concepts.

Trainee, Mentoring & Coaching Programs

Migros conducts a variety of traineeship programs whose aim is to help talented young people ready themselves for a career in retailing and also familiarize them with the retailing industry's dynamics. The **Smart Long-Term Internship**

During 2024, 786 employees at the manager level or higher took part in Leadership Development Faculty programs and received a total of 19,044 hours of training.



Employee Satisfaction & Talent Management

Program is intended to give third and fourth-year university students a hands-on experience in real workplaces. Thirty of those who applied to attend the Smart Long-Term Internship Program were admitted to it in 2024. Under this program, participants work as trainees at the company for up to 8 months. During this time, they work alongside Migros-employed professionals, get hands-on experience with retail industry dynamics, and acquire a broad understanding of job requirements by means of rotations through different company units.

Mentoring programs focus on effectively supporting employees' personal and professional development. During the 2024 "You're My Mentor" program, 616 mentees took part in 2,283 hours of mentoring sessions. Forty mentees selected to attend the "In Pursuit of A Better Future" took part in 18 hours of mentoring sessions. Under the "Next-Generation Mentoring" program, 12 mentees and 24 mentors interacted for a total of sixty hours.

- A total of 86 hours of coaching sessions were provided under Migros' coaching programs in 2024. Under the In-House Coaching program that Migros initiated to train its own coaches and qualify them for professional certification, 14 employees attended a total of 80 hours of training across five days.

Agile Transformation School

Migros' **Agile Transformation School** program provides employees with training resources that encourage agile work practices, strengthen entrepreneurial spirit, and enhance digital skills. 464 employees received training in 38 of the topics in the school's **GETready Tech** catalogue program while 612 received training in 72 of the topics in the school's **GETready Soft Skills** catalogue program.

Corporate Intrapreneurship Program

Migros conducts its Corporate Intrapreneurship Program both to discover entrepreneurial potential among its employees and to actuate their innovative business ideas. Based on the lean startup model, this program supports the creation and implementation of these ideas by interfunctional authorized teams making use of agile working methods. 14 projects were carried out under this program in 2024 exploring such ideas as **filling stations, alternative energy resources, product availability & stock management, and agricultural & local development**. 130 employees took part in these projects, during which they deepened their professional competencies in many different areas.

Good Idea & Good Project Platforms

Migros set up its **Good Idea & Good Project** platforms to promote innovative thinking among its employees and support projects which they come up with. These platforms continued to foster in-house innovation by providing employees with opportunities to demonstrate their creativity and come up with products that generate added value for the company's business processes. In 2024 some improvements were made in the Good Idea platform to make it easier for employees to express their innovative ideas more effectively. **110 project suggestions** were submitted to the platform in 2024 covering such topics as how to improve Migros' business processes, increase its operational efficiency, and come up with innovative solutions.

Migros' employees also submitted five projects for consideration in the **Bi'Fikir ideas competition**



conducted by Anadolu Holding. Four projects placed first and one placed second in their respective categories.

University Collaborations & Professional Development Training

Migros works closely with external project partners to maximize the benefit of the professional and personal development programs that it conducts for its employees. A large number of these programs involve university collaborations.



In 2024, 14 projects were carried out under the Corporate Intrapreneurship Program.

Employee Satisfaction & Talent Management

- **Koç University Migros Executive Development Program (KÜMPREM):** Intended for midlevel managers, this program consists of a 39-day course of 234 hours of instruction designed to equip participants with all the knowledge they might need to advance their professional careers. 30 people graduated from the 2023-2024 KÜMPREM program. 37 employees are currently enrolled in the 2024-2025 program.
- **Boğaziçi University Retailing Management Certification Program:** Conducted jointly with Boğaziçi University and intended for managers, this program focuses on such subjects as leadership, strategic marketing, and customer experience. In 2024 this program was attended

by 26 people, who received certification after completing the 96-hour course.

- **Anadolu University Retailing Program:** Under a "Migros Retailing Associate & Undergraduate Degree Program" agreement with Anadolu University, employees who do not yet hold such degrees are given a chance to study and be awarded one. Employees who complete the five e-certifications specified in the course description are awarded associate degrees; those who complete an additional three are awarded undergraduate degrees that are recognized by Migros. Those who attend this program have an opportunity to complete the requirements for an undergraduate degree in about two and a half years on average.

- **Migros Store Manager Training Program (MAYA):** MAYA is a comprehensive development program whose aim is to equip Migros store manager candidates with the knowledge and skills they need in a variety of sectors. MAYA programs are being conducted in partnership with Migros at Ege, Karadeniz Technical, Anadolu, Marmara, Trakya, Hitit, Süleyman Demirel, Uludağ, 19 Mayıs universities. Under the MAYA program, senior-year students at these schools may enroll in courses covering subjects such as sales, teamwork, communication, customer experience, finance, logistics, retailing mathematics, and leadership. Those who attend this two-semester course are also provided with traineeship position opportunities at four different stores. 67 MAYA program participants graduated in 2024, 37 of

whom have since pursued careers at Migros. During the 2023-period, five people attended the MAYA program under Anadolu Foundation scholarships and were subsequently employed after graduation.

Employee Satisfaction & Wellbeing

Migros strives to ensure and sustain employee satisfaction and wellbeing in a variety of different ways. The company recognizes that employee motivation is an integral part of successful performance evaluation and career progression processes. **Migros Sharing Hotline** is an employee hotline that the company set up to receive and resolve employee feedback within 48 hours. 30,151 calls were received through this hotline during 2024; all reported issues were resolved verbally or in writing within the specified timeframe. Believing in the power of positive peer feedback in employee motivation, Migros set up a **Thank-You Platform** on its HR Portal through which every employee may send a thank-you note to another. More than 44 thousand employees sent digital thank-you notes through this system in 2024. The company also set up the **Migros Reward Galaxy Platform** to acknowledge employees' efforts and celebrate their tangible and intangible achievements. During 2024, more than six thousand Migros employees whose performance was assessed according to such metrics as creativity, added-value creation, and teamwork were rewarded by this system. Employees can exchange their accumulated points for goods and services at Migros stores and merchant partners.

A Worklife Assessment Survey and/or Happy Place to Work Survey is conducted every year by an



Migros recognizes that employee motivation is an integral part of successful performance evaluation and career progression processes.



Employee Satisfaction & Talent Management



independent research company in order to measure the degree to which Migros employees are satisfied with working for the company. Issues that are in need of improvement are identified and action plans are subsequently formulated accordingly. These surveys are intended to quantify such things as employee motivation, happiness, and stress levels. In the Happy Place to Work Survey conducted in 2024, Migros scored a total of 82 out of 100 points. The performance scorecards of all executives at manager level and above including the members of senior management have an

“**Employee satisfaction**” target which contributes between 2.5-5% of their annual performance bonuses and directly affects this target.

Migros prioritizes the holistic health and wellbeing of its employees and assesses both aspects across five key dimensions: Positive Workplace Environment, Health, Motivation, Psychological Wellbeing, and Financial Wellbeing. Dedicated working groups formed for each of these metrics are tasked with formulating plans and undertaking initiatives that will systematically address every aspect of employee wellbeing.

1. Positive Workplace Environment

Migros attaches great importance to improving physical working conditions and to increasing opportunities for positive social interaction in the workplace in order to ensure the overall wellbeing of its employees when on the job. The company engages in an ongoing effort to make its workplaces more ergonomic and more sociable for its employees. In order to improve manager-team interaction, manager-employee communication is strengthened in a variety of ways such as coaching, developing feedback skills, and unleashing team potential.

- Migros has introduced a **Development Dialogue Week** program of interactions between employees and managers that takes a continuous-development and coaching approach while also focusing on performance and feedback. Besides in-person and remote training sessions, videos, supplementary materials, and a Progression Dialogue Guide, the week also featured an “Establish Dialogue Through A Coaching Point Of View” webinar that was attended by about 300 leaders.
- During the 2024 **Store Manager Development Festival**, the topics of discussion were crisis management, financial indicators, retailing trends, and holistic wellbeing. Statements made by the speakers were shared 84 times, generating 7,563 likes and comments.
- During the 2024 round of the **Better Future Shares** series dealing with seven issues designed to support store-managers’ and regional sales-managers’ manager-employee relations and

improve in-house communication, the themes were Let’s Talk and Take a Deep Breath. 103 store managers took part in 2024 events.

- A series of individualized training videos is currently being prepared to improve **intergenerational communication** and communication styles and habits.

In the Happy Place to Work Survey conducted in 2024, Migros scored a total of 82 out of 100 points.



Employee Satisfaction & Talent Management

2. Health

Migros gives great importance to the physical wellbeing of its employees and supports and protects it in many different ways by providing workplace access to such resources as **nutritional counseling, physiotherapeutic exams, medical massages, medical pilates, and medical examinations**. A Survey-Based Breast Cancer Risk Analysis was conducted during 17 October Breast Cancer Awareness Week. Online access was provided to nutritional counseling services to make the services available to store employees as well. Online discussions with healthcare professionals organized throughout the year not only help raise employee awareness about health-related issues but also serve as a platform for addressing employees' health-related questions. Migros additionally provides its employees with company-matched private health insurance, life insurance, personal accident insurance, and medical checkup coverage.

Recognizing that being healthy depends on having access to proper and adequate nutrition, Migros provides its employees with free, filling, and high-quality meals consisting of at least three different portions every day at work. Migros headquarters employees are provided with cafeteria meals whose calorie counts are announced each day. Cafeteria menus include low-calorie and vegetarian/vegan options. To standardize and regulate employee meal service inputs and production processes across the company, Migros acquired a stake in GurmePack. The meals of more than 9,000 employees working in the company's Marmara region stores are now being supplied as a result of this partnership. Moving forward, Migros is continuing to phase in similar employee-meal

production and delivery services and to extend the same services to stores in other parts of the country as well.

The practical effectiveness of Migros' commitment to employee health is continuously monitored and measured according to criteria specified by the **Workforce Nutrition Alliance (WNA)**. The company continues to be WNA "Gold" status with performance in the areas of wholesome and nutritious employee meal provision, health screenings and training, and sterile lactation-room.

3. Psychological wellbeing

Migros continued to invest in its employees' psychological wellness in 2024. Acknowledging that well-being is not only physical health but also depends on strong and resilient mental and emotional health, Migros conducted a "Well-being Week" from May 27 to 30. During this week, a series of online and in-person seminars and workshops were held, covering topics such as healthy nutrition, mental health, physiotherapy, and physical activity.

Migros has launched an award-winning series of 5 Dimensions of Wellbeing videos titled **"Individual Motivation Elixir of Success", "Adaptation", "Mindfulness", "Movement Literacy", "Psychological Resilience & Flexibility", "Strengthening My Memory", and "Financial Literacy"**. These videos, which are accessible to all employees at all times, have so far attracted 20,948 views. A designated number of employees who view the entire series and correctly answer a series of questions receive a package of healthcare products as a reward.

Migros has published a **"Workplace Policy on Domestic Violence & Abuse"** consistent with its approach to creating social value. In addition to this policy, the company also set up a **"Domestic Violence Support Hotline"** which employees who have suffered any form of violence can use with complete assurance that their privacy will be protected. This hotline continued to operate in 2024. To further support psychological wellbeing, Migros also organizes webinars and training programs in which experts increase employees' awareness of such issues.

The award-winning series of 5 Dimensions of Wellbeing videos have so far attracted 20,948 views.



Employee Satisfaction & Talent Management



4. Motivation

Migros stages a variety of events and conducts programs designed to increase employee motivation. Motivation-enhancing gatherings are organized to strengthen team spirit by encouraging employees to socialize, take part in friendly games, and enjoy cultural and artistic activities with one another.

The team-building, collaboration-fostering events organized for Migros employees during 2024 included a **Bowling Tournament, a Volleyball**

Tournament, camping trips and tours, and other social activities. Workshops were organized and messages were shared on the occasion of special observances such as Environment Week and Happiness Day. In the annual “Years At Migros” presentation of seniority awards, Migros employees from every function, level, and position receive awards acknowledging 10, 20, 25, 30, and 35 years of service at the company. During the 2024 round of these presentations, 1,690 employees from 700 stores in 67 cities accepted their awards.

Employees' motivation is supported by offering gifts on special occasions, organizing special events on special days such as Women's Day, Mother's Day, Father's Day, and the opportunity to attend Anadolu Efes Sports Club matches. Motivation-boosting webinars and online training resources delivered by experts also continue to be made readily available. 12,000 employees took part in the “Happiness Box” program, which makes it possible for teams from all over the country to connect and organize whatever social or cultural events they might wish such as having a breakfast, going on a picnic, or attending a concert.

During 2024, Migros organized 18 programs and events to support and improve the physical and mental health of its employees. People benefitted from these events a total of 58,102 times.

5. Financial Awareness

The company engages in ongoing efforts to support its employees' financial wellbeing and increase their financial literacy. Under the Migros Family & Me program, employees qualify for special discounts when purchasing goods and services from the program's participating vendors.

Migros' **DE-HA flexible fringe benefits program,** which has won Stevie Awards for Great Employers in three separate categories, continues to allow the company's employees to customize their fringe benefit entitlements across an array of options that include medical checkup and health insurance coverage, shopping and gasoline discounts, and sports event packages.

Through the Migros Employee Pension Fund, Migros employees benefit from company-matched support in their retirement years. Financial literacy-boosting webinars and online training resources delivered by experts are also readily available. These materials broaden employees' knowledge about specific issues while also increasing their financial literacy in general.

Migros partners with Anadolu Foundation to provide educational scholarships to 13 university students. Also, the company also began providing scholarships to the dependent children of deceased employees through the foundation as well. 20 child/youngsters benefited from these scholarships in 2024.

Migros organized events to support and improve the physical and mental health of its employees. People benefitted from these events a total of 58,102 times.



Employee Health & Safety

As per the **Migros Occupational Health & Safety Policy**,  Migros deploys an effective OHS management system that gives first priority to the health and safety of its own employee and those of subcontractors. Migros classifies* its workplaces and operations in accordance with the requirements of relevant Occupational Health and Safety (OHS) Laws and Regulations. The company holds **TS ISO 45001 Occupational Health & Safety Management System** certification. This certification covers not only Migros workplaces and employees but also the company's interactions with subcontractors and their employees. Besides fulfilling all mandatory OHS inspection and training requirements, Migros also systematically conducts inspections and training of its own in line with recognized good practices.

OHS Participation & Representation, Risk Management Processes

As required by laws and regulations and to ensure employees' engagement in OHS processes, OHS committees are formed and regularly convene in all Migros-owned business units. Committee membership is arranged so as to ensure that the interests of all employees are represented. As of end-2024: 1,097 people were members of 182 OHS committees at the company's stores, administrative units, production facilities, operational headquarters, and breeding farms; 156 people were members of 26 OHS committees

* Headquarters units, regional directorates, and stores are classified as low-risk workplaces. The MIGET meat processing plant, breeding farm, MIGBAK plant, distribution centers, and fruits&vegetables warehouses are all classified as hazardous workplaces.

** Changes in like-for-like performance show the improvement in lost-workday performance due to workplace accidents in 2024 compared to similar stores that suffered lost workdays due to workplace accidents in 2023.

based in Migros-owned distribution centers and fruits & vegetables & wholesale warehouses.

In workplaces statutorily defined as "Low-risk" (stores, administrative units), OHS committees convene once every three months; in those classified as "Hazardous", they convene every other month. Employee and union representatives participate in decision-making processes on OHS committees and may submit proposals related to OHS risks for a vote.

Workplace safety is ensured by identifying and eliminating or mitigating health risks, potential threats, and nonconformities in such a way as to minimize work-related accidents. The MSafe Occupational Health&Safety management system is deployed to ensure that all OHS-related risks are meticulously managed across all company-owned operations and premises. Routine risk assessments are carried out in newly-opened workplaces. Previously-made risk assessments are reviewed and revised in line with regulatory requirements and/or changes in workplace conditions. Risks are mapped, threats are categorized, and unsafe situations and behaviors are identified. Corrective action both to deal with nonconformities and to improve OHS performance is planned and taken. A comprehensive risk management approach is employed, addressing areas including fire safety, electrical hazards, loading docks, cutting tools, work equipment, manual carrying & handling, storage, disaster & emergency response, hygiene protocols, break rooms & cafeterias, and ergonomics. A total of 136,896 corrective/preventive actions were taken to deal with OHS risks in 2024. 3,207 near-miss incidents were reported. These were either entered into the MSafe system or else recorded by means of readily available workplace forms. Whenever a work-

related accident occurs, it is analyzed and action is taken to prevent its recurrence, including but not limited to technical and physical interventions, targeted training, and OHS warning signs and markings.

Performance & Targets

OHS PAS (Performance Analysis System) is an MSafe subsystem which allows individual stores' OHS performance to be comprehensively analyzed and scored. A key company objective is to systematically reduce the number of workdays lost due to work-related accidents each year. One way Migros achieves this is by keeping track of these OHS PAS-assigned store scores. On a like-for-like** (LFL) store basis, the number of workdays lost due to work-related accidents was down by 25% year-on

A total of 136,896 corrective/preventive actions were taken to deal with OHS risks in 2024.



Employee Health & Safety

in 2024. In 2025, a 10% reduction in the number of workdays lost due to work-related accidents in the same stores (LFL) is targeted compared to the previous year. In previous years the number of workdays lost due to work-related accidents was tracked and managed as the “lost-time work accident severity rate”, with the goal being to reduce that. Under the new system, it was decided to follow the target of reducing the number of lost workdays due to work-related accidents in like-for-like stores (LFL) through the OSH PAS score. Migros is aiming to reduce this number by 10% in 2025.

Thanks to the effective implementation of OHS policies and management of OHS processes, there were no work-related fatal accidents at company-owned workplaces in 2024. Migros aims to continuously improve its workplace safety performance so as to achieve the highest level of workplace safety for its employees and business partners. During 2024, 87 OHS specialists, 103 workplace doctors, and 31 healthcare employees provided 17,084 Migros and 9,067 subcontractor employees with a total of 225,913 hours of OHS services. Please refer to the “**Appendices**” to this report for detailed information about numbers of work-related accidents per year, types of injuries, number of lost workdays/hours, distribution & percentage of employees receiving OHS services, and work accident severity & frequency rates.

In 2024 Migros budgeted a total of TL 212 million as OHS-related expenditures. OHS-related issues contribute 10% of the Occupational Health & Safety Group Manager’s performance scorecard and they have a direct impact on that executive’s annual bonus. Migros is represented in the Anadolu Group OHS Working Group, during whose monthly

meetings OHS issues and performance both within Anadolu Group and without are regularly discussed and assessed. This approach is regarded as important from the standpoints of quantifying OHS performance and continuously improving it.

OHS Activities & Training

Employees’ and business partners’ OHS awareness is continuously enhanced so as to make workplaces safer. As is the case every year, OHS training was regularly provided and briefing sessions were again conducted in the company’s stores and distribution centers during 2024. This training focuses on increasing employees’ ability to recognize, protect against, and correctly deal with risks that they may encounter in the day-to-day performance of their jobs and in this way to reduce risks by encouraging safe behavior. Potential hazards and precautions for dealing with them are regularly announced on a weekly and monthly basis. OHS bulletin boards -are used to inform employees about current OHS-related issues and events.

At distribution centers, fruits&vegetables warehouses, and production facilities, onsite OHS inspections are carried out; OHS specialists and workplace doctors check and report potential nonconformities. Exposure to technical risks is monitored by means of ambient measurements, periodic equipment checks and monthly maintenance. Work accidents and near-miss incidents are recorded, and annual target tracking is carried out through reports shared with managers, and improvement steps are planned accordingly. In the company’s stores and administrative units in 2024, 12,889 people were given onboarding medical examinations while 2,277 employees were given

regular examinations and 11,804 were given clinical medical examinations. In Migros’ distribution centers, fruits&vegetables warehouses, and wholesale warehouses, 7,420 people were given onboarding medical exams while 1,678 employees were given regular examinations and 36,692 were given clinical medical examinations. No toxic chemicals harmful to human health are used in the company’s operations. Migros adheres to hazardous-material management policies aimed at minimizing environmental and human health risks in its own workplaces and across its supply chain processes so as to avoid exposure to such risks.

A substantial amount of time is allocated for both online and in-person training. Those taking part in both classroom and virtual training are provided with an interactive learning experience and individualized guidance. Remote training not only makes it easier for trainers to reach much broader audiences but also gives employees quick access to information that they need.

OHS Classroom & Virtual Classroom Training

Migros Employees	22,557
Hours	95,887
Subcontractors & Subcontractor Employees	9, 583
Hours	77,814

OHS Remote Training

Migros Employees	36,882
Hours	429,052

Emergency & Disaster Preparedness Drills

Drills are regularly conducted to ensure that employees know how to respond properly in the event of emergencies. During 2024, 22,163 emergency and disaster-preparedness drills were carried out; 54,256 employees took part in them. Drills focus not only on teaching employees how to deal with fires, earthquakes, floods, and storms but also on how to respond in the event of landslides, avalanches, storm surges, and tsunamis. All emergency and disaster-drills are designed to increase employees’ premises-evacuation, equipment-use, first-aid, and crisis-management knowledge and skills. During 2024, 31,700 employees took part in “Earthquake & Evacuation” drills conducted in stores. 7,560 distribution center and warehouse employees took part in fire, earthquake, and evacuation drills in addition to being provided with theoretical and practical knowledge. Detailed information about emergency and disaster preparedness drills is presented in the “**Appendices**” to this report.

During 2024, 22,163 emergency and disaster-preparedness drills were carried out; 54,256 employees took part in them.



Compliance with Corporate Policies & Code of Ethics

Migros' **Code of Ethics** and its **Human Resources, Human Rights & Opportunity Equality, Anti-Bribery & Anti-Corruption,** and **Responsible Sourcing Policies** are reviewed and, when necessary, revised annually. Company employees are informed about these policies by means of emails and the Turuncu Kitap employee handbook. The policies are publicly disclosed on the company's corporate website. In addition, suppliers and contractors can access these policies through the company's B2B platform MECOM. Online training resources are provided to acquaint all employees with these corporate policies and to make sure they understand and abide by them. As of end-2024, 32,445 employees completed this course material. The same content has been provided to 1,694 suppliers who actively use Migros' MECOM business-to-business platform. **The Migros Code of Ethics** sets out ethical behavior guidelines that are to be followed by the company and its employees in all matters related to making business decisions and engaging in business activities. Adherence to **Migros' Anti-Bribery & Anti-Corruption Policy** is a matter of the utmost concern to the Migros Board of Directors and the strictest compliance is required of all company employees, business partners, and suppliers. As a member of the Turkish Ethics & Reputation Society (TEİD), Migros takes part in activities pertaining to a wide range of issues such as corporate ethical behavior and compliance management, sustainability, diversity, inclusivity, statutory compliance, and anticorruption while also contributing to the promotion of ethical business practices in general.

Critical Concern Communication & Evaluation Processes

Every communication about a violation of the Migros Code of Ethics or of the Migros Anti-Bribery & Anti-Corruption Policy that is received is examined and

investigated. If a company employee is involved in the matter, the Migros Discipline Committee convenes and decides what action needs to be taken.

Employees may report suspected violations of ethical guidelines, including bribery and corruption, to a dedicated email address (etikkurul@migros.com.tr) or through the **Migros Shareline**, which is an internal reporting system accessible to all employees. In line with Migros' open-door policy, all senior management' and function managers' contact information is available on the company's corporate website. This policy allows all stakeholders to report potential violations of the company's ethical guidelines to Migros executives anonymously.

Migros customers, suppliers, and other stakeholders may also report complaints about bribery, corruption, or other unethical behavior through the **Customer Communication Center** on **0850 200 4000** as well as through the etik@migros.com.tr email address. An "Ethics Reporting and Tracking" system has been set up to collect and evaluate complaints about non-compliance with policies and guidelines. Complaints may also be submitted through various channels such as the Migros call center, email addresses, or mobile app. This system allows Migros to centralize the information and systematically track all action that is taken. All incoming complaints, warnings, and accusations are directed to appropriate company units for examination and investigation. The Internal Audit Department can also conduct investigations on reported issues within the framework of Migros Code of Ethics. At the conclusion of the examination/investigation process, corrective measures are taken when deemed to be necessary. Reports of unethical behavior are responded to within six business days on average.

Whenever something suspicious is deemed to have been reported in good faith, Migros categorically protects the identity of anyone reporting the

incident to prevent any retaliation against them. Migros has publicly stated that it regards retaliatory and/or abusive behavior towards someone who has reported a suspicion or who has taken part in an investigation as being absolutely unacceptable. Disciplinary action is taken against any person who behaves in such ways. During 2024, Migros received a total of 1,058 reports of ethical violations through all communication channels. Of this number, 412 were received directly from company employees. In 2024 the company also received eight reports from anonymous whistleblowers. Reported instances of unethical behavior are examined by related committees and action is taken as deemed to be necessary. During 2024, the work agreements of 271 employees were terminated by discipline committees convened in response to reports of ethical violations.

The Migros Code of Ethics sets out ethical behavior guidelines that are to be followed by the company and its employees in all matters related to making business decisions and engaging in business activities.



Compliance with Corporate Policies & Code of Ethics

Two reports about possible violations of Migros' Anti-Bribery & Anti-Corruption and Responsible Sourcing policies were received in 2024. One report was concerned with corrupt practices on the part of employees of one of Migros' subcontractors. A comprehensive investigation was conducted and a criminal complaint was lodged. Migros also reviewed its own business processes and made revisions deemed to be necessary. The other report was an allegation made to management that a Migros employee had misappropriated company assets for personal gain. A discipline committee was convened and action was taken as spelled out in company policy.

Migros was not involved in any dispute involving allegations of bribery, corruption, or money-laundering in 2024. As a matter of policy, the company does not contribute financially to political campaigns and also abstains from lobbying.

Compliance with Human Rights Policies

All of the company's activities and operations are assessed in light of their social impact, with special attention being given to human rights; they are also conducted in accordance with the Migros **Human Rights & Equal Opportunity Policy**  taking also into account **United Nations Business & Human Rights Principles and the ILO Declaration on Fundamental Principles & Rights at Work**. Human rights risk assessment is an integral part of the Migros risk assessment process. Compliance with human rights is an intrinsic element of Migros' risk-assessment processes. Migros aims to achieve 100% compliance with the Migros Human Rights & Opportunity Equality Policy in all aspects of its operations and across its entire value chain. The Migros Code of Ethics applies to both internal and external stakeholders. Supported by established company procedures and regular awareness-raising activities, its aim is to prevent unethical behavior in dealings with the company.

The Chief Human Resources Officer of Migros has overall responsibility for the management of human resources processes and industrial relations in accordance with Migros' Human Resources Policy. Human resources, human rights, and opportunity equality policy compliance within the company is monitored by the Migros Internal Audit Department, which reports its findings to senior management. All reported instances of non-compliance are additionally investigated. The Anadolu Group Department of Auditing and/or external auditors may also look into policy violations.

Migros employees have been provided with **online training resources about fundamental human rights** as defined in the Universal Declaration of Human Rights (UDHR). A total of 26,565 Migros employees have completed UDHR training since the program's inception, 4,120 of them in 2024. A 24% increase in participants' UDHR knowledge was determined based on a survey of pre-test and post-test training effectiveness results. In 2024, 1,204 outsourced security company employees received online training on human rights policies and procedures. 78% of security employees completed this training.

"Ethics 101" is the name of a new training module whose completion was required of all employee in 2024. Course content includes the basic principles of Migros' ethical guidelines as well as what unethical behavior is and how it should be reported. A test of knowledge administered before and after completing the course showed a 17.4 percentage-point improvement (70.4% vs 87.0%) in employees' familiarity with ethical issues. Ethical-behavior awareness was also increased in other ways during the year such as by means of questionnaires and chats on the occasion of Corporate Ethics & Compliance Week and of Global Ethics Day.

Evidence of the importance that Migros gives to human rights and ethical behavior may be seen in the fact that no violations have been identified in the course of comprehensive human-rights reviews of all of the company's operations during the most recent three years. Migros is particularly sensitive about such issues as discrimination, child labor, and forced or compulsory labor and has never been accused of committing such acts.

UDHR and Migros Human Rights Policy training covers a wide range of topics, including discrimination, underage labor, forced and compulsory labor, workplace & workforce diversity, product & service information and labeling requirements, equal pay for equal work principles, parental leave, freedom of association and the right to collective bargaining. An independent auditing firm has verified that statements in the company's report regarding the training received by employees trained on human rights and about workplace injuries and OHS systems, services, and practices were in compliance with the **ISAE 3000 (Revised) standard. The Human Rights & Supply Chain (Selected Criteria) Statement of Independent Assurance** may be found in "Appendices". 

Labor Union Membership and Collective Bargaining Agreement

Migros respects the right of its employees to individually and collectively interact with the company and among themselves and has recognized their right to unionize since 1972. The company cooperates fully and in every way possible with its employees' union to ensure mutual compliance with ILO standards in dealing with such issues as compulsory labor and child labor as well as with applicable labor laws and regulations and with rules governing fair and impartial treatment and human rights.

The company's unionized employees are covered by a collective bargaining agreement signed by Migros and Tez-Koop valid between 1 January 2023 and 31 December 2025. By the end of 2024, 90.5% of the company's employees were union members.

The agreement contains provisions governing a variety of workplace health & safety issues such as proper nourishment, cleaning equipment & supplies, medical leave & pay, workplace doctors, infirmaries & medicine cabinets, reasons for employment in light duties, and work clothing & equipment. Unionized employees receive such fringe benefits as bonuses, food and transportation allowances, holiday and vacation pay, cash-handling allowances, military service allowances, and child allowances. In some locales, Migros provides employee transportation services to and from the workplace; where this is not possible, employees receive a commuting allowance. Employees' Money loyalty cards are charged with a predetermined number of points every month that can be used to defray the cost of groceries. Employees also receive allowances on such occasions as a birth or death in the family, marriage, and military service. Employees with children of school age receive an education allowance.

A total of 26,565 Migros employees have completed human rights training since the program's inception, 4,120 of them in 2024.



Gender & Opportunity Equality



Gender and opportunity equality is a cornerstone of Migros' corporate culture and is addressed as a material issue in the Migros Better Future Plan. In keeping with this attitude, the company is absolutely opposed to any form of gender-based discrimination in business and makes certain that each and every one of its employees benefits from the same opportunities. Migros distinguishes itself as an employer whose practices support female employees' career progression and encourages women to be productive and enterprising.

As a female-friendly company, Migros proactively strives to increase the presence of women in leadership roles and to implement fairness policies that promote gender equality in the workplace. Besides increasing women's participation in the formal economy, Migros also undertakes projects whose aim is to empower women in the social sphere as well. The company manages programs and adheres to policies to support female employees' career progression and to ensure that women have equal access to every workplace right to which they are entitled.

As set forth in both its **Gender Equality & Inclusion** and its **Human Rights & Equal Opportunity Policies**, Migros supports women's participation in the workforce and social gender equality. This approach is not confined solely to in-house practices but is also reflected in the wide range of initiatives aimed at creating broad-based social value. It is because of these and similar efforts that Migros was included yet again in the internationally-recognized Bloomberg Gender-Equality Index measuring companies' progress toward a gender-equal workplace. Additionally, in the 2024 "Female-Friendly Companies" survey conducted by Capital Magazine regarding female employment in the business world, the company ranked 2nd on the list of "100 Female Executive

Friendly Companies" and 4th on the list of "100 Female Employee-Friendly Companies". Increasing the percentage of women in all management positions has a direct impact on the annual performance bonuses of executives with human-resources business-partners responsibilities and make up 3-4% of their overall targets. The company's target of 33% for women in all management positions was achieved in 2024. Migros has set itself the goal of increasing this percentage to 35% by 2027 and to 40% by 2035. In 2024, 47% of the company's store managers were women. As of year-end, women were the managers of 1,590 Migros stores and, in the case of 551 stores, all the employees were women. Of all the Migros employees who were promoted to higher positions in 2024, 39% were women.

Additionally, in the 2024 "Female-Friendly Companies" survey conducted by Capital Magazine regarding female employment in the business world, the company ranked 2nd on the list of "100 Female Executive Friendly Companies" and 4th on the list of "100 Female Employee-Friendly Companies".



Performance Indicator	Target year	Target	2024 Performance	Status By Target	Base-year / Status
Percentage of Women in Senior Management (CEO & Direct-Reports)	2026	27-33%	25%	In progress	2018 / 15%
	2027	35%		In progress	2019 / 28%
Percentage Women in All Management Positions	2035	40%	33%	New	2024 / 33%
	2050	50%		In progress	2023 / 33%

Gender & Opportunity Equality

The Migros Board of Directors signed a commitment of increasing the percentage of women in our senior management consisting of the Chief Executive Officer and direct reports to 27-33% by 2026. At end-2024, 3 of the 12 people representing the Chief Executive Offices, other C-Suites and the group directors who directly report to CEO, were women (25%).

Migros is a signatory to the **United Nations' Women's Empowerment Principles (WEP)** initiative. Consisting of seven core principles, this initiative aims to empower women in the workplace across all sectors and levels. The principles also serve as guideposts for companies developing corporate policies that foster gender equality. In 2024, Migros hosted representatives of a number of Kosovar businesses as part of the UN Women Kosovo organization's program of promoting and implementing **"Women's Empowerment Principles"**. On this occasion, Migros showcased good-practice examples of the company's social gender & opportunity equality initiatives aimed at empowering women in both the workplace and the social sphere.

Gender Equality Initiatives at Migros

Women's Empowerment Training & Development Programs

Achieving greater representation and presence for women in education, employment, leadership roles, and decision-making mechanisms is a Migros priority. The company has initiated and runs a number of training and development programs specially designed to support the personal and professional development of its female employees.

Store and administrative-unit management employee are given training on how to conduct inclusive, gender-neutral interviews by avoiding questions of a discriminatory or sexist nature. Social gender equality is a component of the orientation program that all newly-hired Migros employees attend before they begin working.

The gender equality initiatives that began with the launch of the company's **"We Are Different / We Are Equal"** program are continuing with the provision of a variety of training resources such as videos, webinars, and bulletins. In the conduct of its in-house social gender equality activities, Migros also benefits from the services of a consultant who is a specialist in dealing with such matters. The aim is to support a greater representation and presence for women in the business world and to increase the number of women in leadership roles.

These activities are intended to foster greater equality awareness among all employees. Forty volunteer equality instructors, expert consultants, and project teams played active roles in this process. Company-provided **"Valuing Equality"** social gender equality training focuses on creating a workplace environment in which men and women enjoy equal rights and opportunities. This training is designed to encourage employees to embrace Migros' equality principles as their own and to increase awareness about these issues. Social gender equality training resources in the form of webinars and classroom sessions continued to be provided during 2024. To date, a total of 43,915 employees have completed this training. Detailed information about social gender equality training provided in 2024 is presented in the **"Appendices"** to this report.



Diversity & Inclusion Activities

Migros regards people's differences as an asset and therefore aims to create an environment that fosters a culture of inclusivity in the workplace. The company integrates these values into its corporate culture through activities whose aim is to increase awareness about diversity and inclusion issues. During 2024, **"Digital Equality Bulletins"** were used to convey messages about workplace diversity and inclusion to all employees.

Social gender equality training in the form of webinars and classroom sessions continued during 2024. To date, a total of 43,915 employees have completed this training



Gender & Opportunity Equality

Employees were given opportunities to interact with people with Down Syndrome during sessions of the **Migros Paint Pouring Workshop**. Twenty-two digital-format issues of Migros' **"I Heard That"** equality bulletin were sent to all employees. The series of "We are different / We are equal" podcasts included some whose guests were senior executives and which focused on increasing store managers' gender equality awareness, fostering an inclusive workplace culture, and promoting greater sensitivity towards diversity issues in leadership roles. These podcasts were viewed by 524 people.

Migros has published a **Workplace Policy on Domestic Violence & Abuse** consistent with its attitudes towards creating social value. The 24/7 Domestic Violence Hotline which the company launched remained accessible to employees suffering from violence of any kind in 2024. Employees calling this support line are provided with guidance as to what they should do, with complete assurance that their personal information will be treated with the utmost confidentiality. To increase social awareness of the need to prevent violence against women, a "Breaking the Cycle" panel discussion was organized on the occasion of the **November 25th International Day for the Elimination of Violence against Women**. This gathering was attended by 83 listeners.

Female Employee Empowerment & Leadership Programs

Programs are conducted to increase representation for women in leadership positions with the aim of giving them more opportunities to undertake such roles. Under the **Women's Leadership Development Program**, training, development, and coaching support is provided through online seminars designed to inspire, motivate, and empower women. **The Discover Your Potential Development Journey Program** conducted for store personnel aims both to support the development of existing leaders and to encourage others to become leaders. This program is conducted online through the MAYA Store Manager Training platform and focuses on such skills as time management and persuasive communication using an array of training resources and webinars beneficial to participants' personal development. Seventy-six of the 257 female employees who successfully completed this program have been promoted to management positions. **"Entrepreneurial Women Illuminating The Future", "Investing In Equality", and "Women's Leadership"** panel discussions were conducted on the occasion of 8 March Women's Day.

Membership in Organizations Empowering Women in Business

Migros supported the establishment of the **LEAD Network in Türkiye**, which aims to increase the number, reputation, and sphere of influence of women leaders by encouraging the development of a talented female workforce to support gender equality and strengthen the leadership roles of women in business.

As a member of **LEAD Network Europe**, a Migros employee took part in the network's mentoring program as a mentee. Migros also takes part in an inter-company mentorship program conducted by Women on Board Association Türkiye, whose aim is to promote social development by increasing female representation in the boardroom. To date, three of the company's female senior executives have benefited from this program as mentees and a fourth has been approved for participation.

With this approach, Migros has continued to add value not only to its own employees but also to the business world. As a member of the **Quality Association (KalDer) Inclusiveness & Gender Equality Task Force**, Migros takes part in projects and initiatives that empower women to participate more fully in economic life, across all sectors and at all levels. Migros is also a member of the Turkish chapter of the 30% Club, a London-based organization that promotes social development by increasing female representation on company boards and in senior management.

Programs are conducted to increase representation for women in leadership positions with the aim of giving them more opportunities to undertake such roles.



Gender & Opportunity Equality

Parental Support Programs

Happy Family is the name of a program through which the company provides Migros employees who are expecting a child with video and other training resources informing them about such matters as healthy nutrition and prenatal care as well as about their maternity-leave, return-to-work, and other associated rights. This program's resources were accessed 61,641 times in 2024. The Migros Happy Family program consists of 59 training modules covering a variety of childcare and development topics created in collaboration with pedagogues. The modules address the particular needs of different age groups from 0-12 years. New parents receive congratulatory messages as well as gift packages appropriate for newborn infants. Company-supported health insurance provides coverage for prenatal and delivery-related services. There are lactation rooms at the company's headquarters; employee changing rooms in stores are designed and equipped to be suitable for mothers who nurse infants. Female employees' career path or progression processes are not affected by childbirth; those who give birth remain fully eligible for promotion. As required by laws and regulations, total parental leave begins 8 weeks before the anticipated date of birth and ends eight weeks after. Total maternity leave time is 16 weeks. Fathers are also given 1 week of paternity leave beginning on the date of birth. The law requires that mothers with newborn infants at work be given at least 1.5 hours a day of nursing breaktime; Migros allows up to 2 hours a day. Migros also allows them to take up to 6 months of unpaid postnatal parental leave and, having returned to the job, to work on a part-time basis for up to another 6 months. These practices make significant contributions to increasing employee loyalty and supporting family life.

Migros Women's Academy

The Migros Women's Academy program combines the resources and strengths of Migros Retail Academy and Migros Family Clubs. Migros Women's Academy is an online development platform that supports women's personal development as well as their presence in business. The program offers an extensive lineup of resources **consisting of more than 80 training packages and 300 training videos** presented by 50 expert trainers across diverse areas ranging from personal and occupational development to family dynamics and brand building.

Supporting Women Farmers and Entrepreneurs

During 2024 Migros once again continued its initiatives to strengthen women's cooperatives and to support their productive efforts. Cooperatives were provided with training resources to aid them in improving their quality standards and in developing their marketing processes. In 2024 Migros worked with **21 women's cooperatives**, from which it purchased a total of **2,500 tons of fruits&vegetables** in the course of the year. These procurements helped the women's cooperatives not only to play more active roles in the formal economy but also to sustainably increase their own output.

Migros works with the Women Entrepreneurs Association of Türkiye (**KAGİDER**) in the conduct of that organization's "**Development & Acceleration of Women Entrepreneurs in Agriculture**" program to help women play more active and effective roles in agriculture. The program conducted in 2024

was attended by 43 women from 24 provinces, who gained knowledge and experience in such areas as digital agriculture, finance, food safety, and brand-building. During sessions conducted over two days, participants received training from knowledgeable experts on a host of topics such as entrepreneurship, product sales, quality processes, and sustainable farming techniques. After the training, selected women entrepreneurs will receive mentoring support for one year. Program participants whose products conform to Migros' quality standards are given opportunities for their goods to be sold in stores all over Türkiye.

In 2024 Migros worked with 21 women's cooperatives,



Gender & Opportunity Equality



Migros has set itself the goal of having provided Migros Family Club classroom training to 850 thousand people by the end of 2027.



In 2024 participants from 34 women's cooperatives were also provided with training on such topics as food safety, packaging techniques, certification processes, and Migros procurements criteria. Besides supporting local economies, Migros' engagement with women's cooperatives also helps publicize and promote the cooperative movement across the country.

Family Clubs

Partnering with **District Public Education Centers**, Migros Family Clubs set up at **36 stores in 24 provinces** provide free resources for discovering and developing the talents, abilities, and skills of men, and women no matter what their age or background. The occupational and personal-development training courses provided through Migros-supported Family Clubs cover **223 subjects** ranging from beekeeping to mushroom cultivation, from traditional manuscript illumination to paper marbling, from the culinary arts to sport, and from medicinal & aromatic plants to digital marketing. Migros Family Clubs support individuals in their efforts to acquire new skills and generate income of their own. Family Club courses are organized in line with the principles of gender & opportunity equality and are intended to encourage participants to play more active roles in social and economic life.

Migros has set itself the goal of having provided Migros Family Club classroom training to 850 thousand people by the end of 2027. As of end-2024, 595,623 people had benefited from all such courses. The number of women attending Family Club courses continues to increase steadily as does the number of successful graduates with certificates approved by the Ministry of National Education and start up a money-earning business of their own. Of the **28 thousand** Migros Family Club graduates who have gone into business, 21 thousand are women.

2024 Migros Family Club course highlights:

- Through the **"Zero Waste Kitchen"** module of the Family Club culinary arts course, Migros helps prevent food waste. These courses have been attended by 2,266 people.

- 187 people who successfully completed Migros Family Club **beekeeping, royal-jelly production, and queen-bee rearing courses** have been awarded MEB diplomas. They have also been provided with the support of Migros experts to go into business on their own.
- Working in partnership with County Public Education Centers and County Agriculture & Forestry Offices, professional training programs were conducted for 45 cooperatives, 300 of whose members have been awarded certificates. Complementary training has also been provided for 25 cooperatives. Following the completion of such programs, 15 products supplied by 5 cooperatives have gone on sale in Migros stores or may be purchased through the Migros Yemek platform.
- Courses that support sustainability by teaching recycling practices are given under the Migros Family Club program. 2,003 people took part in 106 workshops exploring ways to reused recycled materials instead of throwing them away.
- Working in partnership with County Agriculture & Forestry Offices and County Public Education Centers, 24 orchard and agriculture courses were conducted. These courses were attended by 483 people.
- Workshops dealing with such issues as healthy nutrition, gluten-free and vegan diets, and breathing exercises were conducted by Provincial Health Department and County Public Education Center nutritionists. These workshops were attended by 4,590 people.

In addition to classroom and workshop training resources, Migros Family Club YouTube and Instagram videos racked up 5 million views.



A Better Future for our Customers and Stakeholders

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Good & Trustworthy Customer Experience

Migros establishes and defends its reputation as a trusted merchant by offering thousands of items and delivering the best customer shopping experience through both its stores and its online platforms. Migros regards customer satisfaction as a high-priority issue and seeks to continuously improve it in a variety of ways. In Capital magazine's annual survey of **Türkiye's Most Admired Companies**, Migros has selected the journal's "**Most Admired Retailer Company**" list 20 times.

Managing its value chain processes giving the utmost attention to food safety issues, Migros gives people access to high-quality, fresh, and hygienic food at affordable prices. The company allocates a substantial amount of shelf space for sustainable products and services that also support healthier lifestyles. Migros aims to promote good nutritional habits among its customers by giving them access to choices that will be better for themselves and for the planet. Detailed information about what Migros does concerning this issue is provided in the "**Access to Healthy and Sustainable Products and Services**" section of this report.

Migros believes that customer communication is an important factor in the continuous renewal of value chain processes. For this reason, the company constantly interacts with its customers through a variety of communication channels, market surveys, and 360° customer feedback. "Customer satisfaction" is a target item on the performance cards of headquarters employees who are at manager level or above, including senior management and it contributes between 2.5-3% towards their annual bonus. Store managers' performance cards include a "Customer experience score" target item which, in their case, contributes 15% towards their annual bonus.

Effective Customer Communication

As a part of creating a unique shopping experience is a core Migros strategy, the company constantly improves its customer communication channels and strives to respond to customer feedback in the quickest and most effective way possible. Migros aims to deliver a **Good and Trustworthy Customer Experience** to shoppers and to be accessible to customers wherever they need. In line with the requirements of the **TSE ISO 10002 Customer Satisfaction Management System** certification, Migros records and categorizes all customer feedback in accordance with confidentiality principles and delivers objective solutions within a maximum of 48 hours.

During 2024 Migros continued to deploy its extensive communication infrastructure to effectively manage customer feedback so as to achieve and maintain the highest possible level of customer satisfaction. In 2024, the company interacted with customers about 15 million times

through all of its communication channels; 95% of all issues were resolved within the targeted 48 hour period.

Migros seeks to improve the customer experience by integrating data analytics, artificial intelligence, and voice-recognition technologies into the **Migros Interaction Platform's** after-sales service processes. By utilizing an algorithm that predicts the reasons behind customer contact, each customer is welcomed into a personalized flow within the **Customer Contact Center**. Advanced self-service modules that simulate a human-interaction experience play an important role in responding to customers' requests quickly and accurately. During 2024, 55% of customer communications were resolved immediately by these modules. Developed to respond to customer needs by deploying the strength of Migros' technological infrastructure, such solutions

Migros seeks to improve the customer experience by integrating data analytics, artificial intelligence, and voice-recognition technologies into the Migros Interaction Platform's after-sales service processes.



Good & Trustworthy Customer Experience

improve service quality while simplifying customer interactions.

Migros communicates effectively with its customers in a host of different ways that include the **Migros Customer Contact Center, Corporate WhatsApp line, feedback forms built into various websites and apps, and the Appbot (Migros app's live support assistant module)**. 95% of the feedback received through the company's corporate WhatsApp line was correctly interpreted by the AI module; 79% of the communications were immediately resolved by the Appbot.

Migros also interacts with customers through social media platforms such as Facebook, Instagram,

Twitter, and YouTube. These channels are used not just to publish promotional and informational content but also to receive customer feedback and to respond to it as quickly as possible. Rapid responses especially in the case of customer complaints and questions enhance customer satisfaction. **Social Media Monitoring Dashboards** are used to proactively manage sector-related emerging developments, trending hashtags, and customers' wants, questions, and needs. During 2024, 8 million social media posts and shares were monitored and analyzed.

Migros manages a separate support line for communicating with its business partners. This line is used to provide information about the

company's operational processes with the aim of expediting business dealings and making them more productive.

Migros' **B2B channel** is used to manage business partners' requests and to optimize processes in which business partners are involved. Suppliers and other business partners can use this channel not only to conveniently and transparently track orders and sales but also to submit feedback about the company's operational processes.

Migros employs crisis management procedures for proactive preparedness. The company also continuously develops potential crisis content maps in order to anticipate issues. **The Migros**

Crisis Communication Committee is responsible for dynamically managing all types and aspects of communication crises. This committee's operations are coordinated by Corporate Communication & Sustainability Group Director. The committee's composition is determined by the organizational chart so as to ensure that senior managers with appropriate authorities are included in the crisis-management process. Once the nature of a crisis has been identified, action plans and roadmaps are formulated and subsequent processes are monitored and reported.

Communication Channel	Contact Address
Customer Communication Center (Migros, Macrocenter, Migros Sanal Market, Migros Hemen, Macroonline, Mion, Migros Toptan)	0850 200 40 00
Corporate WhatsApp Line	0530 300 13 00
Happy Customer Line (Tazedirekt)	444 75 15 mutlu.musteri@tazedirekt.com
Corporate Email Addresses	iletisim@migros.com.tr, etik@migros.com.tr, surdurulebilirlik@migros.com.tr, kisiselverikoruma@migros.com.tr
Mobile Apps	Migros mobile app Migros Money app
Social Media Platforms	Twitter Facebook Instagram LinkedIn TikTok



Good & Trustworthy Customer Experience



The number of active users Migros' "Money" customer loyalty program, Türkiye's biggest and most frequently used, reached 23 million in 2024.



Customer Loyalty Program

Recognizing the strong connection between customer loyalty and the quality of its products and services, Migros conducts promotional campaigns featuring loyalty point rewards and discounts that can be personalized according to customers' preferences.

Migros' "Money" customer loyalty program is Türkiye's biggest and most frequently used. The number of active program users reached 23 million in 2024. Migros Money Card holders enjoyed significant savings, with 11.1 million of them

benefiting from discounts and 3.6 million of them earning Money point in 2024. For customers who opt-in for personal data collection and processing, Migros analyzes shopping habits according to gender, age, and other demographic metrics in order to make user-specific "Meant For Me", "Healthy Living Tips", and other personalized offers. During 2024, 3 million shoppers used the Migros Money mobile app 31.1 million times both to benefit from personalized discounts and rewards and to check out the latest **Migroskop** bargains. Additionally, through the Migros yellow label system, the company guarantees the best quality and price every day on more than 1,500 products, including those from private label products.

Money Gold is a premium-level version of Migros Money that features even more attractive benefits and offers when shopping at Migros stores and Migros Sanal Market. These features include free delivery, up to 50% extra Money points on two personalized-item offers every month, two extra chances to participate in Migros' monthly "Create Your Own Campaign Yourself" program, access to specially-priced Migroskop campaign items, and the ability to earn loyalty points on automobile-fuel purchases.

Customer & Brand Research

Migros integrates new and personalized technologies into its operations to develop solutions and ideas that address rapidly changing customer needs and habits. Monthly consumer and trend research using various methods including eye-tracking technology are all deployed with the aim of gaining insights that help the company to identify changing consumer needs, to gain a better understanding of how to improve the customer experience, and to inform company units' strategic decisions.

Customer interviews, surveys, and similar research methods are used with careful attention being given to ensure that they accurately reflect the demographic, gender, and socioeconomic diversity of the company's customer base. Results are then analyzed across all these segments and compiled into reports. Loyalty research, conducted both in stores and online, also supports understanding market customers' evolving attitudes toward period-specific challenges in their shopping behaviors, as well as identifying the direction of trends in the customer's world.

In 2024, Migros conducted consumer and trend research to gain a better understanding of its customers' expectations, to respond to changing consumer needs, and to inform strategic decision-making processes. During this research, Migros solicited the opinions of **464,282 people on a variety of subjects and topics**. The findings from this research led to important insights about setting targets for improving in-store service quality, increasing customer loyalty, and strengthening the Migros brand's market position.

- In 2024, **Tansaş Gross Research** study was conducted with 429 wholesale market customers to enhance the efficiency and customer-centricity of the wholesale shopping experience. In-depth one-on-one interviews with Migros customers as part of a **Customer Expectations 4.0 Survey** generated feedback then used as input for improving service quality. **An Express Checkout Use Survey** using neuro techniques was carried out to gather data about customers' express checkout experience. This survey provided insights about how to make the checkout process more customer-convenient; an action plan has been laid out accordingly.

Good & Trustworthy Customer Experience

- Under the **Migros Brand Health Survey**, which has been conducted since 2019, customers in 250 stores are polled every month. The results of these polls are used to measure the impact of communication strategies on Migros' brand value. In 2024, as part of the **Migros One Brand Health Research**, monthly surveys with 300 online market customers began to measure the impact of online communications on Migros' online brands. Additionally, in **Brand Health Research** studies conducted with 700 Mion customers and 400 Macrocenter customers, developments in brand perception were observed compared to the previous year's results.
- As part of the **Price Perception Research**, a representative sample of 1,000 individuals across Türkiye continues to be monitored to track changes in price perception within the food retail sector.
- In a **Supermarket Customer Loyalty Survey** that was conducted in 2024, 1,609 shoppers were asked for their opinions about the places where they shop regularly. The results of this survey revealed that Migros' customer loyalty score is two points above the sectoral average.
- Since 2022, the **Customer Experience Research** has been conducted to monitor and measure the 360-degree customer experience at Migros stores. This study includes continuous evaluations through personalized post-shopping surveys. In 2024, a total of 205,805 surveys were conducted, resulting in a customer satisfaction score of 79 for Migros. The company aims to increase this score by 100 base points over the next four years.

Responsible Approach in Advertising & Marketing Communication

In the conduct of its advertising, marketing and brand communication activities, Migros makes effective use of TV, newspaper, radio, outdoor, magazine, and digital platform channels while also continuously adapting its communication strategies through a diverse mix of marketing tools in line with changing consumer needs and expectations. The company commits itself to being in full regulatory compliance in the conduct of all aspects of its advertising and marketing operations from initial conception to production and dissemination. Every precaution is taken to ensure all advertising and marketing messages are consistent with the company's commitment to social gender equality.

Additionally, in broadcasts and children's channels targeting viewers aged 12 and under, communication of product groups that are not suitable for the target audience or recommended for limited consumption is not carried out. Television advertisements for processed foods always include applicable crawl messages mandated by the Ministry of Health.

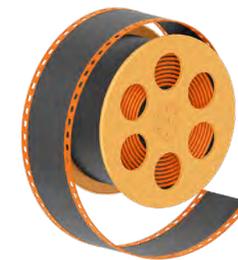
In 2024, through its image film created under the motto "**A Better Future for All**" and the slogan "**You're Good with Migros**," Migros went beyond offering a quality shopping experience to its customers, reflecting the impact and value it generates across its entire ecosystem. Under the "**You're Good with Migros**" brand communication framework, inclusivity, diversity, sustainability, and accessibility were highlighted. In line with its approach to being an inclusive brand, Migros employees were placed at the center of the image film, creating a unifying narrative that also conveyed the positive impact of Migros on its

customers, local producers, and farmers within its ecosystem.

As of 2024, Migros has transitioned from the phrase "**A Better Future for You**" to "**A Better Future for All**," redefining the sentiment of well-being on a more holistic scale by incorporating sustainability, the environment, society, internal and external customers, producers, and business partners.

Informational messages and communications disseminated by Migros on the occasion of special observances such as World Environment Day, Women's Day, Disability Week, World Water Day, and World Environmental Health Day to increase sustainability awareness were accessed more than 1.6 million times.

In 2024, the image film created under the motto "**A Better Future for All**" reflected the impact and value Migros generates across its entire ecosystem.



Access to Healthy and Sustainable Products & Services

Migros aims to increase awareness of healthier and more sustainable lifestyles through the wide variety of products that it offers customers. The company encourages its business partners to expand their range of products that support sustainable and healthy living while also motivating its customers to make informed shopping and consumption choices.

Guidelines and approaches applicable to product ranges, product safety, product certifications, perishables quality standards, and nutritional values and calorie counts that must be included in

labels and on packaging are all spelled out in detail in the **Migros Health & Nutrition Policy**. This policy embodies Migros' pledge to offer customers only products that are safe and of good quality and also to support their healthy and sustainable lifestyle choices.

Products that Support Healthy Living

Each year, Migros aims to further expand its range of offerings that help its customers make healthier and more informed shopping choices. While offering a rich array of options, the company

emphasizes the importance of balanced eating habits and the daily consumption of fresh fruits & vegetables, dried legumes, nuts, grains, and milk & dairy products. Migros also **supports healthy living** with its line of low-fat, low-sodium, low-sugar, and nutritionally-enhanced foods; the company allocates substantial amounts of shelf space for lactose-free, gluten-free, diabetic, ecological, vegan, and organic products that address the needs and preferences of customers with special dietary requirements. In 2024, the number of products which support healthy living on sale at Migros increased by 18% and reached 18,230. 572 of these were Migros private-label products. Products that support wellbeing generated 52% of Migros' proceeds from the sale of food and 43% of the company's total turnover in 2024.

In 2024, Migros sold a total of 2,218 tons of certified-organic* fresh fruits & vegetables and also successfully achieved its targeted 10% increase in the tonnage of its GAP (good agricultural practices) certified fresh-produce sales. 31% of all the company's fresh-produce procurements in 2024 were **sustainability-certified (GAP, Organic, Regenerative Agricultural etc.)** products. Migros has targeted increasing this percentage to 50% by 2030.

In 2024, Migros sold nearly 1,240 certified-organic products, 112 of which were non-food products. These goods generated about 1% of the company's turnover in 2024.

85% of all the poultry (chicken and turkey) products which Migros sold in 2024 bore Organic or GAP certifications.

All of the company's M Life brand eggs are certified organic. Only cage-free eggs are sold in its Macrocenter-format stores. Eggs sourced from an organic egg production center in Ordu that was established with the support of Migros are widely available in Migros stores. During special campaigns, cage-free eggs are sold at specially discounted prices to encourage shoppers to buy and try them.

Low-fat, low-sodium, low-sugar, reduced saturated & trans-fat, low-calorie etc. products generated 2.06%** of the company's sales. These percentages are 1% and 2.83% respectively in the case of nutritionally-enhanced and reformulated products.

In 2024, Migros' portfolio of healthy-living offerings for its customers consisted of 18,230 product.



* Certified-organic fruits and vegetables generated 0.74% of Migros' 2024 fresh-produce turnover and accounted for a 0.5% share of fresh-produce total tonnage.

** Certified low-sugar, low-fat, and low-salt products make up 0.20%, 0.07%, and 0.20% of their respective product groups respectively.



Access to Healthy and Sustainable Products & Services

Sustainable & Ecofriendly Products

Migros continued its ongoing efforts to expand the range of sustainable and ecofriendly products so as to offer its customers increasingly more choices. Sustainable and environmentally-friendly products are those that bear GAP or organic/regenerative-agriculture certifications, energy-efficient lamps and electronic goods, ecofriendly-packaged detergents, reusable shopping bags, sustainably-sourced paper and paper products, and sustainability-certified palm oil, soya, cocoa, and bamboo products. These products make up 6.3% of the total product variety that Migros stocks and generate 11% of its turnover. 24% of all detergent sales consist of items regarded as more sustainable from the standpoint of their composition and/or packaging. 33% of the products containing cocoa, 18% of the products containing palm oil, and 8% of the products containing soybean oil bore sustainability certifications.

Migros' efforts to expand the range of sustainable and ecofriendly products continued without letup in 2024.



With the completion of the **“Sustainable Product Tagging Project”** full traceability of all products with sustainability certifications available for sale will be ensured, and these products will be prominently featured in stores and online channels. The increasing demand for vegan and plant-based products among consumers supports Migros' efforts to expand its offerings in this category. The number of items in the company's vegan portfolio doubled with the new additions made to it in 2024. In 2024 Migros had a total of 2,167 different vegan products on its shelves; 1,138 of them were non-food products. The turnover shares generated by the vegan counterparts of milk products and of cheese products grew to 6.9% and 8.25% respectively in 2024.

In 2024, Migros accelerated its efforts towards **sustainable seafood products**. In line with the company's goal of ensuring that 100% of farmed fish (seabream and Sea bass group) sold by 2030 hold sustainability certifications (such as GAP, Global GAP, IFS, etc.). As of end-2024, this percentage was 30%. 5,166 tons of Global-GAP certified and 1,560 tons of GAP-certified fish were sold in 2024. The company neither sources nor sells any seafood items that do not strictly conform to regulatory requirements concerning size, age, or quality standards.

Migros Fresh Meat Production Plant (MİGET) and Uzman Kasap (Master Butcher)

Migros' focus on quality and food safety in the production and sale of meat and meat products continues to make it the pioneer of Türkiye's food

retailing industry. All of the red meat products sold at Migros are sourced entirely from local suppliers. A workforce of butchers, veterinarians, and food engineers is employed at the Migros Fresh Meat Production Plant (MİGET) to ensure that all meat is processed and passes through 220 rigorous quality control checks before it reaches Migros customers. Some Migros red meat and meat products are sold under the company's Uzman Kasap (“Master Butcher”) brand. Besides butcher meat, the Uzman Kasap portfolio includes a range of prepackaged ready-to-cook processed and semi-processed meat products such as hamburgers and a line of specially-prepared sauces and gravies. In 2024 MİGET's total capacity was increased from 90,000 to 100,000 tons a year while its Uzman Kasap output grew from 33,000 to 50,000 tons.

Focused on sustainably managing its fresh meat production and processing capacity, Migros continues to train its own butchers at the Migros Retail Academy Food Technologies Training Center (GATEM). 3,500 people who have successfully completed GATEM training are employed as butchers in Migros stores in all 81 of Türkiye's provinces.

M Life

“M Life” is the name of a Migros store brand of a range of foods that support healthy lifestyles and address special dietary needs such as **organic, low-calorie, gluten-free** products. The essential criteria for an item to be included in the M Life catalogue is that it should be consistent with healthy and informed consumption choices. Products are identified for inclusion entirely on the basis of Migros' WellBeing Journey vision; no consultation is outsourced. In 2024 the number of store-brand

items in the M Life portfolio was **54**. More than 80 fresh produce items are sold under the M Life brand, **48% of which bear ECAS organic certifications** guaranteeing that their production processes are consistent with organic farming methods and adhere to environmental sustainability principles. A new addition to the M Life portfolio in 2024 was M Life Bio Organic Cider Vinegar.

M Life Bio Organic Oatmeal (500 gr), M Life Slim Style Apple & Blackberry Fruit Bar (20 gr), M Life Slim Style Apple & Peach Fruit Bar (20 gr), and M Life Slim Style Apple & Strawberry Fruit Bar (20 gr) products were the recipients of prestigious **Private Label Manufacturers Association “Salute To Excellence”** awards in 2024.

Tastes of Anatolia (Anadolu Lezzetleri) Project

“Tastes of Anatolia (Anadolu Lezzetleri)” is the name of a range of products which Migros has put together to support local producers and make Anadolu's rich culinary heritage accessible to consumers all over the country. Every Tastes of Anatolia product represents a unique local specialty. They are all cultivated and prepared using entirely natural methods and techniques; all plant species are local heritage cultivars. All Tastes of Anatolia products conform to the highest standards of food safety and quality. In 2024, 51 Tastes of Anatolia products representing the cultural and culinary traditions of **25 localities in all 7 of Türkiye's geographical regions** were offered for sale in Migros-owned stores. In 2024 Migros increased the availability and visibility of the Tastes of Anatolia brand in its stores.

Quality & Product Safety

2024 was a year in which Migros made important progress in integrated management systems and food safety while further strengthening its pioneering position as a food retailer conforming to national and international standards.

Integrated Management Systems

Migros conforms to national and international standards and with statutory and regulatory requirements in the conduct of its operations. It documents all related processes for the purposes of supporting its sustainability commitments, corporate reputation, ensuring access to safe food, gaining competitive advantages, enhancing its financial value, and facilitating its imports and exports.

In 2024, Migros held a total of 45 certifications, comprising 5 main certifications covering all units in the areas of Quality Management, Food Safety, Customer Satisfaction, Occupational Health and Safety, and Environmental Management, along with 40 sub-certifications specific to different fields of activity. Migros holds more quality

The Turkish Standards Institute (TSE) has awarded Migros more quality management system certifications than any other food retailer in Türkiye.

management system certifications issued by the Turkish Standards Institute (TSE) than any other food retailer in Türkiye. In addition, audits have been conducted at production facilities in accordance with standards recognized by the Global Food Safety Initiative (GFSI). Customers' access to safe food is ensured through certifications such as IFS (International Featured Standards), BRCS (British Retail Consortium Global Standards), FSSC 22000, and ISO 17025 TÜRKAK Laboratory Accreditation.

Migros ensures the continuous validity of existing management system certifications by having its operations independently audited as required. The company also keeps a close watch on national and international standards, global developments, and regulatory requirements in order to comply and have itself certified compliant with newly-introduced standards.

To ensure their effective planning, reporting, nonconformity-detection, and follow-up, all integrated management system processes are dealt with digitally through the **Migros Quality Management Systems Portal**. This approach facilitates and leverages system access for all employees. The **13 million entries** that were made through this digital platform in 2024 are calculated to have boosted workforce process-management productivity by 54%. Integrated management system internal audits have been completed for compliance with the **Quality, Food Safety, Environmental, OHS, Customer Satisfaction, and Social Responsibility** standards. These audits were conducted at 3,142 company locations and entailed the assessment of 345,620 questions, resulting in a performance score of 96%.

2024 Integrated Management System Certificates & Scope

Name	Scope
TS EN ISO 9001 Quality Management Systems	Entire company
TS EN ISO 9001 Quality Management Systems	Internal Audit Department
TS EN ISO 22000 Food Safety Management System	Entire company
FSSC 22000 Food Safety Management System	MİGET (Migros Meat Processing Plant) / Gebze Meat Processing Plant / Macrocenter Homemade Kitchens / Gönen Fresh Produce Production & Packing Plant
TS ISO 10002 Customer Satisfaction Management System	Entire company
TS EN ISO 14001 Environmental Management System	Entire company
TS ISO 45001 Occupational Health & Safety Management System	Entire company
TS ISO 50001 Energy Management System	25 locations Headquarters / MİGET (Migros Meat Processing Plant) / Avrupa - Gebze - Torbalı - Gölbaşı - Kemalpaşa - Erzurum - Bursa - Serik - Diyarbakır - Adana - Muğla - Tarsus - Doğu Marmara Yakın Mağazacılık - Büyükkarıştıran distribution centers / Kuşadası Kipa - Balçova Kipa - Edremit Kipa - Derince Kipa - Beylikdüzü Migros - Antalya Migros - 365 shopping malls / Gönen Fresh Produce Production & Packing Plant / MİGBAK Dried Pulses Production & Packing Plant
TSE ISO 17025 General requirements for the competence of testing and calibration laboratories	MİGET (Migros Meat Processing Plant)
TS EN ISO 14064-3 Greenhouse gas statement verification	Entire company
TS EN ISO 14046 Water footprint statement verification	Entire company
Human rights & supply chain independent statement of assurance (Selected criteria)	Entire company
TS OIC SMIIC 1 Halal certificates	MİGET / Gebze Meat Processing Plant / Tazedirekt
Trusted Supplier certifications	Entire company
Organic Fresh Produce Enterprise certifications	Mersin / Bursa / İzmir / Gebze fruit & vegetable operations
Good Agricultural Practices certifications	Bursa / Gebze / Torbalı / Mersin fruit & vegetable operations
Certificates based on Aquaculture in the system of Global Agricultural Practices (GAP)	Selected suppliers
Global GAP Risk Assessment On Social Practice (GRASP)	Gönen Fresh Produce Production & Packing Plant - Selected suppliers
ATP (Carriage of Perishable Foodstuffs) certification	Selected suppliers

Quality & Product Safety



Operational and Product Quality Control Processes

Migros takes great care to ensure that all of the more than 58,000* food and non-food products that it sells are safe for human health and that they fully comply with all applicable quality and safety standards. Within this scope, all necessary inspections are meticulously carried out to ensure full compliance of product label information with legal regulations.

*With a sales price of TL 1,000 and above

During 2024, **2,889 unannounced quality control audits** were carried out by Migros quality teams and **3,013 by independent external auditors**. Quality controls were carried out on about **3.6 million food and non-food products**. The following Migros operations have been audited for compliance with the IFS Product Safety GM Logistics and IFS Product Safety GM Food standards: 10 distribution centers, MİGET (Migros Fresh Meat Processing Plant), 1 wholesale warehouse, Tazedirekt Operations Center. Goods at these locations were examined for compliance with **221 parameters** to determine whether or not they are capable of reaching consumers in safe condition as mandated by laws and regulations. The attention given to quality

control shows how deeply committed the company is about product safety across its entire supply chain. All internal and external audits once again verified that Migros adheres to product safety and hygiene standards and that it conforms to national and international regulations. Detailed information about product safety and quality audits during 2024 is presented in the **Appendices** to this report.

During 2024, Migros once again continued to carefully conduct its product labeling and quality management processes to further increase product safety, regulatory compliance, and consumer satisfaction:

In accordance with the **Turkish Food Codex Regulation on Nutrition and to the Regulation on the Use of Health Claims on Foods and Food Supplements**, if a food item's package label contains any statement such as low-calorie, no-fat, omega-3 rich, trans-fat free, high-fiber, high-protein, or immune supportive, Migros will not allow the product to be sold unless the statement is proven by an analysis conducted by an accredited laboratory.

The packaging and labeling on all food items was regularly checked to be sure that it contains all the information such as name, ingredient list, allergen information, country of origin, net quantity, expiration date or best-before date, and storage conditions that is required by the **Turkish Food Codex Labeling & Consumer Information Regulation**. Alcohol content must also be stated on the packaging of alcoholic beverages above 1.2% by volume, and nutritional details

Migros ensures that the labels on all non-food items such as **cosmetics, tableware & cookware, toys, detergents, stationery, textiles, and electronics** comply with applicable governing regulations; the company only allows those that do comply to be sold. If any non-food item's label contains a manufacturer's promise to the consumer, Migros will not allow it to be sold in its stores unless the statement is verified by an accredited analysis report.

The product specifications of Migros' **private-label** offerings are spelled out in contractual agreements between Migros and the goods' suppliers. All Migros private-label products are analyzed and verified by an accredited laboratory before they go on sale. All private-label food products are taste-tested against their equivalent branded products by a panel of independent consumers. All these quality control processes must be carried out and complied with again if a private-label product's formulation changes in any way. Private-label product suppliers are regularly audited for compliance with Migros' product safety, ethical, environmental, and social standards. These standards are set forth in detail in the **Migros Own Brand Products Quality Policy**.

Products sold by **Migros Sanal Market** are displayed along with their registration number, recommended use, country of origin, ingredients, allergy warnings, and similar details. To aid shoppers, special symbols are used indicate organic, gluten-free, lactose-free, vegan, vegetarian, caffeine-free, collagen-containing, probiotic, and superfood products.

Growing Sustainably along with Suppliers

Migros manages all of its procurement processes within the framework of the **Migros Responsible Sourcing Policy** and in line with its goal of creating and maintaining supply chain sustainability. Regularly working with suppliers to reduce the environmental and social impact of supply chain operations, the company conducts systematic food safety, environmental & social impact, and ethical compliance audits.

Migros works within an ecosystem of 23,500 suppliers, farmers, and producers. 77% of the

economic value that Migros generated in 2024 consisted of payments made to the company's suppliers.

Migros has introduced a **“Producer Financing System”** to support agricultural production continuity. By enabling farmers who supply Migros with goods to receive advances on what is owed to them from Ziraat Bank, İşbank, and Akbank, this system not only supports farmers' financial sustainability but also contributes towards overall agricultural production.

Migros' supply chain consists of suppliers of food (including perishables) and non-food products. Migros' suppliers make up a vast network distributed regionally and locally all across the country. This extensive reach means that the company is simultaneously able to support production at the most basic level and provide consumers with a broader range of offerings.

Responsibilities Expected from Suppliers

Migros aims to reduce the environmental and social impact of its procurement processes. It does this by taking action to ensure that its suppliers fulfill their sustainability responsibilities.

The human rights, environmental protection, occupational health & safety, quality standards, and labor criteria which suppliers are expected to comply with within the overall framework of the **Migros Code of Ethics** are explained in detail in the company's **Responsible Sourcing**, **Anti-Bribery & Anti-Corruption**, **Human Rights & Equal Opportunity Policies**. All matters pertaining to the company's MeCom and MeMobil B2B processes are published on Migros' corporate website and are clearly stated to candidate suppliers.

Suppliers' sustainability performance is regularly monitored and audited. Whenever policy nonconformities are detected, issues in need of improvement are identified and training resources focusing on the knowledge and skills required to make the improvements are provided.

In contracts that it enters into governing all of its activities and operations in Türkiye, Migros stipulates that it expects the suppliers and business partners with which it works to commit to abiding by the company's responsible sourcing policy and all its requirements. In this way, the company obliges its suppliers and business partners to contractually pledge not to discriminate on the basis of religion, language, ethnicity, or gender; not to engage in verbal, physical, or sexual abuse; not to employ forced or underage labor; not to commit bribery or engage in any corrupt practice; to protect environmental and natural resources; to strive to continuously improve.

During 2024 Migros once again steadfastly maintained its responsible approach to supply chain management and strove to increase the socially beneficial impact of its suppliers and other stakeholders.

Migros works within an ecosystem of 23,500 suppliers, farmers, and producers.



Growing Sustainably along with Suppliers

Principles & standards that Migros requires its suppliers to contractually commit to

- Human rights
 - United Nations Guiding Principles on Business and Human Rights
 - ILO Declaration on Fundamental Principles and Rights at Work
 - Freedom of association and the right to collective bargaining
 - Prevention of forced labor and abuse
 - Prohibition of child labor
 - Anti-discrimination
 - Fair working conditions & wages
- Migros Code of Ethics
- Anti-Bribery & Anti-Corruption
- Occupational Health & Safety
- Protection Environment & Natural Resource
- Migros' continuous-development principle

Supplier Selection & Auditing Processes

When selecting suppliers, Migros adheres to an approach that prioritizes quality and reliability. In addition to commercial discussions and assessments, potential suppliers are subject to a two-stage examination and auditing process.

- A comprehensive assessment is conducted to identify the financial, legal, regulatory, and ethical risks and opportunities of prospective suppliers. The commercial records of these companies are examined through relevant institutions, while their business history is investigated via digital platforms in the context of bribery, corruption, and ethical matters.

- Supplier audits are regarded as a strategic process from the standpoints of both entering into and maintaining business relationships. Before a contractual business relationship begins, candidate suppliers are subjected to an initial comprehensive audit. Migros does not do business with any supplier that fails to pass this audit. The results of these examinations inform 30% of the company's supplier decision-making process.

Migros subjects its existing suppliers to regular audit processes in order to maintain quality standards. Migros audits suppliers' compliance with corporate governance, international food safety, ethical, social, and environmental standards through an independent auditing firm using a checklist of 473 criteria assessing their performance. Planning for each year's audits begins by identifying the company's critical suppliers, defined as those which, in aggregate, make up 80% of its total turnover. Audits are conducted over two consecutive days with the first being devoted to determining compliance with **IFS Food Global Market** and **IFS HPC Global Market** product-safety standards and the second to compliance with GC – Ethical Compliance international ethical, social, and environmental standards. Suppliers who are already certified with BRC, FSSC, or IFS for Product Safety audits, as well as those holding BSCI, Smeta Sedex, WCA (Workplace Condition Assessment), or SA8000 certification for GC Ethical Compliance audits, or suppliers who employ fewer than 10 people, are exempt from audits. Goods supplied by importers are checked for compliance with the requirements of laws and regulations before being put on sale in stores.

- **Product-safety compliance audits** involve examining each supplier from the standpoints of such issues as traceability, product analyses, hygiene practices, facility, machinery & equipment maintenance, product contamination control, pest control, allergen control, and their associated procedures.
- **Ethical and social compliance audits** look into such issues as workplace health & safety; wage & compensation policy; use of underage labor; use of forced or involuntary labor; discrimination; working hours; workplace arrangements for pregnant or nursing employees, including nursing breaks and maternity leave; psychological or physical abuse; unionization rights.
- **Environmental audits** include assessments of climate change impacts, carbon emissions, water usage, pollution control, waste management, soil and biodiversity-related environmental issues, natural resource utilization, and the training of relevant employees.

Audit results are reported to the Chief Marketing Officer who is the most senior executive responsible for supply chain standards compliance. Every supplier is notified about nonconformities turned up by an audit; issues that are in need of improvement are explained to them in detail. Existing suppliers who fail to pass an audit are given two more chances to bring themselves into compliance; prospective suppliers are given a suspense date by which the nonconformities must be eliminated. Migros ceases to do business with suppliers who are unable to achieve full compliance by the end of the follow-up auditing process.

In 2024, no suppliers' contracts with Migros were terminated on account of any breaches of the company's **Anti-Bribery & Anti-Corruption**, **Human Rights & Equal Opportunity**, or **Responsible Sourcing Policies** or for violations of mandatory laws and regulations in the conduct of their production operations.

Migros audits suppliers through an independent auditing firm using a checklist of 473 criteria assessing their performance.



Growing Sustainably along with Suppliers

Suppliers Audit Results

Type of Audit	Type of Supplier	Number of Suppliers Audited	Number of Audits	Rate of Successful Suppliers*	Average Pass Score	Number of Suppliers Given Follow-up Audits	Number of Follow-up Audits	Success Rate of Follow-up
Product Safety - IFS Global Market	Total number of suppliers audited**	560	588	94.8% - 531	89%	26	28	86.7%
	Candidate suppliers	130	141	87.7% - 114	84%	11	11	100%
GC Ethical & Social Compliance, Environment, OHS***	Total number of suppliers audited**	464	499	88.8% - 412	82%	33	35	75%
	Candidate suppliers	103	117	82.5% - 85	75.8%	13	14	92.3%
Product Safety - Regional & Tazedirekt	Total number of suppliers audited**	132	154	79.6% - 105	71.4%	20	22	92.9%
	Candidate suppliers	58	64	63.8% - 37	61.1%	6	6	83.3%

* Suppliers whose IFS scores are at least 75% are deemed to be successful; those whose GC Ethical Compliance scores are at least 65% are deemed to be successful.

** "Total suppliers audited" means all existing suppliers. 626 suppliers were targeted to be audited in 2024.

*** Existing suppliers' overall environmental-performance and ethical-performance scores were 72.01% and 82.88% respectively in 2024.

58.4% of suppliers inspected in 2024 successfully passed their two-day audits and were awarded **"GC Migros Approved Supplier"** certifications. Migros Approved Suppliers are ranked in three categories according to their audit-pass scores: **"Gold"**, **"Silver"**, **"Bronze"**. 262 suppliers were certified "Migros-Approved" in 2024. 31 of them were rated "Gold", 131 "Silver", 106 "Bronze". Migros' supplier-certification processes are carried out for the purpose of rewarding suppliers who successfully demonstrate their commitment to and compliance with Migros' product-safety standards and ethical-behavior criteria.

- During the most recent three years, 616 (136 critical) suppliers' environmental, ethical, and

social compliance was audited by accredited independent auditors. This corresponds to about 17% of all Migros suppliers and 38.5% of critical suppliers. Human-rights and ethical-behavior risks were identified in the case of 5.6%* of audited suppliers. These risks were drawn to the attention of the suppliers concerned, corrective action was taken, and follow-up audits were planned.

- During 2024, 71% of 353 Migros' critical suppliers (defined as those which, in aggregate, make up 80% of the company's total turnover) were audited by an accredited independent auditor. Supplier audits are not limited to critical suppliers however: non-critical suppliers and

manufacturers of Migros private-label products are also included in the auditing process. The total number of all supplier audits carried out in 2024 was 1,241.

- During the reporting 2024 period, supplier audits turned up no violations of employees' rights to associate or bargain collectively or identified any suppliers who were at significant risk of such violations. 6 instances of underage labor being employed by suppliers were identified. These suppliers were all notified of the nonconformities and were required to take corrective action. Follow-up audits were conducted to ensure compliance. 67 nonconformities related to parental leave, nursing breaks, overtime, and

annual leave with pay issues were identified in 2024. Details of these nonconformities were recorded and suppliers were requested to take necessary corrective measures. No issues involving any firm in the Migros supply chain were reported to the company by any non-governmental organizations or other external agency or organization during 2024.

- Of the supplier nonconformities that were identified and required follow-up audits in 2024, 37.9% had to do with environmental-performance issues; 32.5% OHS; 11.0% working conditions; 3.8% resource management; 2.6%

* Ratio of suppliers with critical non-compliance in the forced labor and child labor detected within 3 years, to the number of existing suppliers

Growing Sustainably along with Suppliers

measurement analysis & performance; 2.5% planning; 2.7% discrimination; 2.1% management review; 1.3% forced or underage labor; 1.3% social responsibility policy; 1.1% statutory & regulatory compliance; 0.6% adequate documentation; 0.5% responsibility, authorization, and communication; 0.1% management accountability. Migros prefers having recourse to solutions-based approaches in the correction and resolution of nonconformities. In the case of shortcomings in suppliers' environmental performance for example, training resources are provided and additional audits are conducted in an attempt to improve that performance.

- In 2024, an independent external agency conducted audits of Migros suppliers to verify their compliance with all aspects of **Migros Responsible Sourcing Policy** concerning non-discrimination, parental leave, freedom of association & collective bargaining, and prohibition on the use of forced, involuntary, and underage labor. These audits were carried out in accordance with the **ISAE 3000 (Revised)** standard. Migros' Statement of Independent Assurance in Human Rights and Supply Chain (Selected Criteria) may be found in the **Appendices** to this report.

Supplier Training and Migros Suppliers Academy

Migros aims to support its suppliers and help them develop their capabilities. Through Migros Suppliers Academy, the company provides the small and medium-sized local producers and firms that supply Migros private-label products as well as inputs to MİGET and Tazedirekt with a variety

of training resources for dealing with such issues as statutory & regulatory compliance, pest control, cross-contamination prevention & management, labeling, infrastructure requirements, personnel hygiene, and traceability ensuring the production of safe products. Training programs focus on broadening suppliers' competencies and making their business processes more productive.

During 2024, suppliers were given ethical and social compliance training dealing with the issues of ethical behavior, mandatory social compliance, working conditions, involuntary or underage labor, and environmental management. Migros conducted comprehensive programs all year long in 2024 to improve its suppliers environmental, social, and corporate governance (ESG) performance and to strengthen their sustainability targets.

Sustainable Business Partners Network training focused on awareness-creation dealing with such issues as measuring and reducing carbon emissions and preventing food loss and food waste. Webinars were conducted to inform suppliers about internationally recognized certifications such as IFS (International Featured Standards), BRCS

1,279 supplier employees attended Migros Suppliers Academy training in 2024. Training details are presented in the accompanying chart.

Subject	Training time-person (hours)
Product safety	2,390
Ethics, Anti-Bribery, Employee rights	1,374
Environmental management	1,564
GFSI certification processes	344

(Brand Reputation Compliance Global Standards), and FSSC (Foundation Food Safety System Certification). Throughout the year, Migros led the country's food retailing sector as a company that pursues sustainable growth along with its suppliers as a source of free training and consultancy resources that strengthen the entire ecosystem.

Supporting Local Development

Migros acts with an awareness that local production is fundamental to both regional and national development. The company has developed a business model that prioritizes procurements and sales in the same region with the aim of ensuring that products are consumed near their place of production and this contribute to the local economy. Most of the fresh produce that Migros sources is sold in stores located in the same region. Migros also allocates significant space in every store for the display and sale of products and brands that are unique to their region. This approach contributes to local producers' brand-building and growth while also making it easier for consumers to find the goods that they are accustomed to.

During 2024, Migros continued to offer a model that benefited both farmers and consumers through its strategies aimed at purchasing the entire harvest from fields. In 2024 the company purchased a total of 5,200 tons of apples from orchards in Antalya, Karaman, Niğde, Isparta, and Ankara for sale and storage. It also supported local kiwi growers in Rize, Giresun, Samsun, Karacabey, Karasu, İzniç, and Gönen by purchasing 1,200 tons of their harvest. Throughout the year Migros strengthened the quality of its collaboration with local producers and continued to enhance the sustainability of its supply chain operations by providing consultancy services. In the conduct of all of those operations, Migros continued to support local producers by focusing on field-to-table quality, sustainability, and social responsibility. The company aims to expand its efforts along these lines as it moves forward.

Detailed information about the training and other resources which Migros provides to agricultural cooperatives through its **Migros Family Club** and **Supporting Women Farmers & Entrepreneurs** programs to support local producers is presented elsewhere in this report as appropriate.

Responsibility & Awareness Studies



Migros incorporates voice simulation technology into its online shopping platforms to make them more accessible to its visually impaired customers.



Migros-TEGV Goodness Catalogue, Firefly Education Unit, and School Supplies Campaign

Migros continued to partner with the -Educational Volunteers Foundation of Türkiye (TEGV) during 2024 on projects contributing towards opportunity equality in education and supporting the schooling of children in earthquake-stricken areas. The “**Goodness Catalogue**” project, which was launched in collaboration with TEGV in 2022 with the support of other firms, contributes towards the education of children in earthquake-stricken areas. The **Firefly Education Unit** project in Kahramanmaraş created significant social benefit in the same region. This project has reached about a thousand schoolchildren since it began.

In another Migros-TEGV collaboration, a portion of the proceeds from TL 1,000 or more worth of school supplies purchased at Migros stores in August and September just before and during the back-to-school season were donated to the foundation both to support children's education and as additional support for the Migros-TEGV Firefly Education Unit project in Kahramanmaraş.

Accessibility Practices

Aiming to deliver a shopping experience that is equally user-friendly and accessible for all customers, Migros takes action and makes arrangements to address the special needs of people with disabilities.

The company launched its “Accessible Migros” project in 2017 to raise the physical accessibility standards of its stores to improve the shopping experience for people with disabilities. As of end-2024, **271 stores in 45 provinces** were providing service compatible with the “Accessible Migros” concept. These stores are equipped with features which make them more accessible for people with disabilities so that they can do their shopping on their own if they wish.

The following features are characteristic of all Accessible Migros stores:

- At least one employee who is competent in sign language is on duty in the store. This person is easily identifiable by a badge indicating that they know sign language.
- Aisles, shelves, and counters are designed to be accessible to shoppers in wheelchairs.

- Customers who need wheelchairs to get around the store are provided with them on request; these shoppers are also given precedence at checkout counters.
- Store entrances have step-free access, provided either by a level surface or a ramp. Handrails and similar supports are used to improve entrance accessibility.

Migros has partnered with **BlindLook** to incorporate their voice simulation technology into the Migros Sanal Market mobile app and www.migros.com.tr website so as to provide blind and visually impaired customers with the same level of convenience and accessibility as enjoyed by other customers.



Responsibility & Awareness Studies



WellBeing Journey Program

Migros' WellBeing Journey program provides customers with a range of personalized suggestions and purchase discounts to help them live healthier lives by improving their eating habits, drinking enough water, and being physically more active. It also informs them about issues such as proper oral & dental hygiene and denture care, infant nutrition, and avoiding exposure to UV radiation. In the **WellBeing Journey** sections of the Migros Money app, Migros Mobile App and the www.migros.com.tr website, the food purchases that Money Card members make are compared with recommended consumption rates, followed by discounted-product suggestions and links to informative videos that will help them make

more balanced choices. The Migros WellBeing Journey Program also includes vegan and vegetarian options and suggestions.

A great many people have benefited from this program's training and other resources aimed at supporting their efforts to acquire healthier habits and live healthier lives. Migros WellBeing Journey program, which has reached nearly 7.3 million people so far, has led to positive behavioral changes in approximately 25% of its users.

Migros supports healthier and more balanced eating habits among its customers by providing them with personalized product discounts on products that support healthy living and offering wellness recommendations. During 2024, Migros partnered with 74 firms in the conduct of its WellBeing Journey program.

Growing Healthy With Migros Project

Migros launched its **Growing Healthy With Migros** project in 2016 to promote healthier and better-informed living and lifestyle choices among children. This project aims to make children aware about such basic issues as healthy nutrition, shopping intelligently, and environmental wellbeing.

Since its inception, 176 thousand children have benefited from the awareness training provided through this project at 396 Migros stores in 70 provinces. During guided tours of stores, the importance of healthy living and smart shopping is explained in entertaining and informative ways while the youngsters are also told about topics such as the benefits of fresh fruits and vegetables, the shipping and control processes that food undergoes before it reaches store shelves, Good Agricultural Practices, tips for reading food labels, and the benefits of sorting and recycling waste. At the end of the tour, each child is presented with a free copy of "**Migros' Guidebook for Growing Healthy**", a publication created with the support of the Food Safety Association.



In 2021 the ability of the Growing Healthy With Migros project to reach even broader audiences was expanded into the digital domain with the MigrosTV YouTube channel release of an animated "**Growing Healthy with Migros**" cartoon whose production was supported by the United Nations Food & Agriculture Association (FAO). The cartoon has so far racked up 2.1 million views.

Migros April 23rd Children's Theater Festival

On the occasion of celebrations of April 23rd National Sovereignty & Children's Day every year, Migros hosts the **Migros April 23rd Children's Theater Festival** to instill an appreciation for culture and art in children by leading them through the enchanting world of theater. During the festival, plays and productions specially composed for children are staged in collaboration with the Turkish State Theaters company. No admission is charged. The 28th edition of the festival took place in 2024 and was held in 11 provinces. Since this project's inception more than a million children have attended the performances.



Responsibility & Awareness Studies



Paşabahçe and Turkish Breast Cancer Foundation Collaboration

Through donations made for each Paşabahçe Pink-Plugged Water Bottle sold in Migros' stores and Migros Sanal Market, Migros has contributed to raising awareness about breast health and expanding early diagnosis opportunities. In 2024, the social responsibility work between Paşabahçe and the Turkish Breast Foundation continued.

Nesfit and MEMEDER Pink Ribbon Project

Migros continued to partner with Nesfit and the Breast Health Society (MEMEDER) to promote breast health awareness in 2024. Under this project, customers contribute to the campaign by purchasing tins of Nesfit sporting the MEMEDER Pink Ribbon from Migros stores or Migros Sanal Market, with portions of the proceeds being donated to that society. This project has helped raise the awareness of tens of thousands of women about the importance of breast health, with more than 58 thousand medically-supervised breast health checkups having been performed. Nearly 8 thousand have benefited from early diagnosis and more than 270 have received treatment support.



Erikli Sapling Project

The aims of the Erikli Sapling Project are to raise consumer awareness about sustainability and increase afforestation efforts.

The income from the sale of Erikli-branded products from the Migros partnership turned into a donation of 10,000 saplings in cooperation with the Aegean Forest Foundation in 2024 and the "Erikli Commemorative Forest" was created in the Derince district of İzmit. Through the Erikli Sapling Project, Migros helps to increase public awareness of sustainable nature conservation.

Colgate and TEV a Future to Make You Smile Project

"A Future to Make You Smile" is the name of a project that Migros undertakes in partnership with Colgate. During the campaigns, proceeds from the sale of Colgate products in Migros stores and Migros Sanal Market were donated to the Turkish Education Foundation (TEV) to support the education of children in earthquake-affected areas. Migros again continued to partner with Colgate in the "A Future to Make You Smile" project in 2024. Oral health awareness-raising activities were conducted during June. The project aims to support children's dreams and help make their future more hopeful.

Nesquik and SosyalBen Foundation Hope Playgrounds Project

Migros, Nestlé Nesquik, and SosyalBen Foundation continued to partner in the conduct of the Hope Playgrounds project for the benefit of children in the earthquake-affected areas of Hatay and Kahramanmaraş in 2024. Migros sponsored a Play Workshop in the Skills Development Center (BEGEM), where the youngsters were given psychosocial support through a variety of creative and instructive activities conducted by professionals in playgrounds set up under the project. These activities are intended to promote socialization among children affected by the earthquakes while also helping them to recover from post-disaster trauma.



Responsibility & Awareness Studies



Unilever and Koruncuk Foundation Koruncukköyler Project

Migros and Unilever continued to join forces in supporting a Koruncuk Foundation project in 2024. Under this project, proceeds from the sale of Omo, Yumoş, Rinso, Domestos, and Cif products in Migros stores and through Migros Sanal Market are donated to the foundation to support the education of 110 girls staying in the foundation's Koruncukköy shelters. Classroom materials and teaching aids supplied through an associated "Okula Temiz Bir Dönüş" campaign were expanded in line with the girls' needs.

"Tomorrow's Water" Project with Finish

On the occasion of observances of 22 March World Water Day, a portion of the proceeds from the sale of 75-tablet packages of Finish Ultimate Plus dishwasher detergent through Migros stores and online platforms between 14 and 27 March were donated to projects protecting Lake Kuyucak.

Nestlé Whole Grain Full Power Project

Migros continued to partner with Nestlé Breakfast Cereals in the conduct of its "Whole Grain Full Power" project in 2024. Under this project, viable whole-grain seed sufficient for planting more than 500 decares was supplied to farmers in Antakya and its vicinity, soil and leaf analyses were performed, and farmers were provided with training resources. This project also aims to support local agriculture and rural development through mechanisms that support women farmers.

Fairy products were donated to needy families in earthquake stricken areas along with food sufficient for 50 thousand meals through the Food Rescue Association.



Fairy and Food Rescue Association "Don't Waste" Project

Under the Fairy "Don't Waste Project", Fairy household detergents purchased from Migros stores and Migros Sanal Market are donated to needy families in earthquake stricken areas along with food sufficient for 50 thousand meals through the Food Rescue Association.

A Better Future for our Planet

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Environmental Management

Performance Indicator	Target year	Target	2024 performance	Status by Target	Base-year/ Status
Scope 1 and Scope 2 Greenhouse Gas Emissions	2050	Net Zero	16.4%↓ 421,493 mt CO ₂ e	In progress	2020/504,015 mt CO ₂ e
Scope 1 and Scope 2 Greenhouse Gas Emissions	2030	42.65%↓	16.4%↓ 421,493 mt CO ₂ e	In progress	2020/504,015 mt CO ₂ e
Scope 3 Category 1 Greenhouse Gas Emissions	2033	32%↓	2%↑ 5,823,754 mt CO ₂ e	New	2023/ 5,704,927 mt CO ₂ e
Store Electricity Consumption (kWh/m ² .day)	2030	35%↓	13.7%↓ 0.866607 kWh	In progress	2019/1.003757 kWh

In line with its goal of continuously improving the positive impact it creates within the framework of its business model-integrated **Better Future Plan**, Migros measures the environmental consequences of its operations. The company's actions are guided by its goal of developing and employing sustainable resource-management solutions for dealing with such issues as reducing its carbon and water footprints, using natural resources efficiently, and protecting biodiversity. In keeping with circular economic principles, Migros proactively manages waste, collaborates with stakeholders to reduce plastic use, and creates shared value.

Migros reviews and revises its **Environmental Policy**  annually to ensure that the policy is compatible with the company's short, medium, and long-term plans. It makes this policy known not just to its own employees but also to all stakeholders across its entire value chain. Migros keeps a close watch on and regularly checks and audits both its own operations and those of its suppliers for compliance with the Migros Environmental Policy. During 2024 the company had no significant breaches of environmental laws and regulations and was not involved in any legal proceedings concerning them.

Migros' approach to sustainability management is that all employees are responsible for achieving sustainability targets and that this responsibility is shared equally across all levels of the company. The **Migros Sustainability Committee** is responsible for setting and achieving sustainability-management targets within the framework of the **Migros Better Future Plan**. The Migros Board of Directors has ultimate responsibility for all environmental management-related decisions.

Monthly or quarterly environmental sustainability target performance-fulfillment results are reported by Migros Sustainability Committee subcommittees and relevant departments to the Chief Supply Chain & Logistics Officer who is also responsible for quality and environmental departmental operations and to the sustainability committee. Senior management assess the company's environmental strategies, practices, and performance on the basis of these reports and decide what action need to be taken. Sustainability target performance-fulfillment results are monitored as elements of Migros' corporate performance evaluation system; action is taken to ensure that environment-related responsibilities are effectively fulfilled. Adhering to the principles of transparency and accountability and to a continuous-improvement based approach towards

environmental sustainability, Migros conducts its operations accordingly.

Migros makes active use of performance criteria both when identifying sustainability targets and when formulating remuneration policies. The Migros Board of Directors has ultimate responsibility for all environment-related decisions. The Migros Sustainability Committee coordinates the implementation of board decisions within the framework of the **Migros Better Future Plan**. The quality & environment executive calculates and measures environmental sustainability targets and submits quarterly reports about the company's environmental performance to senior management. The **Migros Sustainability Committee** and its subcommittees as well as relevant departments take action to improve the company's environmental performance.

Chief Expansion & Property Officer, Construction & Technical Issues, Technical Expertise Center, and Energy Management Directors are responsible for dealing with issues that have a significant impact on efforts to combat climate change such as using electricity more efficiently, planning renewable energy investments, preventing refrigerant leakage, and installing next-generation refrigeration systems. Fulfillment of these targets associated with these issues directly contributes

5-15% of the points on which these executives' annual performance bonuses are based.

Both the Bodrum Maya Migros and the Alaçatı Macrocenter stores have been awarded LEED Gold certification in recognition of their superior environmental-management and energy-efficiency practices.

During 2024, a total of TL 1.24 billion was spent on projects to help combat climate change such as solar power, water-based refrigeration systems, automation, next-generation system conversion, and water management etc.

In line with its goal of continuously improving the positive impact it creates, Migros measures the environmental consequences of its operations.



Extensive Combat Against Climate Change



Migros sets its carbon emissions reduction environmental targets so as to be compatible with its own sustainability strategies while also being aligned with the principles of the Paris Climate Agreement and global initiatives and with national targets. Migros is advancing confidently towards both its 2030 targets and 2050 carbon net zero goal through its efforts in such critical areas as combating climate change, making its water and energy consumption more efficient, supporting sustainable agriculture practices, and combating food waste. The methodology on which Migros bases its carbon-reduction efforts

to combat climate change has been recognized by the **Science-Based Targets Initiative (SBTi)** as being scientifically valid and compatible with international frameworks. Migros is the first food retailer in Türkiye whose near and net zero targets have been fully approved by SBTi. In 2024, Migros was awarded an “A” rating—the highest possible—in the **Climate Change program** of the **Carbon Disclosure Project (CDP)**, a highly respected global environmental reporting platform, thus achieving **Global A Leader** status for the second year in a row. Migros has been designated a CDP Climate Leader 6 times.

Carbon Footprint Works Towards Suppliers

The carbon footprints of the products sold by Migros constitutes the largest proportion of the company’s Scope 3 emissions. For this reason the company created its **Sustainable Business Partners Network (SBPN)** to serve as a platform for working together with its suppliers to quantify their current emissions and to set and achieve reduction targets. Migros continued to make active use of this platform in 2024.

Migros deploys SBPN to keep track of the carbon emission, water-consumption, waste-generation, and similar environmental parameters of the makers of Migros private-label goods and of suppliers of other merchandise whose combined sales generate 80% of its turnover so as to help them set their own targets and to monitor their target-fulfillment performance. During 2024, the employees of about 100 suppliers were given training and guidance on how to correctly and effectively use the SBPN system. Of all the suppliers who were invited to digitally submit data to the system, 150 also reported their carbon emissions performance.

Performance & Targets

The Migros Board of Directors has committed the company to reducing Migros’ direct carbon emissions and monitors overall performance. The Science-Based Targets Initiative has confirmed that the company’s near and net zero targets are compatible with the 1.5 °C scenario, are scientifically sound, and are mutually consistent.

Accordingly, the target to reduce Scope 1 and Scope 2 carbon emissions by an absolute 42% by 2030 compared to 2020 has been updated to 42.65% (an

average annual reduction of 4.2%). As part of this process, a target has also been set to reduce Scope 3 emissions from purchased goods and services (Category 1) by 32.5% by 2033. Migros is making meaningful progress towards achieving its goal of becoming carbon net zero by 2050. In 2024, Migros registered an absolute year-on-year reduction of 2% in its Scope 1 and Scope 2 (market-based) emissions; the SBTi-compliant absolute reduction since base-year 2020 is 16.4%. Migros’ 2024 Scope 1, 2 & 3 emissions were independently verified compliant with the ISO 14064-3 standard. The company’s Greenhouse Gas Emissions Verification Statement is presented in the **Appendices** to this report.

Migros’ net-zero target has qualified the company for admission to the United Nations’ Climate Action Leaders **Race to Zero (RtZ)** global campaign. Migros is a member of the **Consumer Goods Forum’s (CGF) Net Zero Coalition**. The coalition’s aim is to accelerate the consumer goods industry’s transition to net-zero emissions.

Migros is the first food retailer in Türkiye whose near and net zero carbon reduction targets have been fully approved by SBTi.



Extensive Combat Against Climate Change

Greenhouse Gas Emissions by Scope and Years

Source	2020	2021	2022	2023	2024
Scope 1* (mt CO ₂ e)	268,001	234,659	243,587	257,792	269,998
Scope 2** (mt CO ₂ e) Market-based	236,014	246,291	216,972	172,092	151,495
Scope 2** (mt CO ₂ e) Location-based	254,658	274,256	275,976	278,792	306,253
Scope 3*** (mt CO ₂ e)	98,561	9,567,159	13,541,363	8,463,653	8,674,543

* Calculated using IPCC AR5.

** The market-based accounting methodology uses emission factors from electricity suppliers to calculate emissions. The results include the impact of using renewables. Default thermal values recommended by the IPCC are used as the basis for calculations.

*** More comprehensive calculations have been carried out by taking into account the 15 categories of the GHG Protocol since 2021. The Ecoinvent database, IPCC National Greenhouse Gas Inventory, DEFRA, and EPA have been used to calculate purchased goods emissions since 2023.

Source	2024 Total Emissions (tCO ₂ e)	Source	2024 Total Emissions (tCO ₂ e)	
Scope 1*	269,998	Category 1*	Direct Greenhouse Gas Emissions and Removals	269,998
Scope 2** (Market-based)	151,495	Category 2**	Indirect GHG Emissions from Imported Energy (Market-based)	151,495
Scope 2** (Location-based)	306,253	Category 2**	Indirect GHG Emissions from Imported Energy (Location-based)	306,253
Scope 3	8,674,543	Category 3	Indirect GHG Emissions from Transportation	301,920
		Category 4	Indirect GHG Emissions from Products Used by an Organization	5,823,754
		Category 5	Indirect GHG Emissions Associated with the use of Products from the Organization	2,495,351
		Category 6	Indirect GHG Emissions from Other Sources	53,518
Total (Market-based)			9,096,036	
Total (Location-based)			9,250,794	

A detailed report about the Greenhouse Gas Emissions Verification Statement and details of upstream and downstream indirect greenhouse gas emissions are all presented in the **Appendices** to this report.

Corporate Greenhouse Gas Emissions by Category

In addition to classifying and calculating its greenhouse gas emissions as Scopes 1, 2 & 3 as per the GHG Protocol, sustainability-index expectations, and GRI standards, in 2024 Migros also classified and calculated them as Categories 1 through 6 as per the ISO 14064-1:2018 standard.

Ecofriendly Refrigeration Systems

Because a significant percentage of Migros' Scope 1 emissions are generated by its refrigeration systems, the company gives precedence to efficient natural refrigerants and to new, next-generation systems to reduce such emissions. A **Water-Based Refrigeration System** that Migros developed to prevent refrigerant leakages has been awarded **Utility Model Certification**. By circulating chilled water rather than gas through refrigerated cabinets and displays, this system reduces leakages by 90%. The refrigerant itself is used only to chill the water.

Water-based refrigeration systems were installed at another 39 locations in 2024, bringing the total number where they are currently in use to 326. Migros plans to expand the rollout of these systems to other company locations as well.

Extensive Combat Against Climate Change



Energy-Efficiency Initiatives

During 2024 Migros engaged in a comprehensive effort to increase its energy-efficiency and to cut back the carbon emissions of its operational processes. Consumption data from refrigeration, air conditioning, and lighting systems is continuously monitored through a central automation system. This allows energy use to be tracked in real time so that improvements can be quickly made when necessary to reduce overall environmental impact.

Migros' energy use is measured and recorded on a daily, weekly, and monthly basis. The company neither consumes nor sells secondary-sourced energy produced by heating, cooling, or steam-

generating systems. Precedence is given to roofing materials and coatings that more efficiently reflect sunlight so as to reduce heat-island effects. This has the additional benefit of conserving energy by reducing the need for air conditioning to maintain comfortable temperatures inside buildings. Also, daylighting systems are installed in stores to save electricity by making the most of natural sunlight.

As of the end of 2024, 25 locations have obtained the **Energy Management System** certificate under **ISO 50001**, and energy audits have been completed. In 2024, electricity accounted for 95% of total energy consumption, amounting to a total of 736,324 MWh.

Energy Consumption by Source (MWh)*

Source	2020	2021	2022	2023	2024
Electricity (Non-Renewable)	506,359	528,407	493,119	387,418	339,277
Electricity (Renewable)	40,000	60,000	134,413	242,501	355,924**
Natural Gas	14,890	12,681	12,199	14,938	16,103
Diesel	11,050	11,398	13,070	15,886	14,883
Gasoline	3,129	4,116	5,940	10,226	10,137
Total	575,428	616,602	658,741	670,969	736,324

* Shows distribution of indirect energy consumption. When solar is excluded, total indirect energy consumption in 2024 amounts to 730,400 MWh.

** Shows 5,924 MWh of renewable energy generated by rooftop solar panels at the Adana, Diyarbakır, Muğla, and Torbalı distribution centers, MİGET, and Kocaeli Derince 5M Migros plus 350,000 MWh of YEK-G certified renewable energy.

Renewable Energy

Seeing energy management as a major component of its overall sustainability strategy, Migros undertakes projects to increase its use of renewable energy resources. Particular attention is given to the use of solar power as investments in this resource also contribute to climate change mitigation efforts.

Solar panels installed on the roofs of the company's Adana, Diyarbakır, Muğla, and Torbalı Distribution Centers, MİGET, and Kocaeli Derince 5M Migros store generated a total of 7,382 MWh of electricity in 2024. 5,924 MWh of this was consumed where it was generated; the remaining 1,458 MWh was supplied to the national grid. Additionally, in 2024, Migros initiated a solar power plant investment in Kırşehir with an installed capacity of 34.4 MWp. The plant commenced electricity production in March 2025. Moreover, the company documented that it procured 350,000 MWh of electricity in 2024 from renewable energy producers certified under the Renewable Energy

Guarantee of Origin (YEK-G) system. As a result, 51% of the electricity consumed during the year, corresponding to a total of 355,924 MWh, was sourced from renewable energy. Migros has set itself the goal of sourcing a third of the energy it uses from solar by end-2026.

Green IT Practices

Migros' green information technology (IT) approaches to improve energy efficiency and conserve natural resources also continued in 2024. Accordingly, the following initiatives were implemented in 2024:

- The installation of 254 virtual servers prevented the consumption of 38,000 kWh of electricity
- The shutdown and replacement of 158 hardware servers eliminated the need to use 1,037 Central Processing Units (CPU) and prevented the consumption of 3,500 kWh of electricity.

Extensive Combat Against Climate Change

- 80.6 tons of electronic devices were decommissioned and sent to be recycled after being replaced with more sustainable Green IT alternatives.
- The replacement of outdated air conditioning at the Ataşehir data center saved 130,000 kWh of electricity. The replacement of old storage platforms and servers saved another 28,000 kWh.
- Nearly 170,000 meetings have been moved to an online system, thereby reducing travel related to meetings.

Electricity-conservation projects in 2024 achieved savings of 13,428 MWh in energy consumption and 6,800 kg in refrigerant use.



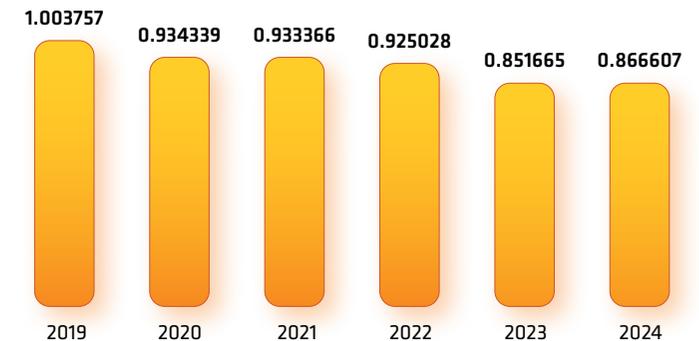
Performance & Targets

Migros uses daily electricity consumption per square meter of sales area as a key metric to measure its energy savings and efficiency targets. The target, which has been approved at the Board of Directors level, is to reduce this consumption value by 35% by the end of 2030 compared to the baseline year of 2019. As of end-2024, the cumulative base-year 2019 improvement was 13.7%. In addition, actions taken in 2024 resulted in energy savings of 13,428 MWh and refrigerant gas savings of 6,800 kg. These efforts prevented the emission of 32,747 tCO₂ associated with electricity and refrigerant gas consumption. The financial savings achieved through these actions have been calculated at TL 75 million.



2024 Projects and Practices	Energy savings (MWh)	Refrigerant savings (Kg)	Carbon Emission Savings (tCO ₂)
Old and end-of-life air conditioning replaced in 277 stores	7,000	-	3,094
Lighting, air conditioning, and cooling automation projects in 356 stores	504	-	223
Refrigeration group replacements in 102 stores	-	4,800	18,926
Water-based refrigeration systems installed in 39 stores	-	2,000	7,886
Solar power plants	5,924	-	2,618

Daily Electricity Consumption per m² of Sales Area (kWh)



Extensive Combat Against Climate Change

Sustainable Distribution Systems

Migros strategically selects sites for its distribution centers and warehouses taking into account both store locales and production areas. This method shortens delivery times and increases efficiency by optimizing the routes and distances that need to be traveled. As of end-2024, the company had 57 distribution centers (retail, wholesale, e-commerce) and 16 production/packaging facilities (for products such as fresh produce, meat, and legumes).

Fresh-produce deliveries to stores are reviewed and changes are made to improve operational efficiency. All vehicles used for delivery are equipped with refrigeration units and temperature-monitoring data loggers. Vehicle temperatures are monitored bi-directionally via remote tracking systems, and pre-cooling procedures are standardized before products are loaded. Distances between distribution centers and stores are regularly analyzed to optimize delivery routes, and

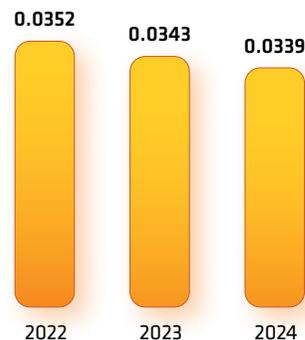
new distribution centers are strategically located in the most efficient areas.

Products are shipped to stores aboard fully-loaded vehicles consistent with the company's centralized distribution strategy. More efficient, collapsible and reusable crates are used to ship perishables (fresh produce and raw meat) wherever possible.

To reduce the environmental impact of Migros distribution center shipment operations, Migros has set itself the target of reducing the average CO₂ emissions by a single transport vehicle by 2.5% by 2030 compared to 2023. In line with efficiency efforts carried out in 2024, a reduction of 1.17% was achieved.



CO₂ Emission per Unit Transported in Distribution Center Shipments (kgCO₂e)



As of end-2024, Migros had 57 distribution centers and 16 production/packaging facilities.



Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

This Migros Ticaret A.Ş. ("Company") Integrated Annual Report has been prepared in accordance with Türkiye Sustainability Reporting Standards (TSRS 1 ("General Requirements for Disclosure of Sustainability-Related Financial") and TSRS 2 ("Climate-Related Disclosures")) as published by the Public Oversight, Accounting & Auditing Standards Authority ("KGGK") in issue 32414 (M) of the Official Gazette of the Republic of Türkiye dated 29 December 2023. Sustainability Accounting Standards Board (SASB) disclosure topics also served as a guide, were referred to, and were taken into account during the preparation of this report.

This integrated annual report prepared for the company should be read alongside the company's financial statements, which have been prepared in accordance with Türkiye Financial Reporting Standards (TFRS). This report covers a twelve-month period ending on 31 December 2024, which is the same as that covered by the associated financial statements.

In order to be consistent with the company's financial disclosures, the operations of Mimedya Medya Platform A.Ş., Moneypay Ödeme ve Elektronik Para Hizmetleri A.Ş., Paket Lojistik ve Teknoloji A.Ş., Dijital Platform Gıda Hizmetleri A.Ş., Migen Enerji ve Elektrikli Şarj Hizmetleri A.Ş., and CRC Danışmanlık ve Organizasyon A.Ş. have also been included in the report's scope as consolidated subsidiaries. This report includes sustainability disclosure topics and metrics compliant with TSRS 2 Sector-Based Guidance Volume 22: Food Retailers and Distributors, but excludes operational metrics that are not relevant to the company's business model. In order to be consistent with the presentation currency of the consolidated financial statements, the presentation currency for climate-related financial disclosures is the Turkish Lira (TL).

Türkiye Sustainability Reporting Standards grant certain kinds of transition relief for the annual reporting period in which an entity first applies TSRS. The company has opted for the following transition relief: Disclosure of only climate-related risks and opportunities; Relief from the requirement to present comparative information; Relief from the disclosure of Scope 3 emissions.

Significant Judgments & Quantification Uncertainties

Migros identifies financially significant climate-related risks and opportunities and information that merits reporting according to their impact on reporting-period revenues and EBITDA, both of which are generally accepted as key performance indicators in its sector.

As mandated by TSRS 2, the company quantifies its greenhouse gas emissions in accordance with Greenhouse Gas Protocol Corporate Accounting and Reporting Standard 1 (2004) (GHG Protocol). For the purpose of reporting greenhouse gas emissions, organizational boundaries are determined according to the equity share approach recognized by the GHG Protocol. In this approach, an entity's Scope 1 and Scope 2 emissions are determined and reported according to a reporting owner's share of the entity's equity. On this basis, Migros is accountable for 50% of GurmePack's carbon emissions since it controls a 50% stake in that company, but it is accountable for all of the carbon emissions of its other subsidiaries.

Calculations steps regarding the financial impact of extreme weather events on page 87, the likelihood of their impact on the Company's supply chain and operations, or the changes that might occur in the Company's financial statements in the

event of their occurrence are based on forecasts and forward-looking information, including short-, medium- and long-term expectations.

The Company has global climate scenarios (RCP 4.5 and RCP 8.5) to estimate the financial and physical impact of climate-related extreme weather event risks. These scenarios entail various uncertainties about how climate change—specifically the effects of changes in greenhouse gas emissions and emission rates—will affect the frequency and intensity of the kinds of extreme weather events the Company might face. These uncertainties stem from the inherently ambiguous nature of climate projections coupled with unforeseen potential alterations in the behavior of natural and anomalous weather events due to changing weather patterns and evolving climate conditions.

Climate Risk & Opportunity Governance

Migros has formulated an all-encompassing set of processes, controls, and procedures for comprehensively monitoring, managing, and overseeing climate-related risks and opportunities. Climate risks are among those explicitly defined in Migros' risk management system. They are classified as risks that are capable of impacting the company's operational, functional, and financial performance. The climate risks to which the company is exposed across its entire value chain are reviewed and assessed at least once a year and are detailed at the level of all business locations and business processes. When assessing climate-related risks and opportunities, Migros is guided by national and international reporting standards and frameworks such as TSRS S2, IFRS S2, SASB, TCFD, and GRI while also adhering to such international

standards and methodologies as those set out in the ISO 14001 Environmental Management System standard.

Climate Risk & Opportunity Management Processes and Scope

The process of managing Migros' climate risks and opportunities begins with identifying risk criteria. At this stage, the dependencies and environmental impacts of the company's operations and supply chain are analyzed. The likelihood (probability of occurrence) of each risk and opportunity is scored from 1 (Rare/Unlikely) to 4 (Very often/Almost certain); the impact (magnitude) of each risk is likewise scored from 1 (Negligible) to 4 (Devastating). Analysis results are collected in the risk management system's centrally compiled inventory. This inventory is reviewed as dictated by the nature and scope of the company's operations but at least once a year. Risks are prioritized using the formula $Priority = Likelihood * Magnitude$, where a score between 1 and 3 indicates a low risk, 4 to 8 indicates a medium risk, 9 to 12 indicates a high risk, and 12 to 16 indicates a critical risk. Migros develops action plans to mitigate risks and defines preventive/corrective measures to deal with them.

Risks are also classified according to their timeframes as being "Short-term", "Medium-term", or "Long-term":

- **Short-term (0-1 year):** Migros defines its short-term objectives in twelve-month cycles consistent with its financial planning processes. Annual business plans, budget targets, and short-term risks and opportunities are all managed within this timeframe.

Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

- **Medium-term (1-5 years):** Migros regards a timeframe of 1 to 5 years as “medium-term”. The company’s five-year strategic plans are medium-term plans. This timeframe allows for a more comprehensive assessment of investment and growth decisions. Migros’ risks and opportunities are analyzed within this timeframe and form the basis of Migros’ strategic roadmap.
- **Long-term (5 years or more):** Migros regards a timeframe of 5 years or more as “long-term”. For example the company’s long-term plans consider such issues as forward-looking risks and opportunities arising from climate change and natural resource availability and sustainability. Migros’ strategic stance and major transformation projects (such as net-zero emission targets) are integrated into the company’s long-term planning.

Given the worldwide significance of Climate Change Adaptation and Mitigation and the need for targeted responses, Migros has developed a special materiality framework for identifying climate-related risks that is separate from general risk impact assessments. For example, for a climate risk or opportunity to be considered “Significant”, the potential financial impact of that risk needs to exceed 0.05% of total revenues or 1% of EBITDA. To align processes with corporate strategies, a targeted risk management framework is defined and company-wide integration is ensured during the implementation phase. By conducting scenario analyses to assess potential future climate risks, Migros proactively integrates these risks into its corporate strategy.

Migros comprehensively considers and makes use of the impact of its current and planned

investments whenever evaluating climate-related mitigation, adaptation, and resilience opportunities. The company strategically allocates its financial resources by setting short, medium, and long-term targets within the framework of the Migros Better Future Plan. Türkiye’s ratification of the Paris Agreement and its adoption of the 2053 net-zero target are among the key factors influencing Migros’ low-carbon economy transition processes. To ensure alignment with its climate transition plan, the company shapes its investments in accordance with the Paris Agreement and global sustainability initiatives; it also conducts its operations in line with targets that have been submitted for validation by the Science Based Targets initiative (SBTi). Migros does not adhere to a sector-specific decarbonization approach nor does it make use of an internal carbon price in investment decisions and scenario analyses; priority is given instead to developing corporate strategies in line with climate risks. The company has no plans to make use of carbon credits in its emissions-reduction processes.

Climate Risk & Opportunity Governance Structure & Responsibilities

The Migros Board of Directors has ultimate responsibility for integrating climate change adaptation and mitigation issues into the company’s strategic planning processes and for their execution. As a member of the board, the CEO is responsible for the implementation and oversight of all sustainability strategies and regularly reports on developments at board meetings.

Besides being Migros’ CEO and a member of its board, Özgür Tort is also a member of the Anadolu Group Sustainability Committee. Since 2013 Mr. Tort has served on the Board of Directors of the

Consumer Goods Forum, one of the largest umbrella organizations that lays out the sustainability roadmap for the retail industry and for branded goods manufacturers. He also served as the Global Retail Chair of the Consumer Goods Forum between 2019 and 2021.

The Migros Sustainability Committee consists of representatives of core company functions. Migros encourages broad participation in decision-making processes in all matters impacting sustainability but especially when dealing with climate-change and water-management issues. The committee is chaired by Corporate Communications & Sustainability Group Director who, in that capacity, has the highest- responsibility for overseeing climate change issues, assessing climate-related risks and opportunities, and analyzing future trends. The Migros Sustainability Committee chair reports directly to the Migros Board of Directors. The Risk Management Department, who is responsible for coordinating risk management processes, also works together with the Migros Sustainability Committee to ensure company-wide management of environmental risks.

To strengthen its ability to understand and deal with environmental matters, the Migros Board of Directors may consult specialists and experts; it also has access to a variety of information and training resources about international standards (TCFD, SBTi etc.) and developments in sustainability issues. Issues such as climate change, water management, and sustainability are periodically included in board meeting agendas. During board meetings, directors discuss significant capital expenditures, analyze scenarios, and assess public policy directives. Care is taken to ensure that at least one board member has managerial and executive experience in dealing

with environmental issues so that the board may have the benefit of their expertise when taking environment-related strategic decisions. A board-level Sustainability Committee was formed in 2024. This committee is responsible for ensuring that sustainability-related issues and developments are discussed in detail at the board level at least twice a year.

Strategic Integration & Corporate Practices

Migros’ climate transition plan consists of a roadmap laid out in line with Türkiye’s 2053 carbon net-zero goal, the Ministry of Environment, Urbanization & Climate Change’s carbon emission reduction action plans, and international norms such as the Paris Agreement, SBTi etc. For each climate-related risk and opportunity included in this plan, the key assumptions that are used, the dependencies on which the transition plan is based, and other details are set out under separate “Impact on Strategies and Decision-Making Processes” subheadings.

Migros incorporates climate-related risks and opportunities into its business strategizing and financial planning processes. In line with customers’ demands the company gives importance to increasing the number of more sustainable product and service options while also expanding its range of certified-organic foods, products in recycled packaging, and more energy-efficient offerings. To make its supply chain and operations more resilient to climate risks such as flooding, drought, and extreme weather events, Migros broadens and diversifies its supplier portfolio and takes operational precautions. A part of the R&D budget is allocated for exploring and developing low-carbon, waste-management, energy-efficiency, and water-consumption solutions.

Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

Performance Incentive Mechanisms

Senior executives' bonuses are directly linked to climate-related performance targets. The Corporate Communication & Sustainability Group Director is for the Company's performance and initiatives in the areas of sustainability, including climate and water management. Upon meeting the defined criteria, the Director becomes eligible for a performance bonus. Chief Expansion & Property Officer' performance criteria are linked to energy-efficiency, water-conservation, and emissions-reduction projects. Bonuses are paid to the product category directors on the basis of their performance in fulfilling targets such as encouraging sustainability practices in their part of the supply chain and reducing plastics use. Such targets make up between 2.5% and 15% of the targets on their performance cards and impact their bonuses to the same degree.

Integrated Governance in Internal Business Processes

Migros ensures that the management of climate risks and opportunities is coordinated in strategic planning, operational, supply chain, and HR processes across the company by making it an integral part of every internal function. Climate risks and opportunities are taken into account when planning long-term investments and capital requirements; potential suppliers undergo preliminary audits to identify possible exposure to environmental risks as well to as product-safety risks; existing suppliers' climate change performance is regularly reviewed and is expected to steadily improve.

Migros goes beyond the purely technical aspects of greenhouse gas emission reduction by incorporating

GHG reduction targets into its corporate performance evaluation processes. This approach makes it possible to track emission reduction targets from a results-oriented perspective across every function of the company.

Climate Risks & Opportunities That Impact Migros' Financials

Consistent with its overall approach to sustainability-focused corporate governance, Migros comprehensively assesses risks and opportunities arising from climate change. Türkiye Sustainability Reporting Standards (TSRS) provide a framework for companies to present their sustainably-related risks and opportunities together with their potential financial impact in a way that allows investors and others to understand and compare them.

While Migros defines its climate risks and opportunities in line with the TSRS framework, it also takes into account those which, although they are not directly referenced in financial statements, nevertheless may plausibly affect the company's financial performance, financial position, and/or cashflow. This is the basis on which Migros identifies physical and transition risks to its business model and value chain and for which it formulates strategies for managing risks and benefitting from opportunities.

When making climate-related financial-impact assertions, Migros considers not only its own operations but also those of its subsidiaries across its entire value chain. As a retailer, Migros is inherently dependent on a host of internal and external resources and must likewise interact with a wide range of entities and other stakeholders including but not limited to suppliers of goods, suppliers of logistical services, its own employees,

consultants, those who supply its stores with operational services and even the customers who buy goods from it. Migros' value chain encompasses many different activities and stakeholders both upstream and downstream.

This is the basis on which Migros identifies physical and transition risks to its business model and value chain and for which it formulates strategies for managing risks and benefitting from opportunities. Migros has recourse both to its own equity and to internal/external sources of funding to finance climate-related compliance and reduction/mitigation projects. A portion of the company's operational budget is currently being earmarked for projects to reinforce infrastructure, improve logistical processes, and deploy sustainable-farming practices in order to address physical risks associated with extreme precipitation events. When planning strategies, Migros also prepares medium and long-term investment plans whose resources are derived from both its capital expenditure and its operational expenditure budgets.

Migros employs comprehensive scenario analyses and risk management processes to evaluate the climate-change adaptation capacity of its strategies and business model in the short, medium, and long terms. Particularly in the case of extreme weather event, drought, and regulatory change risks, using the IPCC RCP 4.5 and RCP 8.5 scenarios to determine and analyze their impact enables Migros to develop strategies for enhancing its operational resilience. In the short term, extreme weather event losses are minimized by means of additional insurance coverage while stores' operational resilience is made more robust by installing larger water storage tanks to cope with water shortages. In the medium term, sustainable-farming practices are supported

while efforts are made to minimize climate-induced extreme weather event risks through supply chain diversification strategies. In the long term, the company invests in low-carbon technologies in order to achieve its 2050 net-zero emissions target, explores and tests gases whose global warming potential is lower than those currently being used for refrigeration, and expands the deployment of water-based refrigeration systems that need less gas to achieve the same cooling effect. In response to growing consumer demand for more sustainable products, Migros is currently working on sustainable products tagging projects.

Migros takes a variety of economic factors into account when assessing the macroeconomic trends to which it gives attention when analyzing climate-related scenarios. These factors include, but are not limited to, changes in domestic and international regulatory frameworks, carbon-pricing, energy market transformation, and changes in consumer behavior and demand. When analyzing scenarios, changes in climate and water resources are systematically considered at both the local and the regional level. In addition to such strictly local factors such as drought, hail, floods, and seasonal changes in weather, attention is also given to potential changes in water availability as well as in laws and regulations.

Migros evaluates assets and activities vulnerable to climate-related transition risks and examines the potential impacts of these risks on the company. In the course of these analyses, it was discovered that the transition-risk vulnerability of some of its assets would have an impact on capital expenditures. Going forward, the aim is to transform such assets through investments that transition them to low-carbon technologies over time. When examining

Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

the financial implications of transition risks, it was observed that the impact of these risks on the company's operations was limited. Consistent with the company's sustainability strategies, there has also been more investment in the use of renewables and in technologies that improve water efficiency and energy conservation.

1. Acute Physical Risk: Extreme Weather Events

Risk Description & Business Model/Value Chain Impact

1. Impact on operations: While climate-induced extreme weather events and heavy precipitation have a short-term impact on business process continuity, the probability of their having a low to medium impact on Migros' financial results in the long-term timeframe, is almost certain/highly likely:

- Losses suffered by merchandise and stocks in distribution centers and stores and by company-owned premises themselves. (Direct impact)
- Interruptions in logistical operations and/or inability of goods to reach stores or customers due to floods, landslides etc. (Interruptions in deliveries to stores (Upstream); Interruptions in deliveries to customers (Downstream))
- Lost sales due to temporary store closures (Direct impact)
- Health & safety risks to customers and employees (Direct impact)

2. Impact on supply chain: Among the most serious risks to supply chain processes are climate-induced severe weather events (heavy precipitation, hail, snow, ice, drought etc.) and damage to crops and interruption in farming operations due to climate-induced wildfires. (Pre-Migros supply chain disruptions (Upstream impact).) While such disruptions may cause commodity prices to surge and affect product availability, the impact on sales is likely to be short-term. However, Migros works with suppliers in every part of the country and all of them are exposed to severe precipitation and extreme weather event risks. Drought risk is more likely to occur in the Mediterranean and Southeastern regions than elsewhere.

Scenario

Migros incorporates the results of scenario analyses into its strategic plans and business models in order to more effectively conduct its

financial management processes across the short, medium, and long-term horizons. The scenarios which the company uses are largely taken from the "Climate Change Adaptation Strategy & Action Plan" published by the Ministry of Environment, Urbanization & Climate Change. Migros develops comprehensive strategies for ensuring that its available financial resources are sufficient and flexible enough to cope with the operational consequences revealed by analyzing different climate-related scenarios. The company also comprehensively assesses its ability to alter, repurpose, improve, or dispose of existing assets as may be dictated by climate-induced changes. Globally-recognized scenarios such as IPCC RCP 4.5 and RCP 8.5 in analyses to identify the financial impact of case of extreme weather event, drought, regulatory change, and other risks and also the potential impact of regulatory changes on the company's management of its assets.

To manage these risks, Migros has expanded its insurance coverage to include losses arising from extreme weather events, is investing in renewable energy resources, and is undertaking sustainable-agriculture projects to safeguard its supply chain. The company is likewise renovating stores and infrastructure, investing in energy-efficiency along with renewables, and strengthening its supply chain and infrastructure resources.

The Turkish State Meteorological Service has published a report projecting potential changes in Türkiye's climate. This report is based on the Intergovernmental Panel on Climate Change's RCP 4.5 (Moderate) and RCP 8.5 (Pessimistic) scenarios. According to the Moderate scenario, the frequency and severity of extreme weather events is likely to increase by an average of 2.5% a year; according to the pessimistic scenario, the rise will be on the order of 5% a year.

Scenario	RCP Level Explanation	Scenario Description	Impact on Migros	Impact on Strategies & Business Model
Scenario 1: RCP 4.5	According to the Moderate scenario, greenhouse gas emissions will begin to decline in the 2040s.	In Türkiye, precipitation is expected to increase in winter, but drought and heatwaves are likely to become more severe in summer. While there will be increased frequency of extreme precipitation events, the frequency will vary from region to region	Heavy precipitation may force some stores to close temporarily and may cause delays in some supply chain processes. Crops will be exposed to elevated pre- and post-harvest risks, which may impact both product availability and price stability.	It will be necessary to keep stock levels higher, diversify sources of supply, accelerate infrastructure renovation/enhancement projects, and broaden insurance coverage.
Scenario 2: RCP 8.5	High emission scenario assumes that continued reliance on fossil fuels will cause greenhouse gas emissions to steadily increase.	Extreme weather events are expected to become more frequent and more severe. Winter precipitation will intensify, leading to elevated flood risks; summer droughts will become more severe, leading to significant volatilities in agricultural production.	Due to more frequent and more severe precipitation events, there will be increased likelihood of stores suffering flood damage and long-term disruptions in supply chain processes may occur; elevated agricultural production losses and product price volatilities are likely.	It will be necessary to relocate assets to areas less exposed to risk, review long-term financing plans, increase the resilience of logistics centers and hubs, and increase operational flexibility.

Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

Impact on Strategies and Decision-Making Processes

1. Impact on supply chain: Efforts are being made to ensure business model sustainability by having recourse to alternative products and/or regional plans within the supply chain and by keeping a close watch on current and anticipated weather conditions in critically important regions. The company is sourcing from different suppliers located in different parts of the country for a product. It also locates distribution centers and fresh-produce warehouses in areas reasonably close to where procurement takes place to increase transport and routing efficiency. Backup distribution centers have been set up in the vicinity of major cities to ensure that goods will continue to be shipped even if one center should become inoperative. Fresh fruit & vegetable sales are one of Migros' strong points and a factor that contributes significantly to customer traffic and loyalty.

2. Impact on operations: Company-owned properties have not suffered serious damage due to extreme weather events other than losses associated with a hailstorm in 2017; such events tend to result in sales-revenue losses in stores ranging from a few hours to a few days. All distribution centers and stores are insured against climate-induced extreme weather events and natural disasters such as floods and wildfires. All employees are provided with annually-refreshed disaster-preparedness training resources and take part in drills to deal with events such as floods and fires. All operational premises (stores, facilities etc.) are regularly inspected to ensure that mandatory equipment is present and in good working order and that applicable rules are being

followed. Stores are equipped with additional water tanks to ensure operational continuity in the event of water shortages.

Current & Expected Financial Impact

When assessing acute physical risks arising from extreme precipitation events, Migros considers them individually on the basis of their short (0-1 year), medium (1-5 year), and long (5+ year) impact on the company's financial position, performance, and cashflow. Projections take into account expectations as to company growth and increases in extreme weather events. These projections foresee consequences stemming from reduced fresh fruit&vegetable harvests, higher operational costs, and diminished financials due to tangible fixed asset losses and impaired cashflow.

1. Impact on supply chain: 2024's extreme weather events did cause some losses in fresh fruit & vegetable harvests but the financial impact of those losses is deemed to be less than significant. In some cases, crops suffered heat damage from abnormally high temperatures; in others, they were affected by frost or froze during severe cold spells. In the Bafra region for example, disastrous flooding caused damage to locally-grown staple crops such as cauliflowers and red and white cabbages while unseasonably high temperatures led to losses due to disease, infestation, and heat damage in crops such as processing tomatoes, grapes, peaches, nectarines, and plums. The average loss in productivity across the ten categories each of fruits and vegetables that account for the biggest share of the company's fresh fruit & vegetable sales was 46.8%. This translates into aggregate tonnage losses on the order of 39%. Using the revenue

losses attributable to the impact of 2024's extreme weather events on these items as examples, we may project short, medium, and long-term annual losses on the order of TL 128.7-131.9 million, TL 135.2-160.3 million, and TL 164.3+ million respectively. While this does constitute a loss in revenues, its share of the company's total revenues is only around 0.06%. Among climate-induced risks, risks of this magnitude are considered medium to high but their impact on the company's financials is deemed to be insignificant. That said, the losses do adversely impact revenues and that in turn could impair cashflow.

2. Impact on operations: 2024's extreme weather events (floods, storms, snowfall, wildfires etc.) caused abrupt interruptions in operations while the damage they caused to stores led to lost sales. Using the revenue losses attributable to the impact of 2024's extreme weather events as examples, we may project short, medium, and long-term annual losses on the order of TL 4.1-4.2 million, TL 4.4-5.2 million, and TL 5.3+ million respectively. While this does constitute a loss in revenues, its share of the company's total revenues is only around 0.002%. Among climate-induced risks, risks of this magnitude are considered medium to low but their impact on the company's financials is deemed to be insignificant.

In 2024 a total of 197 instances of losses attributable to extreme weather events caused to stores, distribution centers, and merchandise were recorded. All material losses were covered by insurance. However, because these claims will have a direct impact on insurance premiums in the years ahead, they will lead to an increase in operational expenses.

Acute physical risk: Extreme weather event target: Increase the percentage of sustainability-certified (GAP, Organic, Regenerative-Agriculture certifications) fresh fruit & vegetable procurements to 50% (Absolute Target) of the total by 2030. (2024: 31%)

2. Transition Risk: Changes in The National Regulatory Framework (Regulation on Fluorinated Greenhouse Gases)

Risk Description

In 2024 the Ministry of Environment, Urbanization & Climate Change published a Climate Change Adaptation Strategy & Action Plan and a 2053 Long-Term Climate Strategy in line with the country's 2053 carbon net-zero goal. Migros formulates its own action plans and roadmaps to be compatible with these documents and defines sub-goals of its own indexed to the dates set in them. A slew of regulatory requirements aimed at businesses is expected to support the ministry's strategy and plans. These requirements can be expected to entail additional business costs inasmuch as companies will have to undertake a variety of investments in order to achieve regulatory compliance. Migros assesses the impact of every climate-related risk and opportunity on the basis of short, medium, and long-term horizons. The risk of changes in the national regulatory framework is deemed to be Possible.

Scenario & Business-Model / Value-Chain Impact

One of the ministry's strategic action plans for achieving Türkiye's 2053 carbon net zero goal involves prohibiting the use of gases (F-gases,

Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

HFCs etc.) whose global warming potential (GWP) is high. This ban will go into effect for newly-installed systems beginning in 2031; use of these gases will be prohibited in all systems beginning in 2033. This means that the gases being used in the stores' refrigerated cabinets will have to be replaced with lower-GWP alternatives or the cabinets will have to be replaced entirely. Replacing the cabinets will entail investment costs; replacing the refrigerants will entail operational costs. The impact of this risk in the long term is deemed to be Possible. The conversion/replacement of refrigerated cabinets used across all operations (Direct Impact) reflects the impact of the risk posed to Migros by changes in the national regulatory framework ("Regulation on Fluorinated Greenhouse Gases")

Impact on Strategizing & Decision-Making Processes

Migros first began exploring the possibility of natural refrigeration solutions in 2015 and conducted trials of systems using glycol as a coolant instead of HFC-R404a. In these systems, propylene glycol is used to chilled water that keeps cabinets cool by circulating through pipes in them. These trials proved successful and Migros even applied for and obtained a Utility Model Patent for the system. As of end-2024, water-based cooling systems were being used in 326 company-owned stores and distribution centers. The company has plans to bring all stores into low-GWP refrigerant compliance and to complete the conversion to water-based cooling systems by 2033. Newly-opened stores are planned so as to be in compliance from the very outset.

Current & Expected Financial Impact

When assessing transition risk arising from changes in the national regulatory framework ("Regulation on Fluorinated Greenhouse Gases"), Migros considers their long-term impact on the company's financial position, performance, and cashflow. Inasmuch as the target date for the regulatory change is 2031, this is deemed to be a long-term risk and its financial impact is calculated according to that year. Projections and model calculations address the financial impact of replacing all the refrigerants and/or chilling cabinets used in operations on the company's balance-sheet investment outlays and cashflows.

Impact on operations: The financial impact of bans on refrigerants or on HFCs and high-GWP refrigerants arises from having to replace the gases or the systems that use them. Given that the timeframe for this change in the regulatory framework is long-term, calculations have been made based on two different assumptions:

- Replacement of all refrigerants used in operations with low-GWP gases (Lowest impact)
- Conversion of all refrigerated cabinets to water-based cooling systems (Highest impact)

Tests are currently being carried out exploring the use of low-GWP refrigerants in all systems globally.

In addition to bringing itself into compliance with the requirements of "Regulation on Fluorinated Greenhouse Gases", the company is also regularly assessing how to optimize compliance and adaptation investment decisions related to Türkiye's 2053 carbon net zero goal. Explanations

concerning the financial impact of these investments when their conduct has a significant impact on financial performance are presented in the company's TSRS-audited reports.

Transition risk: Changes in the national regulatory framework ("Regulation on Fluorinated Greenhouse Gases") goal: Achieve an absolute base-year 2030 42.65% reduction in Scope 1 and Scope 2 carbon emissions by the end of 2030 and achieve carbon net zero by 2050 (Absolute target)

3) Transition Opportunity: Change in Consumer Behavior

Opportunity Description & Scenario

Consumers are becoming increasingly more aware of climate change and are looking to follow lower-carbon lifestyles by opting for goods whose climate impact is less. According to the results of a Sustainability Trends Survey of more than three thousand Migros customers in 2024, 86% of respondents said that supermarkets' efforts to ensure sustainability affected their purchasing decisions while 59% said that when shopping, they opted more for sustainable goods nowadays than they did just a year ago. The same survey was conducted in 2022. In that survey, 78% of respondents said that supermarkets' efforts to ensure sustainability affected their purchasing decisions and 43% said that when shopping, they opted more for sustainable goods than they had done the year before. The results of these two surveys show that consumer behavior with respect to the sustainability of the goods they choose and buy is changing. It may be assumed that this shift will lead to steadily greater demand

for sustainable goods on the company's shelves. Sustainability-certified products are capable of attracting shoppers for whom sustainability is seen as important. This fact should be treated as an opportunity for brands and vendors to leverage into a competitive advantage. Migros assesses every climate-related risk and opportunity on the basis of its materializing in short, medium, and long-term timeframes. These changes in consumer behavior are treated as an opportunity risk whose realization is deemed Likely.

Business-Model / Value-Chain Impact

The more that Migros expands the range of sustainable goods that it sells and the more it promotes these goods in its offline and online sales processes, the more sustainability-conscious customers it will be able to attract. This is an opportunity. Over the last three years Migros has been giving increasingly greater attention to this issue. Migros also informs its suppliers that the company will provide support in terms of visibility if they increase their healthy and sustainable product range.

Impact on Strategizing & Decision-Making Processes

In line with this trend, Migros keeps track of the percentages of the goods that it sells whose contents or packaging is more environmentally-conscious than comparable ones, which are more ecofriendly than their alternatives, and/or which are sustainability-certified. The company also strives to increase these percentages. For the purpose of these assessments, "Sustainable and Ecofriendly" goods are, among others, GAP,

Türkiye Sustainability Reporting Standards (TSRS) Compliance Statement

Organic, Regenerative-agriculture certified and vegan products; energy-efficient lamps and electronic goods; ecofriendly-packaged detergents; reusable shopping bags, sustainably-sourced paper and paper products; sustainability-certified palm oil, soy bean, cocoa, coffee, and bamboo products. In 2024 sales of such products generated 11% of the company's revenues; during the previous three years, the percentage increased from 7% to 10.3%. Migros has initiated a project among its suppliers to systematize the control and labeling of goods sold as "sustainable". This project is slated for completion in 2025, after which arrangements will be made to display these goods more prominently, especially in the company's online channels.

Current & Expected Financial Impact

"Sustainable and Ecofriendly" goods are GAP, Organic, Regenerative-agriculture certified and vegan products; energy-efficient lamps and electronic goods; ecofriendly-packaged detergents; reusable shopping bags, sustainably-sourced paper and paper products; sustainability-certified palm oil, soy bean, cocoa, coffee, and bamboo products. In 2024 sales of such products generated 11% of the company's revenues. It is thought that this percentage could reach something like 15% by 2030. Taking into account both the company's own growth prospects and the expectations of a greater presence of sustainable goods in the company's portfolio, these goods could conceivably generate revenues amounting to TL 28 billion in the short term, TL 29.7-35.4 billion in the medium term, and TL 37.5+ billion in the long term. The crucial point here will be the acquisition of new, sustainability-conscious customers.

Transition Opportunity: Change in Consumer Behavior Target: Migros is aiming to increase the percentage of the sustainability-certified (GAP, Organic, Regenerative-agriculture certified etc.) fresh fruit & vegetable products that it sells to 50% of the total by 2030. This percentage was 31% in 2024. The company is currently aiming to increase its procurements of GAP-certified fruits and vegetables by 10% above their current level by end-2025.

GHG Emissions Management

During 2024, Migros once again continued to treat greenhouse gas emissions management as a priority issue in combating climate change. The company is engaged in comprehensive efforts to reduce carbon footprints across all of its operations in line with the short, medium, and long-term targets set out in the "Migros Better Future Plan". In all of these efforts, the primary focus is on improving both energy-efficiency and the use of renewable energy not only in its own store and distribution center operations but throughout its entire supply chain as well.

Migros has also calculated its emissions in accordance with article B22 ("Climate-Related Disclosures") of TSRS 2, taking into account AR6 global warming potential values, which are based on a 100-year timeframe and are derived from the most recent IPCC findings. According to these calculations the combined emissions of Migros and all of its consolidated subsidiaries are as follows: Scope 1 emissions for 2024: 321,595 mtCO₂e and for 2020: 321,707 mtCO₂e; Market-based Scope 2 emissions for 2024: 149,961 mtCO₂e and 2020: 236,013 mtCO₂e; Location-based Scope 2 emissions

for 2024: 304,719 mtCO₂e and 2020: 253,639 mtCO₂e.

Scope 1 Emissions Management

Migros' Scope 1 emissions are largely due to refrigerants released by its stores and distribution centers. In 2024 the company began using newer, more ecofriendly gases in its refrigeration systems in order to deal with this issue. Both the frequency and the effectiveness of regular maintenance processes have also been increased to prevent leakages in existing systems. A particular goal is to minimize refrigerant losses in critical applications such as chilled cabinets and cold rooms. Besides improving the technical aspects of refrigeration

processes, the company has also shortened leak-detection and intervention times.

Scope 2 Emissions Management

Migros' Scope 2 emissions are mostly the result of the electricity that it uses. During 2024 the company accelerated its investments in renewables with the aim of reducing the carbon emissions arising from this use. New solar-power projects were launched to add to the company's existing stock of solar resources. Significant progress has been made on such fronts as expanding the use of energy-efficiency technologies in stores and distribution centers and opting for more energy-efficient lighting, air conditioning, and equipment solutions.



Calculation Principles of Metrics

General Reporting Principles

The Calculation Principles of Metrics ('Calculation Principles') provides information on the methodologies for the preparation, calculation and reporting of data for the performance indicators within the scope of the limited assurance included in the Migros 2024 Integrated Annual Report ('2024 IAR') of Migros Ticaret A.Ş. ('The Company' or 'Migros').

These indicators include environmental indicators. It is the responsibility of the Company's management to

ensure that appropriate procedures are in place to prepare these indicators set out below, in all material respects, in accordance with the Calculation Principles.

The information in these principles covers the 2024 financial year ending 31 December 2024 (1 January 2024 - 31 December 2024) and the Company's related operations in Türkiye as detailed in the Key Definitions and Scope of Reporting section. 'Scope 1 Emissions (The Company and Consolidated Subsidiaries)', "Scope 2 Emissions (The Company and Consolidated Subsidiaries)" and 'Share of Sustainably Certified Products' within the environmental

indicators included in these principles. indicators Data of the Company and its subsidiaries listed below are included.

- Mimedya Medya Platform A.Ş.
- Moneypay Ödeme ve Elektrikli Para Hizmetleri A.Ş.
- Paket Lojistik ve Teknoloji A.Ş.
- Dijital Platform Gıda Hizmetleri A.Ş.
- Migen Enerji ve Elektrikli Şarj Hizmetleri A.Ş.
- CRC Danışmanlık ve Organizasyon A.Ş. ("GurmePack") (50% ownership)

General Reporting Principles

In preparing this document, consideration has been given to following principles:

- Information Preparation - to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting - to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

Basic Definitions and Reporting Scope

Type	Indicator	Scope
Environmental Indicators	Scope 1 Emissions (tCO₂e) (The Company and Consolidated Subsidiaries)	Represents the Company's and its Consolidated Subsidiaries' fixed combustion (natural gas, diesel and gasoline) and mobile combustion (diesel and gasoline) fuel consumption tracked from the invoices of third-party companies; greenhouse gas emissions from process sources (enteric fermentation and fertilizer) and chemical sources (refrigerant gases and fire extinguishers) tracked from service forms during the reporting period. The Company calculates greenhouse gas emissions in accordance with the 'Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004)'.
	Scope 2 Emissions - Location Based (tCO₂e) (The Company and Consolidated Subsidiaries)	Represents the amount of indirect greenhouse gas emissions arising from electricity consumption, which represents the indirect energy consumption of the Company's and its Consolidated Subsidiaries' during the reporting period, and which is monitored from the invoices of service providers. The Company calculates greenhouse gas emissions in accordance with the 'Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004)'.
	Scope 2 Emissions - Market Based (tCO₂e) (The Company and Consolidated Subsidiaries)	Represents the result of subtracting the amount of YEK-G (Renewable Energy Guarantees of Origin) purchased from the amount of indirect greenhouse gas emissions resulting from electricity consumption, which represents the indirect energy consumption of the Company's and its Consolidated Subsidiaries' during the reporting period and which is monitored from the invoices of service provider companies. The Company calculates greenhouse gas emissions in accordance with the 'Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004)'.
	Percentage of Fruit and Vegetable Purchases with Sustainability Certificates (Produced with Good Agricultural Practice, Organic or Regenerative Agriculture) (%)	Represents the ratio of sustainability certified fruit and vegetable purchases in Migros' total purchases during the reporting period. This ratio is used to measure the share of products identified in line with the Company's sustainability strategy (certified palm - soya - cocoa - coffee, bamboo products) in total purchases.

Data Preparation

1. Environmental Indicators

Greenhouse Gas Emissions

Scope 1 and Scope 2 emissions are calculated in accordance with ISO 14064-1, 'Greenhouse Gas Protocol: Corporate Calculation and Reporting Standard' in accordance with ISO 14064-1, using the equity share approach. Since 50% of GurmePack's shares are held by Migros Group, 50% of its carbon emissions and all other subsidiaries and affiliates are taken into account.

Scope 1

CO₂ equivalent factors consisting of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) equivalent emission factors were used in the calculations. The emission factors used are detailed below.

Global Warming Potential (GWP), Gross Calorific Value and Emission Factors are taken from the Intergovernmental Panel on Climate Change, IPCC 6th Assessment Report. The obtained tonnes of carbon dioxide equivalent (CO₂-e) value is calculated by multiplying with appropriate coefficients.

Diesel and petrol consumption in generators is accounted in TL from the invoices of the service provider company in stores, and not all invoices contain information on direct consumption amounts. When determining the consumption, a calculation is made by taking into account the highest 30% of the total amount paid. Then, considering the volumes of these purchases, the average TL per unit volume is determined and this value is used to derive the consumption information of the remaining invoices.

Natural gas consumption is recognized in stores in TL from the service provider's invoices, and not all invoices contain information on direct consumption amounts. When determining the consumption, a calculation is made by taking into account the highest 50% of the total amount paid. Then, considering the volumes of these purchases, the average TL per unit volume is determined and this value is used to derive the consumption information of the remaining invoices.

¹ <https://www.ipcc.ch/>

Calculation Principles of Metrics

Scope 2 - Location Based (tCO₂)

Location-based indirect CO₂ emissions were calculated using the grid emission factor (0.442 (tCO₂e /MWh) emission factor) in the Turkish Electricity Generation and Electricity Consumption Point Emission Factors Information Form published by Türkiye Elektrik İletim A.Ş. (TEİAŞ).

Formula:

Emission Amount = Activity Data × Emission Factor

Emission Source - Scope 1	Gross Calorific Value (T)/Gg	Reference
Diesel	43.3	IPCC 2006 Volume 2, Chapter 1, Table 1.2
Gasoline	44.8	IPCC 2006 Volume 2, Chapter 1, Table 1.2

Emission Source - Scope 1	CO ₂ (kgCO ₂ /T)	CH ₄ (kgCH ₄ /T)	N ₂ O (kgN ₂ O/T)	Reference
Natural Gas (stationary combustion)	58,300	15	0.3	IPCC 2006, Volume 2, Chapter 3, Table 2.4
Diesel (stationary combustion)	74,800	30	2	IPCC 2006, Volume 2, Chapter 3, Table 3.2.1
Gasoline (stationary combustion)	73,000	30	2	IPCC 2006, Volume 2, Chapter 3, Table 3.2.1
Diesel (mobile combustion)	74,800	9.5	12	IPCC 2006, Volume 2, Chapter 2, Table 2.4
Gasoline (mobile combustion)	73,300	86	24	IPCC 2006, Volume 2, Chapter 2, Table 2.4

Emission Source - Scope 1	Emission Factor	Reference
Enteric Fermentation (process emission) (kg NH ₄ /animal)	55	IPCC 2006, CH ₄ Enteric Fermentation, Table 7
Fertilizer (process emission) (tCO ₂ e)	0.0035	Ecoinvent

Emission Source - Scope 2	Emission Factor (tCO ₂ e/MWh)	Reference
Türkiye Electricity Energy (Grid Electricity)	0.442	ETKB-EVÇED-FRM-042 Rev.01

Formula:

Emission Amount = Activity Data × Leakage Rate × GWP

Emission Source - Scope 1	GWP (kgCO ₂ e/kg)	Referans
Refrigerant Gases - R404A	4,728	IPCC 6 th Assessment Report
Refrigerant Gases - R417A	2,508	IPCC 6 th Assessment Report
Refrigerant Gases - R22	1,960	IPCC 6 th Assessment Report
Refrigerant Gases - HFC134A	1,530	IPCC 6 th Assessment Report
Fire Extinguishers - CO ₂	1	IPCC 6 th Assessment Report

Scope 2 - Market Based (tCO₂e)

Scope 2 Emission - Market Based (tCO₂e) = (Activity Data - Amount of Renewable Energy Supplied (YEK-G)) × Emission Factor

Percentage of Fruit and Vegetable Purchases with Sustainability Certificates (Produced with Good Agricultural Practice, Organic or Regenerative Agriculture) (%)

Sustainability certified products are obtained from certification bodies approved by the official institution.

2024 Fruit and Vegetable Procurement with Sustainability Certificate (Produced with Good Agricultural Practice, Organic or Regenerative Agriculture) (kg) / 2024 Total Fruit and Vegetable Procurement

Restatement

The measuring and reporting of sustainability-related data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5% at the Company level.

² <https://enerji.gov.tr/evced-cevre-ve-iklim-turkiye-ulusal-elektrik-sebekesi-emisyon-faktoru>

Sustainable Water Management

Performance Indicator	Target year	Target	2024 performance	Status by Target	Base year /Status
Store water withdrawal (m ³ /m ² .day)	2030	10%↓	0.001395 m ³ / 1.1%↓	In progress	2023 / 0.00141 m ³

Migros engages in a comprehensive effort to use water efficiently and to minimize the environmental impact of wastewater resulting from the conduct of its operations. Quantities of water consumed at all the company's operational and business units (stores, head and branch offices, production facilities, and distribution centers) are monitored and reported to senior management at regular intervals. Efforts are made **to reduce water withdrawal** by using high-efficiency equipment designed to require less of it. In addition, efforts are made to prevent groundwater depletion by controlling the amount of water drawn from wells. 90.8% of the water used in operations is supplied by local municipal water mains; only 9.2% comes from wells. Efforts are made to ensure that water discharged by company operations causes no obvious degradation in the quality or biodiversity of water sources.

A total of 1,380,699 m³ of water was withdrawn from all sources for use in all the company's operations in 2024. Water loss through evaporation in supermarkets' service-provision and fresh seafood sections corresponded to 10% of that. Total discharged water amounted to 1,242,629 m³, 99.7% of which was released into local municipal sewer systems. Wastewater from MİGET and from the Gebze, Torbalı, and Kemalpaşa distribution centers is treated to reduce contaminant levels far below regulatory requirements before being discharged. MİGET, Gebze, Torbalı distribution center wastewater is discharged into local

municipal sewer systems; Kemalpaşa distribution center wastewater is discharged into a Nif Creek.

In localities where it has an operational presence, Migros uses the **WRI Aqueduct Water Risk Atlas** as a tool for assessing its operations' exposure to water risk and to protect critical water resources and identify water stress. As a result of analyses carried out in 2024, Migros has determined that 81.5% of its total water withdrawn is derived from water used in 2,902 business units located in water-stressed areas. Having assessed the economic dimensions of its overall water-risk exposure caused by the 31 stores that make the biggest contribution to its total annual turnover, headquarters units, 11 distribution centers, 4 fruit/vegetable warehouses, Macro Homemade Production Plant, MİGET, and breeding farm, Migros made plans to improve their environmental and economic impact. A WRI Aqueduct Water Risk Atlas assessment reveals that 75.4% of Migros' suppliers are located in water-stressed areas. Water-risk issues are included in suppliers' ethical compliance audits. In 2024 Migros suppliers were provided with training resources to help them manage their exposure to water risk. Efforts to mitigate water risk are among the issues checked and followed up in suppliers' audits. The red meat, corn, rice and sugar products that Migros supply from its critical suppliers are all sourced from water-stressed regions. The company procures nothing containing cotton, soy beans, or palm oil from any supplier that is based in a water-stressed area.



Migros uses the WRI Aqueduct Water Risk Atlas as a tool for assessing its operations' exposure to water risk.

Sustainable Water Management



Migros qualified for inclusion in the CDP Water Security Program's Global A List in 2024. The company has been included in the ranks of CDP Water Leaders four times.

Water Efficiency Studies

Migros seeks to improve its overall productivity by optimizing the use of water in the conduct of its operations. In 2024 the company set up a Migros Water Committee consisting of representatives of departments responsible for such functions as environmental management, construction, maintenance, accounting, sales, and sustainability management. This committee is charged with reviewing operational processes and for automating the detection of water leaks and the collection of water-use data. Water-consumption performance in like-for-like stores is benchmarked against each other and individually on a twelve-month basis. If too much water is being used, the reasons are investigated and corrective action is taken.

Migros has made it mandatory for grease traps to be installed in all newly-opened stores if they have seafood sections and on the water-discharge outlets of all food preparation & service areas in stores located within shopping malls. Grease traps and strainers were installed at 20 newly-opened or renovated Migros stores in 2024.

Water tanks are installed at stores that frequently suffer water outages. In 2024, 60 tanks were installed and plumbing was improved in stores whose mains pressure was deemed to be too low. Timed faucets and aerators are used to improve water efficiency in all stores. 500 time adjustable faucets and aerators were installed in 2024. The company decided that only dual-flush toilets with 2.5-5 liter cisterns would be installed in its stores from now on.

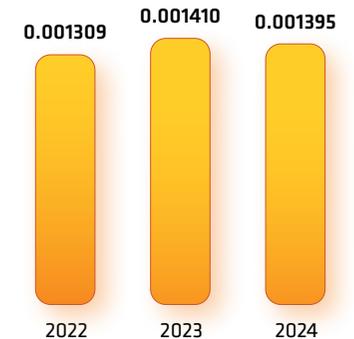
The water footprint of Migros private-label products (1 kg kaşar cheese, 1 kg Uzman Kasap skinpacked beef tenderloin) was calculated to be 168,296 m³ in 2024.

Performance & Targets

Migros has set itself the goal of reducing its base-year 2023 average water withdrawal per square meters of sales area by 10% by 2030. As of 2024, the cumulative reduction was 1.1%. Migros' water footprint is independently verified for compliance with the **ISO 14046** standard. The Water Footprint Verification Statement is presented in the **Appendices** to this report.

In 2024 Migros qualified for **Global A Leader** status when it was awarded an "A" rating—the highest possible—in the "Water Security" program of the **Carbon Disclosure Project (CDP)**. Migros has been designated a CDP Water Leader four times.

Daily Water Withdrawal Amount per m² of Sales Area (m³)



Sustainable Agriculture & Biodiversity

As a food retailer that generates 77% of its turnover from the sale of farmed products, Migros considers ensuring uninterrupted food production and sustainably protecting biodiversity in agricultural production to be high-priority issues for the company. Drawing on both global knowledge and local expertise, Migros explores ways and takes action to protect natural habitats, combat deforestation, and reduce risks to biodiversity. The company gives the utmost attention to these issues when setting new stores and complies fully with all pertinent laws and regulations when applying for permits and licenses. Migros continuously strives to comply fully with all the

environmental principles set out in the **United Nations Environment Program's Convention on Biological Diversity (UNEP)**.

Migros has adopted and published a **Biodiversity Policy**. Under this policy, the company commits itself to working with producers to support regenerative, organic, and good agricultural practices and to minimizing direct threats to biodiversity. 31% of the fresh produce that Migros procured in 2024 organic-farming, regenerative-farming, and/or GAP certifications attesting to its sustainability. The company aims to increase this percentage to 50% by 2030.

Good Agricultural Practices (GAP) - Vegetative Production

The Türkiye Ministry of Agriculture and Forestry has published a set of regulations concerning Good Agricultural Practices (GAP) principles and procedures. Migros was the country's first food retailer to offer consumers food products conforming to those regulations. For agricultural products to qualify for GAP certification, those who cultivate or produce them must have the products audited and verified compliant with mandatory production, analysis, and traceability requirements. GAP certification requires a fully-controlled and end-to-end traceable production model that records and verifies all stages of agricultural production, handling, processing, storage, and distribution as well as each stage's impact on human and environmental health. For farmed crops, a fertilizer regimen is determined on the basis of soil analyses and measures are taken to ensure that fertilizers are applied at the right time and in optimal amounts. This approach helps to prevent the overuse of fertilizers, which can impair soil structure and quality.

Migros has been promoting GAP awareness and adoption among farmers since 2010. The company offers shoppers a range of fresh produce conforming to 327 GAP criteria. Over the last 14 years Migros has procured a total of 1.7 tons of GAP-certified produce. In 2024, Migros continued its efforts to expand GAP production, working with 262 suppliers and stocking its shelves and bins with 107 GAP-certified fruit and vegetable products. In 2024, the company's tonnage-based GAP-certified

fresh-produce procurements were up by the 10% target set for the year. Migros is aiming to increase its GAP-certified fresh-produce procurements by another 10% in 2025.

Good Agricultural Practices (GAP) - Animal Production

Migros has been offering its customers chicken and turkey meat products that are certified compliant with 316 GAP criteria governing livestock production since 2013. Working with producers who have been awarded GAP certification contributes not only to Migros' process sustainability but also to the wellbeing of farmed livestock. This is because GAP principles are intended to ensure the health and welfare of livestock raised for food as well as the complete traceability of every stage of production. During 2024 Migros procured close to 40 thousand tons of GAP-certified chicken and turkey meat.

In 2024, the company's tonnage-based GAP-certified fresh-produce procurements were up by the 10% target set for the year.



Sustainable Agriculture & Biodiversity

Good Agricultural Practices (GAP) - Aquaculture

Migros launched its Good Fish Project in 2022 to ensure the sustainability and traceability of seafood production processes. Under this project, the company encourages producers of farmed fish to apply and qualify for GAP certification. Only those whose operations and products conform to 193 criteria mandated by the Ministry of Agriculture and Forestry are awarded GAP certification.

Migros has set itself the goal of selling only sustainability-certified (GAP, Global GAP, IFS etc.) farmed fresh seabream and seabass in its stores by end-2030. As of end-2024, this percentage was 30%.

Practices to Protect Bees

During 2024, Migros gave great importance to projects and activities aimed at protecting bees and making beekeeping more sustainable. Ministry of National Education-certified beekeeping courses are conducted by Migros Family Clubs in partnership with Public Education Centers and County Ministry of Agriculture and Forestry Offices. Since their inception, 924 people have attended and successfully completed these courses. Course content focuses not only on proper beekeeping methods but also on good agricultural practices and the critical ecological importance of bees. In 2024, 145 newly-certified beekeepers were given a beekeeping starter's kit and guidance support. Since 2022, Migros has reached more than 6 thousand people through 282 activities that it has undertaken to make people aware of the vital importance of bees to ecological balances. These

activities go beyond training. On the occasion of 20 May World Bee Day observances, Migros partners with commercial honey brands in the conduct of seminars, promotional events, and activities at its headquarters; discounts and special Money Club deals are offered on honey products sold in Migros stores; videos are published on MigrosTV to increase people's awareness of the importance of bees as well as the healthful benefits of honey.

Regenerative Agriculture Practices

Regenerative agriculture refers to a set of farming practices that aim to restore soil organic matter and revitalize biodiversity, thereby contributing to reversing climate change. Aware of the positive impacts of regenerative agriculture on biodiversity and ecosystems, Migros has worked to promote adopting these practices. Partnering with academic consultants, Migros has developed the Regenerative Agriculture Certification Criteria and made them available to farmers after receiving approval from the Turkish Standards Institution (TSE). These criteria provide farmers with a framework aimed at maintaining long-term soil fertility and enhancing carbon sequestration capacity. Within this scope, projects launched in various regions incorporate innovative methods such as intercropping to improve soil productivity, increase organic matter content, and enhance the soil's capacity to capture and store carbon.

Leeks Project

Migros has initiated a three-year regenerative agriculture project with a farmer that grows leeks in İzmir's Torbalı township. Under this project, researchers are looking to determine if sowing

broccoli along with leeks in the same field can make the soil more fertile and enhance its carbon capture and storage capacity. As part of the project, broccoli is being interplanted among the leeks to enhance soil nutrient levels and carbon retention. Data collected from this project will enable researchers to determine how soil fertility changes over time and also how the method affects productivity, crop quality, and ecological wellbeing.

Green Lentils Project

Undertaken in collaboration with a number of public and private sector partners, this project's aim is to increase green lentil production in Kayseri.

Partnering with academic consultants, Migros has developed the Regenerative Agriculture Certification Criteria and made them available to farmers after receiving approval from the Turkish Standards Institution (TSE).



Sustainable Agriculture & Biodiversity



Green lentils are sown as an alternative rotation crop in fields used for sugar beet cultivation. Besides improving soil health and fertility, this method also promotes biodiversity while also increasing local green lentil production. After harvest, the lentils are sold as a Migros private-label product to customers in stores all over the country. Growing green lentils as an intercrop is also being tested as a possible regenerative agriculture method under this project.

Through projects like these, Migros demonstrates the feasibility of cultivation models that increase productivity and generate sustainable earnings for farmers while also protecting natural ecosystems.

Local Sesame, Local Production Project

In 2024, Migros launched the Local Sesame, Local Production project with the aim of strengthening the local agricultural economy and promoting sustainable farming practices. Under this project, a network of farmers (90% of whom are women) in the Çukurova region of southeastern Türkiye have begun growing sesame again under contract with a Migros guarantee to purchase their harvests. Project participants are also being provided with training and technical support addressing pre-cultivation, harvesting, and drying processes and issues. In addition to locally grown sesame, tahini and halva products made from local sesame have also been made available for sale in Migros stores.

Tastes of Anatolia (Anadolu Lezzetleri) Project

“Tastes of Anatolia (Anadolu Lezzetleri)” is the name of a project that Migros is carrying out both to protect biodiversity and to support local cultural heritages. Under this project, Migros identifies endangered heirloom cultivars all over Türkiye and ensures that they get passed on to future generations. In 2024, 51 unique “Tastes of Anatolia (Anadolu Lezzetleri)” branded products were procured in 25 localities across every region of the country and offered for sale in about 450 Migros stores. In order to preserve Anatolia's rich agricultural heritage, Migros continues to support local producers and encourage the transformation of seeds into products that are distinguished by their local and cultural characteristics.

Combating Deforestation

Migros has identified combating deforestation as a key priority within its 2024 environmental objectives. In this context, the company supports afforestation projects and engages in collaborations that contribute to the preservation of existing forest areas.

In 2024, Migros worked with the Aegean Forest Foundation in support of its reforestation projects. Olives grown by the foundation are sold in Migros stores, with proceeds from the sales donated to pay for the planting of new trees. To date, Migros has contributed towards the planting of more than 600 thousand trees in various ways while also supporting efforts to rehabilitate and expand forested areas in different parts of the country. Partnering with Migros Wholesale customers, the company has

supported the scattering of 8,450 seed bombs in projects aimed at dispersing seeds directly into the natural environment. Thanks to the reforestation and afforestation projects that it undertakes and to the collaborations that it enters into with others to combat deforestation, Migros not only contributes to carbon emissions reduction but also to ecological system sustainability and integrity.

Practices to Reduce Paper Use

Migros helps combat deforestation by reducing paper waste and increasing its use of sustainability-certified materials; paper waste that is generated is sent for recycling. In line with this:

- Migros reduced paper consumption in stores by 1,324 tons in 2024. It achieved this by digitizing operational processes; by retaining store copies of cash register receipts only in electronic format; by using electronic tags and labels; by digitalizing the issuance and display of online shopping delivery forms, information slips, and invoices; by processing Migros Money loyalty card applications through its www.money.com.tr website.
- Of the paper that had to be used for operational reasons such purposes as labels, letterhead, business cards, cardboard boxes, and cash register rolls, 1,190 tons were certified by the Forest Stewardship Council (FSC) as having been sourced from forests that are sustainably-managed for industrial use.
- Migros prevented the harvesting of 420,114 trees by collecting and recycling paper, cardboard, and wood waste generated in the conduct of its operations.

Food Waste Prevention Practices

Performance Indicator	Target year	Target	2024 performance	Status by Target	Base-year / status
Food Waste Tonnage/ Food Supply Tonnage	2030	50% ↓	33% ↓ (3.38)	In progress	2018/5.04

As Türkiye's pioneer food retailer, Migros regards both supporting sustainable agriculture and reducing food loss and waste as being among its foremost responsibilities. The company accordingly develops comprehensive strategies for preventing food waste by quantifying, analyzing, categorizing, and improving its performance while also ensuring that still edible or usable food is put to good use in line with a defined recovery hierarchy.

Migros' priority is to prevent food loss from occurring in the first place and it does this by improving the operational processes that lead to losses and waste. The company discounts the prices of near-overripe fruits and vegetables as well as goods approaching their sell-by dates to encourage shoppers to buy them. Food items that remain unsold are donated to charitable causes. Migros supports circular-economy practices by sending organic waste to be converted into biogas and compost. The company engages in educational and awareness-raising efforts to make consumers more conscientious about food waste. Migros uses social media platforms both to share informative content about why food waste should be reduced and to offer practical, easy-to-use tips and solutions for preventing food waste.

Migros' efforts to prevent food waste are further supported through its involvement in both national and international initiatives. Through participation

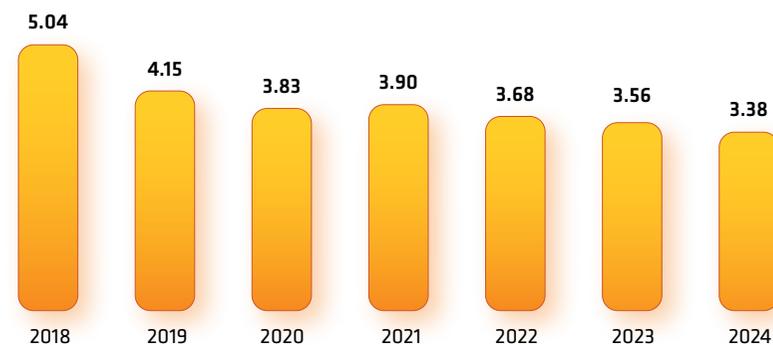
in joint platforms such as the **Consumer Goods Forum's Food Waste Coalition** and the **10x20x30** project led by the **World Resources Institute**, Migros engages stakeholders in collaborative actions against food waste. Similarly, the company collaborates with working groups under the **Sustainable Food Platform** to develop methods that minimize waste across multiple stages—from store shelves to logistics operations. In line with its commitment to and responsibility for a more sustainable future, Migros draws attention to the environmental and economic dimensions of food waste through initiatives and collaborations such as these.

Performance & Targets

Migros has committed itself to reducing food waste in line with United Nations Sustainable Development Goals. The company has set itself the target of reducing its base-year 2018 food wasted/ food supply tonnage ratio by 50% by 2030. As of end-2024, this ratio was down to 3.38%, which corresponds to a 33% reduction in the over 6 years since the baseline year. Migros' efforts to combat food waste have prevented the loss of amounts of food equivalent to more than 78 million servings.



Food Waste Tonnage/Food Supply Tonnage (%)



Food Waste Prevention Practices

Practices on Consumer Awareness

During 2024, Migros conducted a variety of campaigns and projects on both national and international platforms to increase food waste awareness among consumers. These activities focused not only on how to prevent/reduce waste through correct food storage and smart food shopping but also on proper nutrition, how to read labels, and food safety.

On the occasion of **29 September International Day of Awareness of Food Loss and Waste**, Migros shared content on social media platforms and also conducted training among suppliers. Focus topics

included how to reduce food waste by shopping only when necessary, how to refrigerate food properly, and how to put leftover food to good use. Migros helped consumers read and understand food packaging labels better by explaining the difference between “Expiration” and “Best Before” dates. The company shared practical tips on how to prevent food loss through Sustainable Food Platform seminars and guidebooks. By undertaking these and similar initiatives, Migros aims to increase consumer awareness and promote sustainable shopping habits by reaching out to as broad an audience as possible.

Operational Improvements & Discount Sales

In its efforts to combat food waste, Migros focuses first of all on improving its own operational processes. The company uses specially-developed automatic ordering systems to prevent overstocking. Using algorithms to calculate optimal order quantities of fresh produce based on previous orders, stock levels, and sales, these systems avoid overstocking by ensuring that correct quantities are ordered. Logistical processes as well as product storage and display conditions are reviewed and revised; measures are taken to extend items’ sellable lifetimes. Migros discounts the prices of near-overripe fruits and vegetables as well as items approaching their sell-by dates by as much as 50%. Discount sales of these items kept 16,643 tons of food from going to waste in 2024, the value of which corresponded to the combined annual turnovers of 37 Migros Jet stores.

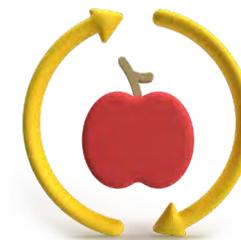
Respecting Food Project

Migros partners with **Fazla** to ensure that all of Migros’ still-nutritious and wholesome food items that remain unsold reach social markets and food banks through the Fazla’s digital platform. Since the beginning of this collaboration, 24,265 tons of food—5,850 tons in 2024 alone—that would otherwise have gone to waste have reached people who need it instead. Through the “**Surprise Box**” project, people can purchase crates containing food items such as fruits, vegetables, meat, ready-meals, and baked goods at a 50% discount. In 2024, 9.2 tons of food were saved from being wasted by 31 Migros and 27 Macrocenter stores that participated in this project.

“Fresh Leftovers to Our Four-Legged Friends” Project

Migros has been running its “Fresh Leftovers to Our Four-Legged Friends” project since 2014. This project donates food items which are no longer fit for human consumption but which are still safe for animals to eat to the **Animal Rights Federation (HAYTAP)**. Since the project began, Migros has donated 9,384 tons of food to help feed stray animals. During 2024, 955 stores located in 77 provinces contributed food that would otherwise have been wasted to HAYTAP.

Migros has achieved a 33% reduction in food waste in the last 6 years.



Food Waste Prevention Practices

Black Soldier Fly Project

Migros partners with Fazla and Germina in the conduct of a biotechnology project to farm **black soldier flies (Hermetia illucens)**, whose larvae are capable of converting organic food waste into useful sources of protein that can be used as a protein-rich food source and returned to the food chain by feeding it to animals in shelters instead of allowing it to go to waste. This project has so far prevented the needless destruction of 151 tons of organic waste, 45 tons of which was collected from 40 stores in 2024.

Energy Generation Practices from Organic Waste

When organic waste cannot be recycled or reused, Migros minimizes its environmental impact by having it recovered and used as an energy source instead. Food waste generated at Migros' Gebze, Avrupa, and Torbalı distribution centers at its İzmir Fruit and Vegetable Warehouse, and in some stores is sorted at source and sent to facilities

where it is converted to biogas. During 2024, a total of 5,595 tons of organic waste was recovered and converted in this way. Under a **composting and biomethanation project** being conducted in partnership with İSTAÇ A.Ş., a total of 861 tons of organic waste was collected from 20 stores and used as an energy source in 2024.

Reducing Food Waste of Suppliers

Migros focuses on preventing food loss in the retailing industry through end-to-end initiatives that help its suppliers reduce waste. Accompanied by 26 suppliers who have volunteered to take part, Migros has joined the **World Resources Institute's "10x20x30"** global initiative in which 10 retailers each invite and join forces with 20 of their suppliers to support realization of a goal to reduce worldwide food loss across supply chains by 50% by 2030.

Within the **Sustainable Food Platform (SFP)**, Migros has taken the lead in preparing sector-specific guidelines aimed at reducing food loss in the production sector, as part of the **Food Waste**

and Management working group. Guidebooks for producers of beverages, honey & beekeeping products, milk & dairy products, red & white meat and meat products, dried fruits & nuts, grains, and tea have been published so far.

In 2024, 5,595 tons of organic waste was recovered and converted into biogas.



Energy Generated From Organic Waste	2020	2021	2022	2023	2024
Biogas (dm ³)	425	580	498	468	560
Electricity (MWh)	899	1,223	1,051	988	1,181
Waste sent to biogas facility (tons)	4,225	5,800	4,983	4,684	5,595
Biomethanation project (tons)	0	0	509	912	861



Supporting the Circular Economy & Effective Waste Management

Migros embraces a business model that prioritizes sustainability and takes a circular-economy approach that strategically focuses on steps to reduce waste at source, to use resources efficiently, and to encourage recycling. The company focuses on creating value and supporting economic circularity by working with stakeholders in line with accepted waste-hierarchy management principles and practices. Prioritizing at-source waste reduction, Migros encourages suppliers to reduce product packaging and supports their adoption of sustainable packaging solutions. Reducing the need for and use of packaging materials means not only that less waste will be generated but also that fewer natural resources will be needed to make the packaging in the first place.

All Migros operations have been certified compliant with the waste-management practices set out in the Ministry of Environment, Urbanization & Climate Change's **Regulation on Zero Waste**. A detailed chart showing quantities of waste classified by disposal method and potential hazardous/non-hazardous risk is presented in the **"Appendices"** to this report.

Plastic Waste-Reduction Initiatives

Migros proactively strives to reduce the creation of plastic waste in many different ways by focusing on innovative solutions not only in its own store operations but also across its supply chain. The company is aiming to replace all the single-use plastics in its Macrocenter stores with nature-

friendly materials by end-2025. Campaigns are conducted in all Migros and Macrocenter stores to encourage customers to join the **Plastic-Free Shopping Movement** and avoid using plastic shopping bags. 2,018,247 ecofriendly reusable alternatives to non-recyclable shopping bags were sold in 2024. In addition to plastic and ecofriendly shopping bags, Macrocenter customers may also opt for 100% recyclable kraft paper sacks. Two Macrocenter stores have gone plastic-free and only offer kraft paper sacks and ecofriendly shopping bags. Sales of kraft paper sacks during 2024 prevented the use of 80,864 plastic shopping bags at Macrocenter stores.

Migros also gives customers the option of earning loyalty points through the **Mobile Money** app to reduce plastic consumption resulting from the printing of Money loyalty cards. In 2024, the Mobile Money app was used in 71% of all card-based transactions.

Previously-used cardboard boxes and crates are shredded and used as protective packaging for **Tazedirekt products**. Besides reducing the amount of plastic needed in the conduct of its operations, this practice also contributes to economic circularity.

Refilling Unit Projects

Partnering with laundry detergent maker OMO, a liquid-detergent refilling unit was installed at the company's Ataşehir MMM store in 2022 to reduce the need for new plastic containers by reusing existing ones. In 2024, these refilling units were installed in another two stores, one each in Ankara and İzmir. The machines were used more than 8 thousand times in 2024.

Partnering with baby care product maker UNI Baby, a similar refilling unit project for that brand's products

aimed at reducing plastic waste was undertaken at the Migros' Caddebostan MMM store. Under this project, customers bring their own containers to the store and have them filled there.

Self-service dried fruit and nut filling stations allow customers to purchase the exact quantities of these products that they want by bringing their own containers to the store or using Migros-supplied recyclable paper ones. These units were in operation in 75 stores in 2024. The company will be installing new ones in more stores in 2025.

A Private-Label Package Indexing project that Migros carried out revealed that 85% of the packaging of its own-brand products was recyclable. During 2024 the company continued efforts to make its own-brand product packaging more sustainable. Recycled PET (r-PET) makes up 25% of the packaging of six Migros-branded detergents. Migros has begun using a recyclable alternative instead of PVC in the modified atmosphere packaging (MAP) trays used for its Uzman Kasap meats and meat products. Detailed information about Migros private-label product packaging is presented in the **"Appendices"** to this report.

In 2024, 2,018,247 ecofriendly reusable bags were sold.



Supporting the Circular Economy & Effective Waste Management

Waste-Collection and Recycling Projects

Migros collects and sorts all packaging (paper, plastic, metal) waste, organic waste, discarded batteries, and used cooking oils generated in the conduct of store operations and sends everything for recycling. The company also contributes to environmental sustainability by doing the same thing with these materials that customers bring with them to the store. 29,644 tons of waste were sent for recycling in this way during 2024.

Migros Sanal Market customers can ensure the proper disposal of their own used cooking oil and discarded batteries by turning them over to the delivery employee who bring them their orders. During 2024, 53 tons of used cooking oil and 2.3 tons of discarded batteries collected from Migros' operational units, stores, and online operations were sent to licensed waste-disposal firms.

The collection of used cooking oil prevented the pollution of 57.3 million m³ of water; the collection of discarded batteries prevented the contamination of 560 thousand m³ of soil. 142.2 tons of electronic waste collected from Migros' own operations or surrendered by Migros customers was sent to be recycled by firms licensed by the Ministry of Environment, Urbanization & Climate Change.

Migros engages in an ongoing effort to improve and expand its waste management and recycling processes with the aim of ensuring that all waste generated in the course of its operations or as a result of interactions with customers is managed in eco-conscientious ways.

Green Office Project

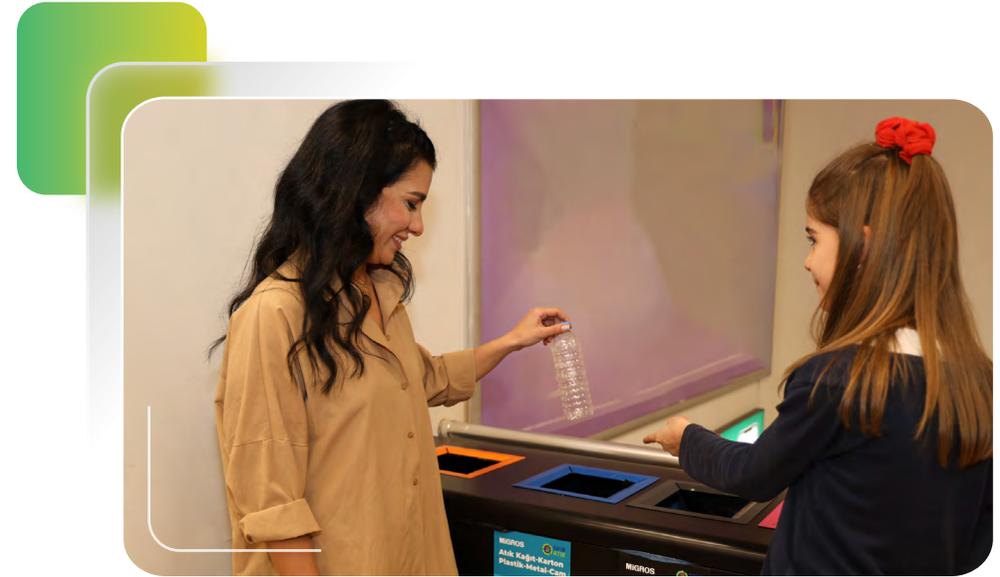
The aim of the WWF Türkiye Green Office Project is to support sustainable practices and improvements in offices. Migros' headquarters operations rejoined this project in 2024. Migros' Green Office Project aims to reduce energy consumption and waste creation while also increasing employees' awareness. Employees were provided with "Green Practices" and "Zero Waste" training; informational materials dealing with these issues was disseminated among them through e-bulletins. On the occasion of International Coastal Cleanup Day, a trash-removal event was organized along the Moda seafront in İstanbul to promote environmental awareness among employees. On the occasion of World Environment Day, discarded items were transformed into artworks during advanced recycling workshops.

Cleaning up the Sea with TURMEPA

Migros contributes to the Turkish Marine Environment Protection Association's (TURMEPA) efforts to prevent marine pollution by collecting used cooking oil so it can be turned over to licensed firms for recycling. TURMEPA's DenizTemiz 3 vessels collected a total of 51 thousand liters of sewage with Migros' support in 2024, thereby helping to prevent the pollution of 408 thousand liters of seawater.

Migros & Duracell Used Battery-Collection Project

Under the "Power Up for More" campaign conducted jointly with Duracell, bins are installed in Migros stores for customers to dispose their used batteries in. These batteries are turned over to Duracell for recycling, in return for which that company donates science kits to children living in disadvantaged areas.



During the 2024 round of the Power Up for More campaign, about 2,000 of these kits were handed out.

Bookcases Made from Recycled Pistachio Shells

Partnering with Nestlé, bookcases made from recycled pistachio shells were donated to five schools in 2024. The manufacture of these bookcases is funded by a portion of the proceeds from the sale of Nestlé Damak products at Migros' stores and online market.

A total of 29,644 tons of packaging waste were sent to recycling during 2024.





A Better Future through Transformative Innovation

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R&D Center and Innovation

Migros continues to invest in the future in line with the innovative approaches to which it adheres. Focused on deploying AI-based solutions in retailing and benefitting from the company's information technology strengths, the Migros R&D Center engages in a ceaseless effort to integrate such solutions into business processes. The center also collaborates with other R&D firms. By carrying out R&D activities, developing products scientifically and systematically, establishing academic and technical R&D collaborations, and supporting entrepreneurial ecosystems creates a collaborative environment in which co-innovation thrives. This approach also encourages the

publication and dissemination of scientific and technical knowledge and strengthens the ability to come up with pioneer solutions.

R&D Center has been in operation for eleven years. As of end-2024 the center employed a staff of 290. The ten national patent applications and one brand application filed in 2024 brought the total number currently under formal review to 45. In 2024 one utility model patent was awarded to the center, bringing the number of its patent registrations to 23.

R&D Center's projects focus mainly on creating competitive advantages in retailing by lowering

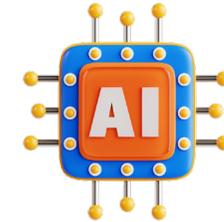
costs, reducing losses, increasing turnover and productivity, saving time and labor, and generating additional revenue streams. The projects do this by improving, optimizing, digitalizing, and innovating business operations and processes and detecting and correcting process anomalies.

R&D Center also develops new processes and solutions capable of creating added value for Migros' stakeholders—customers, suppliers, farmers, entrepreneurs etc. as well.

Migros is constantly increasing its investments and projects aimed at leveraging AI-based solutions. Migros' entire R&D and innovation investment budget amounted to TL 741 million in 2024.

Migros makes active use of digital technologies to deliver better service. These technologies make it possible to monitor service progress in real time and individualize services in line with customer feedback.

Benefitting from the company's information technology strengths, the R&D Center engages in a ceaseless effort to integrate technology solutions into business processes.



Digitalization & innovation practices informed by the principle of stakeholder-value creation

So that customers may do their shopping more conveniently and more quickly	To expand the stakeholder ecosystem	To encourage innovative undertakings	To the shopping experience better and easier	To increase business process productivity
To improve online shopping channels	Retailing-focused new ventures and subsidiaries	Migros Up program entrepreneurial ecosystem support	Customer-focused innovation	Efficient resource use

Digitalization & Innovation Practices



Migros One & Online Channels

In line with Migros' multichannel integration strategy, online channels are constantly being developed and diversified taking customers' demands and expectations into account. The company's **Migros Sanal Market, Migros Hemen, Migros Ekstra, Macroonline, Tazedirekt, and Mion online channels** and **Migros Yemek** operations are all conducted by Migros subsidiary Dijital Platform Gıda Hizmetleri A.Ş. under the Migros One brand. The company's innovative Migros Mobile app has evolved into a Super-app that offers integrated access to all of Migros' online sales channels.

Customers who wish can also continue to use the www.migros.com.tr website for their online shopping needs.

Migros One successfully defended its position as the leader of online shopping services in 2024. Migros Yemek likewise completed the year as the fastest-growing online food-ordering platform and continued its efforts to shorten food delivery times to within minutes. Migros One has installed the infrastructure it needs to be able to fulfil every customer delivery request from immediate to scheduled time and next-day.

The range of online channels' product and delivery options has been expanded through innovative changes and additions taking into account customer expectations, logistical service resources, and supplier collaboration processes. In 2024 Migros continued to introduce AI-based customer-individualized innovations in its online channels, thereby maintaining Migros One's stature as the retailing industry's technology leader. Migros One app module include the **Migros Smart Life Assistant (MAYA)**; "What's Cooking?", which provides users with recipe and product suggestions; and "ReadyCart", which suggests quick picks based on previous orders. Also built into the app are advanced search and suggestion features that use AI-based personalization to make users' shopping experience more convenient and enjoyable.

The range of online channels' product and delivery options has been expanded in 2024.



MIGROS ONE

Product Type

Ready Meals/
Ready to Eat

MIGROS
yemek

Food and Non-Food/
Home Consumption

mion

Taze
Direkt
MIGROS
EKSTRA

MIGROS
sanalmarket
macro**online**

MIGROS
Hemen

+Next Day

Same Day

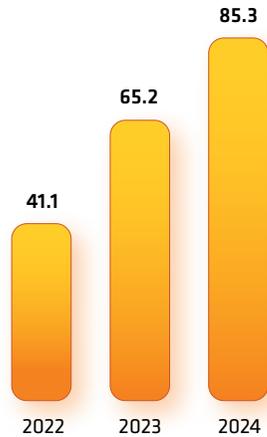
Within 1 Hour
Delivery

Express
Delivery

Delivery Time

Digitalization & Innovation Practices

Number of Orders from Online Channels (million)



In a 2024 survey conducted by Ipsos and MediaCat to identify Türkiye's Lovemarks, Migros Sanal Market and Migros Hemen was honored as Türkiye's **best-loved online shopping venue**. In accordance with the survey, the Migros One Superapp has a user recommendation score that surpasses the sector average.

Migros One delivers a more customer-advantageous shopping experience through its integration of the entire Migros ecosystem. Customers can use their Migros Money Cüzdan (e-wallet) to pay for purchases and also benefit from its "Buy Now Pay Later" feature. User data show that the Migros Money Cüzdan is becoming an increasingly more popular choice among customers: about a quarter of them are using it for payments at present.

Migros Sanal Market

Ever since 1997 when it first transformed the landscape of the online shopping experience in Türkiye, Migros Sanal Market has been delivering secure, reliable, and comprehensive service to customers.

Aiming to provide customers with a fast, reliable, and convenient shopping experience, Migros Sanal Market maintains a huge range of offerings numbering over 20 thousand different items that make it possible for the store to supply shoppers with whatever they may need from food and basic consumables to personal care products, electronic goods, and household necessities. Thanks to advanced digital infrastructure and access to an extensive distribution network, Migros Sanal Market orders can be prepared and delivered quickly.

1,288 Migros stores located all across Türkiye were involved in Migros Sanal Market's operations during 2024. The market's **"Click & Collect"** feature that allows customers to pick up an order themselves from a store was extended to 1,281 locations in in all 81 of Türkiye's provinces in 2024. Migros Sanal Market's delivery fleet included 36 electric bikes in 2024; other EV options are being tested. Customers may opt to have their purchases delivered in reusable shopping bags rather than plastic sacks.

Migros Sanal Market's new AI-supported **Migros Smart Life Assistant (MAYA)** platform was rolled out in 2024. MAYA transforms shopping into a hyper-personalized experience. Its meal-planning feature includes the calorie and nutritional values of meals, portion costs and weekly menu planning according to the number of people. MAYA figures

out what items are needed to achieve this menu so that the user can add them to their shopping cart. Other MAYA features include budget-friendly vegan, vegetarian, gluten-free, and organic options and access to videos and suggested solutions dealing with a host of subjects ranging from recipes to home maintenance and from child development to personal care.

Migros Hemen

Migros Hemen was launched in 2019 to address customers' increasingly greater demand for quick-delivery solutions and to sharpen Migros' competitive edge. Migros Hemen quickly established itself as a major player in the sector. As of end-2024, Migros Hemen was available to customers through 585 stores in 81 provinces. Migros Hemen has a select range of offerings numbering over 2,500 different items from basic

consumables to personal care products. Customers may opt to have their purchases delivered in reusable shopping bags rather than plastic sacks. Robotic process automation is used to ensure that orders are picked and readied quickly and correctly. Such innovative approaches increase operational efficiency while minimizing customer delivery processes and times.



Digitalization & Innovation Practices

Migros Ekstra

Migros Ekstra was launched in 2021 and immediately began serving an extensive customer base in all 81 provinces. Migros Hemen gives customers quick and convenient access to a broad range of offerings numbering over 7,000 different non-food items from electronics to toys and from garments and accessories to glassware and cookware. There is also a more limited selection of bags, textile products, sports footwear, and personal electronics. During 2024, Migros Ekstra continued to increase customer satisfaction by deploying an extensive distribution network of cargo service providers that gives the brand access to every part of the country.

Macroonline

Macroonline is the online channel that Macrocenter launched in 2018 to make its outstanding portfolio of products and superior service standards accessible to a broader audience. At end-2024, Macroonline was serving customers in 12 provinces with more than 10,000 offerings. Customers may opt to have their purchases delivered in reusable shopping bags rather than plastic sacks.

Boasting a rich array of offerings and a customer-focused approach to service while aiming to deliver a perfect online shopping experience, Macroonline is accessible through the Migros Mobile app and www.migros.com.tr as well as from its own www.macrocenter.com.tr website.

Tazedirekt

Tazedirekt supports local producers and organic farms by sourcing what it sells directly from them rather than through intermediaries. All products are meticulously selected and painstakingly checked by food engineers, carefully packaged to preserve their freshness, given a final check, then delivered to designated addresses aboard refrigerated vehicles maintained at a constant 4 °C. Tazedirekt offers convenient access to healthy, reliable products while supporting local production and ensuring freshness.

Tazedirekt sources what it sells directly from 74 farms. As of end-2024 it was supplying customers with more than 3,500 different items in five provinces. Tazedirekt is accessible through the Migros Mobile app as well as from the www.migros.com.tr and www.tazedirekt.com.tr websites.

41 Tazedirekt suppliers have availed themselves of **Migros Suppliers Academy's** free online training resources dealing with food safety, ethical behavior, and social responsibility issues. Suppliers who successfully pass an independent audit conducted after completing this training are awarded Tazedirekt Supplier Academy Participation Certificate.

Mion

Mion is Migros' personal care product retailing format. As of end-2024 Mion was serving customers through 100 stores located in 29 provinces. Continuing to expand the broad range of personal care products in its portfolio, Mion is currently offering more than 9,000 items in its stores as

well as through the Migros Mobile online app. The application offers skin analysis feature and provides product recommendations based on needs. In addition, the Mion website was launched in 2024.

Migros Yemek

Launched in 2022 and originally serving only Ankara, İstanbul, and İzmir at the outset, the Migros Yemek food delivery platform has since expanded its service reach to all 81 of Türkiye's provinces. In 2025 Migros intends to further expand the footprint of the "Deliver by Migros Yemek" business model. This model is currently available in 54 provinces. With the addition of well-known chain brands, Migros Yemek is now positioned to accept orders from more than 50,000 restaurants across the country. During 2024 Migros Yemek conducted a series of campaigns and special offers to increase the number of customers making use of its services. Cross-sale opportunities

As of end-2024 Tazedirekt was supplying customers with more than 3,500 different items in five provinces.



Digitalization & Innovation Practices

were created by means of checkout aisle scratch-card and cash-register receipt campaigns conducted in Migros stores. Migros Yemek's innovative solutions and customer-focused approaches have earned the brand six prestigious Kristal Elma, Effie, and Felis advertising & marketing awards.

Migros One Kitchen

Launched in 2021, Migros One Kitchen conducts its operations in centrally located "cloud" kitchens to create a range of menus appealing to a variety of audiences. These kitchens prepare and supply food for multiple brands. With a network of over 38 kitchens, Migros One Kitchen focuses on the preparation and production of a range of offerings such as burgers, salads, appetizers, pizzas, desserts, and coffees. During 2024, 13 new brands joined the Migros One Kitchen network, and the kitchens began preparing more than 200 new menu items. Migros One Kitchen aims to increase customer satisfaction and create added value for the food-delivery industry through its innovative approaches.

Migros Toptan

Migros Toptan is Migros' wholesaling format. As of end-2024, Migros Toptan was conducting its operations through stores in 27 stores, 18 of which also offer online sales through the www.toptan.migros.com.tr website. Through its online operations, Migros Toptan supplies about 900 types of products to customers in 11 provinces. Products are delivered to customers aboard vehicles certified compliant with cold-chain standards. Logistical processes are remotely monitored; customers are provided with real-time information about the movement of their orders.

Other Migros Subsidiaries & Affiliates

MoneyPay

MoneyPay (MoneyPay Ödeme ve Elektronik Para Hizmetleri A.Ş.) is Migros' financial technology (fintech) subsidiary. In 2024 MoneyPay continued to supply a wide range of comprehensive financial products and services for retail and corporate customers. Delivering secure and innovative payment solutions through both physical and digital channels, MoneyPay made considerable strategic progress in line with its goal of improving the customer experience and making financial transactions more convenient.

- Money digital and physical prepaid cards supported by Türkiye's TROY national payment system have been introduced.
- QR code payment and digital wallet features using stored credit and debit cards have been added to the Money mobile app.
- Partnering with Colendi, a "Buy Now Pay Later" feature has been introduced that allows payments to be deferred for up to 90 days. Consumer-loan based installment options have been added through agreements with merchant partner banks.

The capabilities of the MoneyPay app were expanded with the addition of new financial services such as wire transfers, EFT, the ability to make 24/7 no-fee mobile phone transfers, and easy cash withdrawals from ATMs and Migros checkouts. In addition, innovations such as Precious Metal Investment, transactions on Borsa



Istanbul, and Prize Draw have been added, allowing users to diversify their financial investments.

The integration of Migros' long-running Money loyalty program into the MoneyPay app means that users can manage all of their financial transactions and Money campaigns via a single platform. They can use the MoneyCüzdan (e-wallet) feature to make and receive payments etc. while also keeping up to date on the latest campaign discounts and offers. MoneyPay has also expanded into e-commerce with MoneyPay Virtual POS and MoneyPay Link solutions that let businesses handle their payment processes quickly, conveniently, and securely. MoneyCüzdan's advantageous payment features are available not

In 2024, MoneyPay made considerable strategic progress in line with its goal of improving the customer experience and making financial transactions more convenient.



Digitalization & Innovation Practices



just in Migros stores but also on other Migros-owned platforms such as Migros Sanal Market, Migros Hemen, Migros Yemek, Migros Ekstra, Macroonline, Tazedirekt, and Mion.

Among corporate customers, both employers and employees are attracted by the flexibility and diversity of MoneyPay solutions. **ProFlex** product lets their employees purchase the goods and services of more than 30 brands across a wide range of categories. **Money Business** product provides a one-stop solution for such needs as meals, travel, clothing, fuel, and invoiced expenditures that offer tax and efficiency benefits for companies and convenience for employees.

Mimeda

Mimeda (Mimeda Medya Platform A.Ş.) is Türkiye's first retail media company. Its mission is to supply retailers with precisely-targeted advertising that enhances the shopping experience by integrating their sales data across their physical and online channels. Mimeda has been in operation since 2021. Including members of the Migros Group, it is currently providing service to 13 retailers.

Taking over as the head of the Interactive Advertising Bureau's (IAB) Turkish Retail Media Committee in 2024, Mimeda had a hand in the publication of the finalized version of IAB's

In-Store Retail Media Definitions & Measurement Standards. Prepared jointly by IAB USA and IAB Europe, this set of guidelines makes a significant contribution towards setting and developing standards across the retail media industry.

During 2024, Mimeda worked with 350 brands in the conduct of 4,627 projects and campaigns. Mlink, a self-service retail media adtech platform developed by Mimeda, has grown by 100% and is being used by more than 350 brands.

An AI-based segmentation model that Mimeda developed for L'Oréal earned the company four awards at the 2024 editions of MMA Smarties Türkiye, MMA Smarties MENA, and The Hammers.

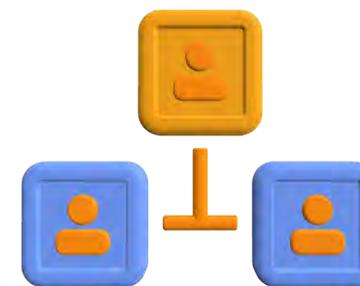
Mimeda supplied a personalized product-recommendation engine and adtech infrastructure for a skin-analysis tool developed in collaboration with PulpoAR as part of a co-innovation project with Migros Up. Migros plans to incorporate this tool into its Migros Sanal Market, Mion, and other retailing platforms in 2025.

Migen Enerji

Migen Enerji (Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş.) was set up in 2022 with the mission of providing electric vehicle (EV) charging services and playing a role in Türkiye's vehicle-electrification process. Migen Enerji's charging stations installed at Migros store locations provide EV-owning customers with quick and reliable recharging capabilities under its **Miggo** brand. As of end-2024, the company had 65 charging stations in 19 provinces. Migen Enerji plans to increase the number of stations to 150 in 2025 and will also be

conducting special-deal campaigns for customers who use its newly-facelifted Miggo Şarj mobile app. In 2024 Migen Enerji took a step towards expanding its operations as an active electricity market player with the receipt of an Electricity Supplier's License.

Including members of the Migros Group, Mimeda was providing service to 13 retailers as of the end of 2024.



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Paket Taxi

Paket Taxi (Paket Lojistik ve Teknoloji A.Ş.) is a Migros subsidiary and trailblazing e-commerce cargo service provider that supplies end-to-end integrated logistical solutions. As of end-2024, the company was active in all 81 of Türkiye's provinces. Paket Taxi employs 7,000 couriers and 650 vehicles to provide delivery services for 425 brands including those of Migros One. "The Kurye", a project designed to optimize routes and courier deployment, went live in 2024. This project's aim is to reduce operational costs and enhance customer satisfaction by increasing the speed and efficiency of the company's logistical service processes.

GurmePack

GurmePack, a brand co-owned by Migros subsidiary CRC Danışmanlık ve Organizasyon A.Ş., specializes in the creation of menus formulated to promote healthy eating habits and balanced nutrition. GurmePack supplies customers with appetizing prepackaged meals carefully prepared and hygienically delivered in easy-to-use containers.

Migros' Entrepreneurial Ecosystem

Migros Up

Migros Up is an acceleration and innovation program that brings entrepreneurs and Migros specialists together in teams tasked with coming up with creative ideas and solutions to problems.

The Migros Up program is designed to:

- Create opportunities to work with outside entrepreneurs to address the particular needs of various Migros functions;

- Trigger strategic collaborations;
- Promote a culture of innovation across the company.

Migros Up's 2024 call for project submissions solicited 203 responses. Among the projects that were given their start were three that are seen as having a direct impact on achieving Migros' goals of enhancing the customer experience and improving operational productivity:

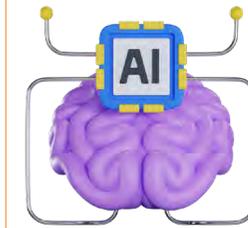
- **Pure Skin Project:** Undertaken jointly with PulpoAR, the Pure Skin project improves the shopping experience by incorporating a feature into the Migros app that allows users to perform skin analyses and then get suggestions about which skincare products might be useful for them.
- **Foresight Project:** Launched jointly with Bomensoft, the Foresight project uses security-process digitalization and AI-assisted systems to detect suspicious activity inside stores so as to prevent customer misconduct.
- **What's in the Box?:** Developed in partnership with Microne, the What's in the Box? project improves operational efficiency by ensuring that goods are moved about securely and safely during distribution and stock-acceptance processes at stores.

During 2024, a total of 15 Migros Up program projects were successfully brought to completion while work continued on the commercialization and expansion of another five that had been begun earlier, thus achieving the programs aim of "developing 15 co-innovation projects by the end of 2024".

Other Project Highlights

- **Dryers project:** Dryers is a project carried out with startup Amanos to develop fruit and vegetable dehydrators that use harvested waste heat to create a marketable product by dehydrating fresh-produce stock that is past its prime. One dehydrator has been installed at the Ataşehir MMM Migros and the dried products are now on sale. This project placed first in the "New Product" category at the Anadolu Group "Bi'fikir" new-ideas festival.

By integrating AI-supported solutions into its operational processes, Migros increases both customer satisfaction and efficiency in business processes.



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- **WaMo project:** Developed in partnership with Hergele Mobility, WaMo uses electric scooter technology to make order-picking operations more efficient and ergonomic.
- **KolajeM:** KolajeM is a co-innovation project developed with Bugamed Biyoteknoloji A.Ş., a biotech firm that transforms organic tissue from MİGET meat processing operations into collagen that is used in the production of atelocollagen-based creams, serums, and sunblocks. These products are now on sale under the “Voop” brand.
- **Energy-Consumption Monitoring System (ETTA):** The Energy-Consumption Monitoring System (ETTA) uses an AI-based algorithm developed in partnership with startup ServisSoft that tracks and predicts electricity use on an hourly basis. These systems are currently in use in 610 stores.

Customer-Focused Innovation

24/7 Self-Service Markets

Self-service all-vending machine stores provided customers with uninterrupted 24/7 access to nearly 200 products at two locations during 2024. Self-service vending machines were also installed at 18 locations in 9 provinces in 2024.

Mkolay Kantin

Mkolay Kantin delivers a **self-service** experience in workplaces, offices, and public spaces. Customers pick items they want and scan the barcodes; payments are automatically charged to their predefined bank or credit card or deducted from their MoneyPay account.

MGo

MGo is another Migros format that delivers a self-service shopping experience in workplaces, offices, and public spaces. In the MGo format, payments for items that customers take off a shelf are automatically charged to their predefined bank or credit card. AI-assisted cameras and sensors incorporated into intelligent shelves notify the operating system and ensure that customers are properly charged for the items they take. **MGo 24/7** vending machines can be installed to deliver a convenient shopping experience in locations that are not spacious enough to accommodate an MKolay Kantin.

Migros Deniz Market

Migros Deniz Market (Sea Store) is a seagoing vessel that is deployed to deliver a uniquely convenient shopping experience to customers yachting through the Göcek and Bozburun coves in Türkiye's Aegean region. Orders for the rich selection of more than 3,500 items that the vessel regularly stocks can be placed through Migros Sanal Market. Prices and discount campaigns are the same as those available in regular Migros stores. In 2024 Migros Deniz Market gave its customers the benefit of next-gen delivery technologies with the addition of an **“autonomous delivery”** option when they place their order.

Business Process Efficiency Enhancement

Highlights of Migros' R&D and innovation projects and activities during 2024 are presented below. Most of them have been already deployed with the

aim of improving the company's in-house business processes. Field trials of others intended to improve customer-focused processes were initiated and are currently in progress. Migros takes a technology-transformation and innovation-focused approach to integrating AI-supported solutions into its operational processes in order both to increase customer satisfaction and to maximize process efficiency.

Within the scope of digital transformation projects in 2024, the following projects were carried out:

Electronic Labels: The installation of electronic labeling systems was completed in 38 stores in 2024 as part of the company's ongoing product price tag digitalization initiative. This project will continue in another 775 stores in 2025 in line with Migros' goal of achieving operational excellence.

Jet Kasa 3.0: The aim of this project is to expand the deployment of express checkouts in stores to reduce checkout waiting times and to improve the customer experience. Next-gen express checkouts were installed in six stores in 2024. This project will continue in another 474 stores in 2025.

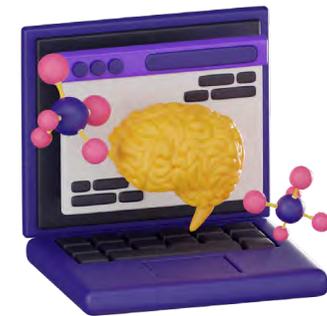
Kaptan: New additions to Migros' Kaptan app gateway to the in-house mobile apps used by company employees in the performance of their jobs brought the total number to 42 in 2024. The five most-frequently run apps were used some ten million times in 2023 and 2024.

Agile Transformation: Migros' Agile Transformation initiatives continued in 2024. The number of agile teams consisting of representatives from different in-house

departments and functions that were set up to come up with quick and effective solutions to problems reached 93 in 2024.

Shelf & Aisle Product Recognition: Under this project, an AI-powered image processing system improves operational efficiency by recognizing items from their images and identifying those that are misplaced. The system can also be used to identify items that are in stock but not on display. These systems are currently in operation in five stores. Work is currently in progress to further enhance the user experience and reduce costs by using AI to recognize images captured by means of apps running on mobile devices in the conduct of store planogram verification processes.

A total of TL 83.2 million was invested on sustainability-focused (environmentally and socially-beneficial) R&D and innovation projects in 2024.



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Fresh-Produce Image Processing: This project aims to use AI-powered image processing to keep real-time track of how full fresh produce bins and shelves are so that they can be replenished, making it easier for customers to find the items they want. The project also aims to increase customer satisfaction by preventing out-of-stock situations in online sales. These systems have been deployed in 50 stores. This project has been designated **one of three Microsoft MEA success stories.**

AI-powered Fraud Detection: AI-powered image processing is used to detect both deliberate fraud and unintentional errors in checkout and payment processes in stores by replacing labor-intensive manual controls with a system that uses operational inputs and AI outputs instead.

Robotic Process Automation (RPA): Software robots are used to automate routine, repetitive, high-priority, and high-volume tasks in order to improve operational efficiency, save time, and reduce errors by making it unnecessary for employees to do them. The automation of routine tasks also means that employees can focus their attention on higher added-value tasks instead. As of end-2024, the conversion of business processes to software robots was saving 4,209 employee-hours a month.

R10 Payment Systems Platform: The R10 Payment Systems Platform is a project to transform payment-system infrastructure by deploying a multi-channel software architecture. As of end-2024, the application inventory was 74% complete.

104 stores and 219 cash registers have been converted to R10. All newly opened Macrokiiosk stores are starting out with R10. The installation of One Kitchen and Cafe R10 cash registers has been completed as required by law. R10 infrastructure and intelligent shopping carts have been commissioned in one store. About 15% of Migros' turnover and 8.2% of all transactions are now being processed through the R10 system.

TARO Robot-Supported Product Assistant: TARO is a robotic-assisted product picker developed to improve the speed and efficiency of product picking in online sales operations by integrating innovation and technology into how the company conducts its business. TARO is a user-friendly robot that can handle up to three orders simultaneously and accurately put together online customers' orders five times more quickly. In 2024 TARO was being used at 61 stores in 18 provinces to fill Migros Sanal Market orders and at 62 stores in 13 provinces to fill Migros Hemen orders. The system is currently being incorporated into our Tazedirekt, Mion, and cargo operations.

Sustainability-Focused Product & Service Development

As in previous years, R&D operations in 2024 continued to focus on the development of environmentally and socially-beneficial products and services. Of the eleven R&D projects that were carried out in 2024, one was new and the other ten were ongoing. A total of TL 83.2 million was invested on sustainability-focused (environmentally and socially-beneficial) R&D and innovation projects in 2024. Five of these projects are being carried out with EU Horizon or TÜBİTAK

program support. Some of 2024's projects are highlighted below.

- Project to model investments aimed at sourcing the electricity needed in all distribution centers and stores from renewables from the standpoints of quality, cost, and location and to create a decision-support system.
- Project to minimize food loss and reduce food waste and destruction by deploying sustainable biological preservation technologies to extend fresh produce shelf-life.
- Project to reduce food destruction through effective pricing and optimizing store-based discounting for items that are approaching their expiration date.
- Project to contribute to localized agricultural production continuity by developing financial-sustainability models and practical interfaces beneficial to farmers.
- Project to make deliveries to online customers more ecofriendly through carbon emission-reducing strategies such as micro-consolidation centers in metropolitan areas, electric vehicles, route optimization, intelligent systems etc.
- Project to investigate factors that adversely impact food security such as climate change, natural disasters, biodiversity loss etc. in order to create early-warning systems, formulate resilience strategies, and identify sustainable-agriculture needs.



Transparent & Fast Flow of Product Information

Migros is guided by the principles of transparency and accountability in the management of all product-information processes. Migros ensures that packaging and labels give customers accurate and detailed information about the products they contain. The packages of all food products put on sale contain information about calorie and nutritional values conforming to the requirements of the **Turkish Food Codex Regulation on Labeling & Provision of Food Information to Consumers**. The company takes great care to provide customers with instructions about how non-food products should be used. The labels associated with goods that are sold online also provide all the information that applicable laws and regulations require them to have.

With the support of its suppliers, Migros aims to have all product information fully integrated (defined and verified) into the GS1 system by end-2030.



Packaged Product GS1 System Integration

Migros believes that retailing-industry collaboration is crucial for making certain that online and offline customers have quick and convenient access to reliable information about what they are buying and consuming. Migros works closely with GS1 Türkiye, the Turkish chapter of GS1 Global, an NGO that develops product-data digitalization and barcode standards and technologies, in the conduct of projects aimed at achieving transparent and consistent information flows between retailers and consumers. The Migros Group CEO, who is a member of the boards of both GS1 Global and GS1 Türkiye, is also playing a leading role in Türkiye's participation in the Consumer Goods Forum's **Product Data Digitalization & Standardization Project**.

Verification of products entered into the GS1 system plays a key role in ensuring product safety and upholding quality standards. To date, the transparency and traceability standards of 12,198 products have been improved by the products' integration into the GS1 system. Besides making it possible for these products to be recognized and managed in line with global standards through the GS1 system, this integration also increases operational productivity and improves the customer experience.

The increase in the number of suppliers included in the GS1 project continued to gain momentum in 2024. In 2024 GS1 launched a Data Capture Project simultaneously with a large number of producers and retailers. The basic aim of this project is to ensure that producers' product-label and visual

data are verified in a manner compatible with GS1 standards and in this way to create a pool of data that is accurate and reliable. This approach is intended to standardize product information flows and to increase product information accuracy across the global retailing industry.

With the support of its suppliers, Migros aims to have all product information fully integrated (defined and verified) into the GS1 system by end-2030. Migros is also keeping a close watch on other developments such as GS1's planned shift to a QR system in 2027 in order to integrate any changes into its own business model.

Agricultural Produce Traceability

The Migros Traceability Platform gives customers the ability to track the movement of fruits&vegetables products that the company sells as the goods move from field to store and on to shelves. Customers can use their smart phones with or without the Money Mobile app to scan QR codes on fresh produce shelves and bins and conveniently view a complete record of these movements as well as check product information details and certifications if any. During 2024, this feature was used 22,505 times to query the movements of 1,678 traceable fresh fruit & vegetable items.

Through the Agricultural Production Traceability Portal (TÜİP) that Migros launched several years back, suppliers enter certification details about the products the company sources from them. This has resulted in the creation of a database which ensures that all sustainability-certified farm produce can be tracked quickly and effectively.

The system has the additional benefit of giving consumers access to reliable information about agricultural produce quality and certification processes. TÜİP is fully compatible with the automation systems used in Migros' stores. Currently-valid product-certification information is automatically entered via the portal and it is possible to check certification validity at any time.

Meat Traceability

Through the meat traceability project that it developed, Migros provides information such as production date & place, expiration date, batch number, nutritional values, allergens, storage conditions, and origins of 24 Uzman Kasap red meat products. In the last stage of this project, information about Uzman Kasap product groups other than minced and shaped-meat products will be transitioned to QR codes. Once that is completed, Migros plans to give customers access to dynamically changing information such as ambient temperature and location along with the information currently being provided as well.

Privacy and Data Security

During 2024, Migros continued to focus on strengthening its information security and cybersecurity strategies, ensuring the confidentiality of personal data, and reducing energy use through the deployment of green IT technologies. The company's collected-data use, data-retention, and data-destruction processes are all managed in accordance with the requirements of **Migros' Information Security** and its **Personal Data Protection & Processing Policies**. These policies are publicly and transparently disclosed not just to customers but to all Migros stakeholders. Migros senior management and board of directors conduct annual reviews of the company's cybersecurity and information security policies and oversee strategy and target performance.

Migros has established a PDPL Compliance Committee that is charged with continuously monitoring the company's data-security processes. This committee's membership consists of representatives from company units responsible for such matters as Information Security, Legal Affairs, Data Analytics, and Customer Channel Management. The committee is chaired by the Chief Information Officer. The Migros Internal Audit Department regularly conducts audits as directed by the decisions of this committee. Preventing information security breaches is a key performance indicator for Network & Security Department employees and managers. Target fulfillment contributes between 5% and 15% of their performance scorecards and has a direct impact on their annual bonuses. Likewise, the performance scorecards of committee representatives from different departments also include items related to information security compliance, thus ensuring

that cybersecurity and data-privacy awareness is maintained at consistently high levels across the company.

During 2024 Migros made improvements on a number of fronts such as network traffic-based anomaly detection systems, faster and more flexible scalable IT infrastructure, 24/7 secure threat monitoring & automation solutions, cyber insurance, and comprehensive reporting. Risk maps laid out after conducting cyber risk analyses were supported by regular cyber incident drills and crisis management procedures. Dedicated email, instant message, and telephone channels were designated for employees to use when contacting the Information Security Team. Phishing tests and information security announcements were regularly used to strengthen the company's cybersecurity resilience by raising employees' cybersecurity awareness. The effectiveness, adequacy, and suitability of information security controls are reviewed and assessed at least once a year; policies and procedures are regularly reviewed and employees are given cybersecurity refresher training. In 2024 3,127 people attended **Information Security Awareness & Phishing training** provided to make employees aware of information security risks.

Rule sets for determining critical data assets were created. Data and inventory processes were completed to prevent retention of unnecessary data. The company's email policy was updated as per PDPL and Payment Card Industry Data Security Standard (PCI-DSS) compliance requirements; retroactive cleanup operations were carried out accordingly.

All crisis, data, and business management processes as well as digital transformation strategies are managed in coordination and seamlessly across the company. Information security and cybersecurity processes, hardware, software, and systems are regularly subjected to internal tests and external audits. An automatic supplier-maturity measurement system has been commissioned. System access was made more robust and overall system security was enhanced by means of two-factor authentication. Cybersecurity audits evaluating system robustness across about twenty different scenarios are conducted at regular intervals during the year depending on how critical the system being audited is. Externally-accessible systems are automatically tested; manual tests are performed immediately after any critical system updates.

The integrity of customer-payment and customer-data confidentiality processes is subjected to annually-conducted PCI-DSS compliance audits. Incident response scenarios for dealing with information security breaches are prepared and drills are conducted. Migros' information security infrastructure undergoes a comprehensive and continuous assessment by means of regularly conducted internal tests, audits carried out by CMB agencies and Anadolu Holding, and "white-hat hacker" tests. All test and audit findings and corrective/preventive countermeasures are reviewed and assessed by the Information Security Committee and Risk Management Department and then reported to senior management. All strategic decisions that are taken are consistent with the company's approach on information security and confidentiality.

To enhance the knowledge and skills of all employees regarding privacy and data security, trainings such as **"Information Security Awareness" and "Protection of Personal Data"** have been regularly updated and transferred to employees in both online and offline. Phishing tests, visual reminders, suspicious email tagging, and similar methods are used to enhance Migros employees' cyber risk-awareness. Data security policies were further strengthened with an eye for enhancing awareness at both the corporate and the individual levels. Migros' information security infrastructure is consistently and securely managed so as to prevent breaches and abuses that might adversely impact its customers and other stakeholders. The fact that no information security or cybersecurity violations were reported in 2024 may be seen as evidence of the effectiveness of the measures that the company takes.

Migros' information security infrastructure is consistently and securely managed so as to prevent breaches and abuses that might adversely impact its customers and other stakeholders.





Corporate Governance

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Independent Auditor's Report on the Board of Directors' Annual Report



CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ON THE BOARD OF DIRECTORS' ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH

To the General Assembly of Migros Ticaret A.Ş.

1. Opinion

We have audited the annual report of Migros Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2024 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA and the regulations of the Capital Markets Board and other relevant legislation that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 5 March 2025 on the full set consolidated financial statements for the 1 January - 31 December 2024 period.

4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the General Assembly;
- b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

Independent Auditor's Report on the Board of Directors' Annual Report

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,

- the Group's research and development activities,

- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited [consolidated] financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Burak Özpoyraz, SMMM
Independent Auditor

Istanbul, 5 March 2025

Board of Directors



Tuncay Özilhan
Chairman



Kamilhan Süleyman Yazıcı
Vice-Chairman



Talip Altuğ Aksoy
Member



Burak Başarır
Member



Mehmet Hurşit Zorlu
Member



Esel Yıldız Çekin
Member

Board of Directors



Rasih Engin Akçakoca
Member



Ömer Özgür Tort
Member and CEO



Emre Ekmekçi
Independent Member



Barış Tan
Independent Member



Bekir Ağırdir
Independent Member



Uğur Bayar
Independent Member

Board of Directors

Tuncay Özilhan Chairman

Tuncay Özilhan was born in Kayseri. He studied in Saint-Joseph High School, then graduated from the Faculty of Economics of İstanbul University. He received his MBA degree from Long Island University in the United States. He started his career in 1977 as General Director of Erciyas Brewery and has undertaken responsibilities such as Coordinator of the Beer Group and General Coordinator of Anadolu Group. Tuncay Özilhan acted as the CEO of Anadolu Group from 1984 to February 2017.

Outside Positions Held

Tuncay Özilhan is the Chairman of Anadolu Group since May 2007. He has also been serving as Chairman of Anadolu Foundation as well as various Group companies. He served as the Chairman of TÜSİAD (Turkish Industry & Business Association) between 2001 to 2003, as the Chairman of its High Advisory Council between 2015-2023 and became its Honorary President in 2024. His other responsibilities include; Member of The Board at the Foreign Economic Relations Board (DEİK), Honorary Consul for the Republic of Estonia and President of Anadolu Efes Sports Club. He also served as Chairman of the Turkish – Russian Business Council at DEİK. Tuncay Özilhan holds a Ministerial Medal given by the Ministry Foreign Affairs of the Republic of Estonia, a Service Medal given by the Republic of Kazakhstan and “The Order of the Rising Sun, Gold and Silver Star”, constituting one of the most important orders awarded by the Japanese government.

Kamilhan Süleyman Yazıcı Vice Chairman

Kamil Yazıcı graduated from New York Military Academy (1996), holds a BA degree in Marketing from Emory University Goizueta Business School (2000), an MBA degree from American Institute of Business and Economics (2005) and has completed the GMP program at the Harvard Business School (2017). Yazıcı started his Anadolu Group career in year 2000 in the Finance Presidency as Assistant Finance Specialist and resumed his career in Anadolu Efes Russia Beer operations during 2002-2011 where he held multiple roles as Marketing Manager, Logistics Manager, Supply Chain Director, Business Development Director and finally led a pan-Russian effort to re-structure the sales organization for greater efficiency and effectiveness. In 2011, he was appointed as General Manager of Efes Vitanta in Moldova and continued this role until 2014. In 2014, he was appointed as Market Development Director responsible for all international markets where the group did not operate locally and held this position until 2017.

Outside Positions Held

Since 2017, Kamil Yazıcı has been serving as Vice- Chairman on Anadolu Group holding and subsidiary Board of Directors. In addition, he serves as Board Member for TAİK (Turkish-American Business Council), TOGG

(Turkish National Auto Initiative), HBS Alumnus (Harvard Business School's Alumni Board) and is the Vice-Chairman of KYYDAS (the Kamil Yazici Family Trust).

Talip Altuğ Aksoy Board Member

Talip Altuğ Aksoy received his bachelor's degree in economics from Oglethorpe University in USA. He began his career as Finance Assistant Specialist at Anadolu Group in 1995 and was appointed as a Finance Specialist in 1996. Aksoy worked as Human Resources and Treasury Specialist from 1998 to 2000. He served as Director of Sales and Marketing at Efes Invest from 2000 to 2003 and was appointed as the Director of Trade and Export at Efes Beer Group in January 2003. Continuing his career at Anadolu Group as the Director of Purchasing and Logistics between 2006- 2008, Aksoy was appointed as Director of Supply Chain of Efes Beer Group in June 2008. In November 2011, he was appointed as Efes Türkiye Managing Director and served in this position until January 2017.

Outside Positions Held

Aksoy still continues to serve as a Board Member in various Anadolu Group companies.

Burak Başarır Board Member

Burak Başarır holds a BA in Business Administration and a minor in Computer Sciences from American River College. He studied management at California State University of Sacramento and received a BSc degree in business administration from Middle East Technical University in 1995. Başarır joined Anadolu Group in 1998 with his first post at Coca Cola İçecek (CCI) and assumed increasing managerial responsibilities in finance and commercial functions.

He was assigned as Coca-Cola İçecek CFO in 2005 and has played a significant role during CCI's IPO process and effectively managed the financial integration of Efes Invest with CCI. Başarır led the largest operation of CCI in terms of volume and sales as the Türkiye Region President between 2010 and 2013. Başarır was appointed as Coca-Cola İçecek CEO in January 2014. He served as Anadolu Group Soft Drinks Group President and Coca-Cola İçecek CEO between 2014-2023.

Outside Positions Held

Başarır was appointed as Anadolu Group Deputy CEO in September 2023 and has been serving as Anadolu Group CEO since April 1st, 2024. Başarır is the Chairman of Anadolu Group Sustainability Committee and a member of the Turkish Industry & Business Association (TÜSİAD).

Board of Directors

Mehmet Hurşit Zorlu

Board Member

Hurşit Zorlu holds a BCs degree in Economics from Istanbul University. Before joining the Anadolu Group as a Marketing Specialist at Efes Beverage Group in 1984, he held various positions in Toz Metal and Turkish Airlines. During his career at Efes Beverage Group, he assigned various positions including Assistant Marketing Manager, Assistant Project Development Manager, Project Development Manager and Business Development & Investor Relations Director respectively. Zorlu worked as Chief Financial Officer (CFO) at Anadolu Efes between 2000-2008 and CFO at Anadolu Group between 2008- 2013. Zorlu served as Deputy CEO at Anadolu Group between 2013-2017. Hurşit Zorlu, who served as the Chief Executive Officer of Anadolu Group since February 2017, retired as of April 1, 2024 from this position.

Outside Positions Held

Currently Hurşit Zorlu, is a Board Member of all Anadolu Group companies. Zorlu also served as the chairperson of Anadolu Group Sustainability Committee of the Group. Hurşit Zorlu is a High Advisory Council Member of the Turkish Investor Relations Society (TÜYİD) and served as the 8th term Chairperson of the Corporate Governance Association of Türkiye (TKYD) between 2015-2017.

Esel Yıldız Çekin

Board Member

Esel Çekin is a board member and a member of the corporate governance and risk committees at Migros Ticaret A.Ş. since May 2020; a board member at Coca-Cola Satış ve Dağıtım A.Ş. and a member of the corporate governance committee at Coca-Cola İçecek A.Ş. since May 2022; a board member at Fiba Retail since October 2024. She also serves on the advisory boards of two AI-driven startups: T-Fashion, which focuses on fashion technology, and Madlen, specializing in edtech. She was the founding Executive Director of the Harvard Business School MENA Research Center between 2013 and 2023. She managed HBS's research activities in Türkiye, the Middle East, North Africa, and Central Asia.

With a degree in economics from Boğaziçi University, Çekin went on to earn her PhD in the same field from the City University of New York Graduate School. She also completed the Advanced Management Program at Harvard Business School. Çekin started her career as a consultant at Bain & Co. in their Istanbul office. In 1999, she joined Boyner Holding as Vice President of Strategy and Business Development. From 2004 to 2009, she served as Chief Executive Officer of Beymen. Prior to taking on the director position at the MENA Research Center, she served as Executive Director of the Graduate School of Business at Koç University. She taught Retail Management and Merchandising in Koç University from 2010 to 2020.

Rasih Engin Akçakoca

Board Member

R. Engin Akçakoca received his undergraduate degree from Middle East Technical University in Management and started his career in banking in 1974. He assumed Deputy General Manager position in Koç-Amerikan Bank during 1986 and 1991 and General Manager position in Koçbank A.Ş. during 1991 and 2000. He was appointed as the Chairman of the Banking Regulation and Supervision Agency and the Savings Deposit Insurance Fund in 2001 responsible for a large-scale banking sector restructuring program held in Türkiye. Akçakoca has been working as a consultant since 2004.

Outside Positions Held

R. Engin Akçakoca holds board member positions in various Anadolu Group companies.

Ömer Özgür Tort, PhD

Board Member and CEO

Ö. Özgür Tort joined the Business Development Department of Migros in 1996 and went on to lead, in chronological order, International Investments Coordination and Customer Relationship Management. In 2002, he was posted as Chief Operations Officer of Ramstore retail operations in Russia, where he stayed for the next four years before returning to Migros Türkiye as Chief Human Resources Officer in 2006.

In 2008, Dr. Ö. Özgür Tort was appointed as Chief Executive Officer of Migros and has served in this role ever since. In parallel, Özgür Tort has taken a lead in founding new generation retail services. Tort is a member of Anadolu Group Sustainability Committee. In addition, since 2013 Dr. Ö. Özgür Tort has been a board member of the Consumer Goods Forum (CGF), a global organization formed by the world's leading retailers and manufacturers. Between 2019 - 2021, he took over as the Co-Chair (retail) of the CGF. On the national level, Dr. Ö. Özgür Tort is the Vice Co-Chair of Food Retailers Association (GPD) and board member of the Turkish Federation of Shopping Centers and Retailers (TAMPF). In 2020, Tort became a board member of both GS1 Global and GS1 Türkiye.

Tort graduated from Istanbul Technical University with a BSc in Industrial Engineering and in addition holds an MS degree in Engineering Management from Missouri University of Science and Technology. He gained a PhD degree at Marmara University in Engineering Management researching Value Chain Based Agricultural Financing Model.

Board of Directors

Outside Positions Held

Tort is the chair of Migros subsidiaries: Dijital Platform Gıda Hizmetleri A.Ş. (MigrosOne – e-Commerce), Mimedya Medya Platform A.Ş. (Retail Media), MoneyPay Ödeme ve Elektronik Para Hizmetleri A.Ş. (Fintech), Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş. (EV Charging Services), Paket Lojistik ve Teknoloji A.Ş. (Paket Taxi – Last Mile Logistics) and CRC Danışmanlık ve Organizasyon A.Ş. (GurmePack – Ready Meal Production).

Emre Ekmekçi

Independent Board Member

Emre Ekmekçi, who has 25 years of experience in digital industries, started his career in Los Angeles at a global digital agency serving the film, music and entertainment industries. He gained global experience in Hong Kong, Shanghai, London and Paris as a manager responsible for global business development. In 2010, he returned to Türkiye and founded Sehirfirsati, a pioneer in the group buying sector in Türkiye, with Rocket Internet group. After Sehirfirsati was acquired by Groupon.com (Nasdaq: GRPN), he served as Groupon Türkiye General Manager and Eastern Europe Regional Manager.

Between 2011-2016, he served as the Head of Business Development Department responsible for new investments at Doğan Online Group of Companies. Between 2016-2019, he served as the Commercial and International Group President of Hepsiburada.com (Nasdaq: HEPS), Türkiye's pioneer e-commerce platform. Under Hepsiburada, he founded Hepsipay, one of Türkiye's first payment and electronic money organizations.

Active in NGOs, Ekmekçi served as the Chairman of the Board of Directors of the Electronic Commerce Operators Association (ETİD) and Vice Chairman of the TOBB E-Commerce Assembly.

A graduate of Tarsus American College, Ekmekçi holds a bachelor's degree in Industrial and Systems Engineering from the University of Southern California and an MBA from Columbia Business School in New York.

He is married to journalist and national equestrian Neslişah Evliyazade Ekmekçi and has one daughter.

Outside Positions Held

Emre Ekmekçi is a member of the Global Advisory Board of Mirakl, an e-commerce marketplace Saas platform, and independent Board Member at Digital Area company of Bank of Georgia.

Emre Ekmekçi qualifies as an independent member according to the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

Bariş Tan

Independent Board Member

Prof. Dr. Barış Tan serves as the President of Özyeğin University. Prof. Tan received his BS in Electrical and Electronics Engineering from Boğaziçi University, an MS in Industrial and Systems Engineering, an MSE in Manufacturing Systems, and a PhD in Operations Research from the University of Florida.

Between 1994 and 2024, Prof. Tan served as a professor of Operations Management and Industrial Engineering, Vice President for Academic Affairs, Dean of the College of Economics and Administrative Sciences, and Director of the Graduate School of Business at Koç University. He joined Özyeğin University as a professor of Industrial Engineering and Business Administration in March 2024 and was appointed as the President in July 2024.

Prof. Tan's areas of expertise are design and control of manufacturing systems, supply chain management, and stochastic modeling. The awards received by Barış Tan include the Distinguished Young Researcher award from the Turkish Academy of Sciences, TÜBİTAK and NATO Research Fellowships, and best paper awards. Prof. Tan has been a visiting professor at Harvard University, MIT, the University of Cambridge, University College London, and Politecnico di Milano. Prof. Tan has served on various universities and organizations' advisory and management boards worldwide, including EFMD, Kyoto University Graduate School of Management, LUMS, Nottingham Business School, and ISM University of Management and Economics.

Outside Positions Held

Prof. Dr. Tan is an independent Board Member at Coca Cola İçecek A.Ş. and Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş.

Professor Tan qualifies as an independent member according to the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

Board of Directors

Bekir Ağırđır

Independent Board Member

Bekir Ağırđır was born in Denizli in 1956. After graduating from Middle East Technical University, Faculty of Economics and Administrative Sciences, Department of Business Administration in 1979, he worked as Sales Manager and Deputy General Manager at Bilsan Bilgisayar Malzemeleri A.Ş. between years 1980-1984, as Sales Coordinator at Meteksan Ltd. Şti. between years 1984-1986 and as General Manager at Pirintaş Bilgisayar Malzemeleri ve Basım Sanayi A.Ş. between years 1986-1996. He served as Deputy General Manager at Atılım Kağıt ve Defter Sanayi A.Ş. between years 1996-1999 and as General Manager and Board Member at PMB Akıllı Kart ve Bilgi Teknolojileri A.Ş. between years 1999-2003.

From 2003 to 2005, he served as the Coordinator and then as the General Manager of the History Foundation. He served as the General Manager and Member of the Board of Directors at KONDA Araştırma ve Danışmanlık Limited Şirketi between 2005-2022, and a member of the Board of Directors from June 2022 to May 2024. Ağırđır has been the Founding Chairman of the Board of Directors of the Veri Enstitüsü A.Ş. since September 2024.

Outside Positions Held

Bekir Ağırđır is currently an independent Board member at AG Anadolu Grubu Holding A.Ş. and Anadolu Efes Biracılık ve Malt Sanayii A.Ş. He is the Vice Chairman of the Board of the Turkish Economic and Social Studies Foundation (TESEV), the Founding Member of the Yanındayız Association, the Democratic Republic Program and the EYMİR Culture Foundation, a member of the METU Alumni Association, a writer for Oksijen newspaper, and a commentator for T24 internet newspaper.

Mr. Ağırđır qualifies as an independent member according to the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

Uğur Bayar

Independent Board Member

Uğur Bayar graduated from New York State University, Department of Mathematics & Statistics with a BSc. degree. Bayar started his career at Citibank Türkiye in 1987 and served in various roles in the treasury department until he started public service in 1992. He served as the Vice President in Public Partnership Administration between 1992-1997 and President at Prime Ministry Privatization Administration of Türkiye between 1997-2002. During this time, he also assumed the Chairmanships of the Board at Erdemir and Petrol Ofisi, and the Board Memberships at Turkish Airlines and Turk Telekom.

He joined Credit Suisse Türkiye in 2004 and served as the country CEO and Head of Investment Banking until 2017. He also served as the Chairman of WWF Türkiye's Board of Directors between 2010 and 2022.

Outside Positions Held

Bayar is currently an independent member of the Board of Directors of Adel Kalemçilik Ticaret ve Sanayi A.Ş., Board Member of the Deniz Yaşamını Koruma Derneği and Chairman of Tekfen Teknoloji Yatırım ve Ticaret A.Ş.

Bayar qualifies as an independent member according to the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

Board of Directors Report

Members of the Board of Directors

Members of the Board of Directors

Tuncay Özilhan	Chairman
Kamilhan Süleyman Yazıcı	Vice-Chairman
Talip Altuğ Aksoy	Member
Burak Başarır	Member
Mehmet Hurşit Zorlu	Member
Esel Yıldız Çekin	Member
Rasih Engin Akçakoca	Member
Ömer Özgür Tort	Member and CEO
Emre Ekmekçi	Independent Member
Bariş Tan	Independent Member
Bekir Ağırdir	Independent Member
Uğur Bayar	Independent Member

Board of Directors

At the Company's annual general assembly meeting on 16 April 2024,

- Tuncay Özilhan, Kamilhan Süleyman Yazıcı, Talip Altuğ Aksoy, Burak Başarır, Mehmet Hurşit Zorlu, Esel Yıldız Çekin, Rasih Engin Akçakoca and Ömer Özgür Tort were elected to seats on the Board of Directors as board members
- Emre Ekmekçi, Barış Tan, Bekir Ağırdir and Uğur Bayar were elected to serve as independent board members

for one year until the general assembly meeting during which the Company's 2024 accounts will be discussed.

According to the Board of Directors decision passed on 19 April 2024, Tuncay Özilhan was elected as the Chairman of the Board and Kamilhan Süleyman Yazıcı as the Vice-Chairman.

The Board of Directors is authorized to take decisions about all matters except those which are reserved to the general assembly under the Turkish Commercial Code or by the Company's articles of association.

Under article 17 of the articles of association, board members may serve for a maximum term of three-year unless a shorter term of office is specified at the general assembly meeting at which they are elected. A board member whose term of office expires may be reelected. Shareholders assembled in a general assembly meeting may, for just cause and at any time that they deem such action to be necessary, dismiss any board member whether or not such an item is on the meeting agenda.

In compliance with CMB regulations and the provisions of the Turkish Commercial Code, an audit committee, a corporate governance committee, and an early detection of risk committee have been set up at the Company. The duties of a nomination committee and of a remuneration committee are performed by the Migros Corporate Governance Committee.

Senior Management

Under Migros' articles of association, senior executives are chosen and appointed by the Board of Directors.

Considering the diversified business areas of Migros with new subsidiaries and initiatives, the following organizational changes was made in the senior management roles in 2024 in order to provide a more effective governance structure in our core business line.

- Due to the retirement of Bülent Kuntay, CSCO (Chief Supply Chain & Logistics Officer), as of June 30, 2025, Aydın Ferit Cansever, who was serving as the Supply Chain Management Director, was appointed as the CSCO (Chief Supply Chain & Logistics Officer),
- Özlem Tavaslıoğlu, Group Director of Legal and Compliance, was appointed as the CLO (Chief Legal and Compliance Officer) at Migros Group,
- Hakan Şevki Tuncer, who was serving as the Member of the Executive Board of Migros Group (Investment and Construction), was appointed as the General Manager of Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş., our subsidiary,
- Yaşar Ender Tüzün, who was serving as the Expansion, Property & Construction Director in our company, was appointed as the CPO (Chief Expansion & Property Officer).

As a result of these changes, our Company's senior management is as follows:

Migros Group Executive Committee members are Ömer Özgür Tort (CEO), Mustafa Murat Bartın (COO, Migros Retail General Manager), Ferit Cem Doğan (CFO) and Ekmel Nuri Baydur (CMO), and Migros Group Assistant General Managers are Kerim Tatlıcı (CIO) Olcay Yılmaz Nomak (CHRO) and Özlem Tavaslıoğlu (CLO), and Assistant General Managers Cüneyt Taşpek (CSO), Aydın Ferit Cansever (CSCO) and Yaşar Ender Tüzün (CPO).

Board of Directors Report

Senior management is made of up the heads of all functions that report directly to the CEO.

Senior management has 10 members, two of whom are female. One of the heads of the Corporate Communications and Internal Audit groups, all of whom are direct reporters, is female. The average age among members of Migros' senior management is 54.

Independent Auditing

At a meeting of the Board of Directors on 20 March 2024, the board, acting upon the recommendation of the Audit Committee and in compliance with the requirements of CMB Communiqué on capital market independent auditing standards (Serial: X, No: 22) and of the Turkish Commercial Code, decided to select PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to be the Company's independent auditor for 2024 fiscal year subject to the provisions of capital market laws and regulations and of the Turkish Commercial Code. This decision was approved at the general assembly of shareholders on 16 April 2024.

Articles of Association Amendment

There were no changes in our Company's articles of association during the reporting period.

The Company's current articles of association is available under the Investor Relations tab on the corporate website at the address www.migroskurumsal.com and on the Public Disclosure Platform (KAP).

Changes in Paid-in Capital during the Reporting Period

There were no changes in our Company's paid-in capital of TL 181,054,233 during the reporting period.

Shareholder Structure

As of 31 December 2024, the capital structure of the Company is as follows:

Migros Ticaret A.Ş. Shareholder Structure

Shareholder	Share Amount (TL)	Share (%)
MH Perakendecilik ve Ticaret A.Ş.	89,046,058	49.18
Other	89,046,059	49.18
Migros Ticaret A.Ş.	2,962,116	1.64
Total	181,054,233	100.00

Migros' Position in the Sector and Investments in 2024

Migros operates in the food retailing sector. The Company is both a retailer that sells such products directly to consumers and a wholesaler that sells them to other retailers. Through its subsidiaries and affiliates, Migros is active in the online food retailing, prepared and prepackaged food production & sale, financial technology, logistics (distribution by riders), retail media asset development, marketing, electric vehicle charging services, and domestic and international shopping mall management business lines as well.

Migros continued its investments in both physical stores and online operations in 2024. In 2024, new openings by Migros consisted of 174 Migros (136 M, 36 MM and 2 MMM), 104 Migros Jet, 26 Macrocenter, 19 Macrokiosk, 32 Mion and 1 5M stores. Thus, a total of 356 new store investments amounting to TL 9.9 billion in value went into service in 2024.

As of end-2023, the Company reached 3,621 stores consisting of 1,355 M, 539 MM, 159 MMM, 1,186 Migros Jet, 123 Macrocenter, 76 Macrokiosk, 54 hypermarkets, 29 Wholesale and 100 Mion stores located in all 81 provinces of Türkiye.

Investments in e-Commerce

Migros continues to invest in its online sales channels. Across all 81 of Türkiye's provinces, Migros Sanal Market is now serving customers through 1,288 stores while Migros Hemen is serving them through 585. Macroonline's service network now reaches customers through 112 stores in 12 provinces while Tazedirekt serves customers in 5. As of 31 December 2024, 1,422 stores were supplying goods for delivery to online shoppers throughout the country.

Supply Chain Investments

To support the expansion in its store network, Migros gave additional impetus to supply chain investments in 2024. Last year the company opened 16 new distribution centers, including one wholesale warehouse and one dedicated facility for online operations.

Market Share Growth

Migros' efforts to create value for shoppers is evidenced by increased customer footfall and steady and consistent gains in fast-moving consumer goods market share. According to Nielsen, Migros' share of the overall FMCG market grew by 40 basis points last year to 9.8% while its share of the modern FMCG market was up by 80 basis points and reached 17.0%.

Board of Directors Report

Developments in Subsidiaries & Affiliates

Migros' subsidiaries and new verticals continue to develop and contribute to the company's core business activity.

MoneyPay and Migen Enerji Share Capital Increases

At a general meeting of Migros subsidiary MoneyPay held on 17 September 2024, shareholders approved an increase in the company's capitalization from TL 124,000,000 to TL 148,000,000. Exercising all of its stock-option rights, Migros acquired newly-issued shares totaling TL 388,051,250, corresponding to TL 19,200,000 in par value plus an issue premium of TL 368,851,250. Migros' 80% stake in MoneyPay was not affected either by this increase in capitalization or by the subsequent acquisition.

At an extraordinary general meeting of wholly-owned Migros subsidiary Migen Enerji on 6 December 2024, a decision was taken to increase the company's capitalization from TL 4,500,000 to TL 6,000,000. Migros acquired newly-issued shares totaling TL 10,000,000, corresponding to TL 1,500,000 in par value plus an issue premium of TL 8,500,000.

Paket Taxi Shareholding Interest Transfers

- In February 2024, shares corresponding to 18.3% of the paid-in capital of Paket Lojistik ve Teknoloji A.Ş. (Paket Taxi), a company in which Migros controlled a 75% stake at the time and which provides logistical services for Migros' online operations, were acquired from other Paket Taxi shareholders by Dijital Platform Gıda Hizmetleri A.Ş. (Migros One), a Migros subsidiary that provides online retailing services.
- In December 2024, shares corresponding to 6.66% of Paket Taxi's paid-in capital were acquired by Migros from other Paket Taxi shareholders.

As a result of these two acquisitions, Migros' directly-owned stake in Paket Taxi has increased to 81.7% and its indirect control of the company has reached 100%.

Kazakhstan Subsidiary Divestiture

In July 2024, Kazakhstan-headquartered TOO Evrazia Almaty paid USD 21,578,200 + EUR 11,800,000 (approximately USD 34.5 million at current exchange rates) to acquire all of the shares, interests, and obligations of Ramstore Kazakhstan LLC, a Migros subsidiary and former food retailer whose sole operations in that country at the time of the divestiture consisted of managing a shopping mall in Almaty. As a result of this sale, Migros no longer has a shareholding interest in Ramstore Kazakhstan LLC.

Migros' direct shareholding interests in its subsidiaries and affiliates as of 31 December 2024 are shown in the accompanying chart.

Company	Country	Geographical region	Principal business activity	Shareholding 2024 (%)	Shareholding 2023 (%)
Dijital Platform Gıda Hizmetleri A.Ş.	Türkiye	Türkiye	Online food retailing	93.0	93.0
MoneyPay Ödeme ve Elektronik Para Hizmetleri A.Ş.	Türkiye	Türkiye	Payment and electronic money services	80.0	80.0
Paket Lojistik ve Teknoloji A.Ş.	Türkiye	Türkiye	Logistical services	75.0	75.0
Mimeda Medya Platform A.Ş.	Türkiye	Türkiye	Retail media	100.0	100.0
Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş.	Türkiye	Türkiye	Electric vehicle charging services	100.0	100.0
CRC Danışmanlık ve Organizasyon A.Ş.	Türkiye	Türkiye	Prepackaged ready meals	30.0	-

* 18.3% of the paid-in capital of Paket Lojistik ve Teknoloji A.Ş. (Paket Taxi) is held by Dijital Platform Gıda Hizmetleri A.Ş. (Migros One). Directly and indirectly therefore Migros has full control over Paket Taxi.

** 20% of the paid-in capital of CRC Danışmanlık ve Organizasyon A.Ş. (GurmePack) is held by Dijital Platform Gıda Hizmetleri A.Ş. (Migros One). Directly and indirectly therefore Migros controls a 50% stake in GurmePack.

Sustainability Committees & Renewable Energy Investments

As an adjunct to the Migros Sustainability Committee consisting of representatives from various departments across the company, a board-level sustainability committee consisting of members of the Migros board of directors was formed in 2024. During its meetings, the latter reviewed and discussed performance and progress towards achieving company-announced carbon-emission, water-use, food waste-prevention, and management-level gender-diversity targets. The committee decided that greater attention needed to be given to investing in renewables and to exploring the use of low-carbon refrigerants in order to achieve the company's carbon emissions-reduction targets.

According to the Migros Better Future Plan, Migros is to reduce its direct carbon emissions to zero by 2050 and cut its food losses by half by the end of 2030. In line with its medium and long-term sustainability and efficiency targets, Migros is buying land in suitable localities across the country and setting up its own solar power plants on the properties. Migros' goal is to be sourcing a third of all the electricity that it needs for the conduct of its operations from company-owned solar installations by the end of 2026.

Board of Directors Report

Migros has been awarded an “A” rating-the highest possible-in both the “Climate Change” and the “Water Security” programs of the Carbon Disclosure Project (CDP), a highly respected global environmental reporting platform, thus achieving “Global A Leader” status for the second year in a row.

The Science Based Targets initiative (SBTi), a leading global authority on climate action, has fully approved our company’s carbon reduction initiatives aimed at addressing climate change. Having examined our 2030 carbon-reduction and 2050 net-zero goals, SBTi confirmed that the goals are consistent and methodologically sound. Migros is the first food retailer in Türkiye to receive such confirmation.

Migros Credit Ratings

On 10 December 2024, Fitch Ratings reviewed Migros’ existing long term national credit rating and assigned the company an “AA(tur)” rating with a “Stable” outlook.

On 13 June 2024, credit rating agency JCR Eurasia Rating (JCR-ER) confirmed Migros’ long-term national credit rating at “AAA (tr)” (the highest possible), its short-term national rating at “J1+ (tr)”, and its long-term international rating at “BB”. The outlooks of all three ratings are “Stable”.

Other Corporate Issues

Migros Ticaret A.Ş. and the Tez-Koop labor union agreed to the terms of a new three-year collective bargaining agreement covering the period 1 January 2023 to 31 December 2025. A Public Disclosure Platform (KAP) announcement concerning this matter was released on 12 April 2023.

A company-owned property in Antalya’s Kepez township containing a shopping mall was sold for TL 875,000,000 + VAT. Title transfer formalities were completed on 11 July 2024 and a Public Disclosure Platform announcement to this effect was released the same day.

In the “Top 50 Strongest European Grocery Retailers” report prepared by ESM: European Supermarket Magazine and Brand Finance and published in September 2024, Migros was named the strongest grocery retail brand in Europe. In the report, which presented the findings of a survey of leading European food retailers’ investments, business performance, and brand strength, Migros emerged with top marks and the highest-possible “AAA+” grade.

Migros’ publicly-traded shares were included in the Borsa İstanbul BIST 30 Index as of 1 October 2024. The company’s shares are also included in the BIST Sustainability, the BIST Sustainability 25, and the BIST Corporate Governance indexes.

Advance against Dividends

Pursuant to the authority given to it at Migros’ annual general meeting on 16 April 2024, on 5 November 2024 the Migros Board of Directors resolved that TL 520,000,000 remaining after the mandatory allocation of statutory reserves from the net current profit shown in the interim financial statements dated 1 January 2024-30 September 2024 will be paid out as an advance cash dividend, subject always to the requirements of applicable tax laws and regulations pertaining to statutory books of account.

Accordingly during November 2024:

- A net TL 2.8720676 (gross TL 2.8720676) advance dividend was paid on each share of stock with a nominal value of TL 1.00 held (1) by resident corporate shareholders and (2) by non-resident corporate shareholders that earn dividends through a place of business or permanent representative based in Türkiye.
- A withholding-tax adjusted net TL 2.5848608 (gross TL 2.8720676) advance dividend was paid on each share of stock with a nominal value of TL 1.00 held by other shareholders.

Board of Directors Report

Migros' Financial Structure

Migros' independently audited consolidated financial statements for the years 2023 and 2024 have been prepared in accordance with the principles of TMS 29 ("Financial Reporting in Hyperinflationary Economies").

Delivering a solid operational performance in 2024, Migros achieved all of the consolidated sales growth, EBITDA-margin and new-store opening, and investment targets which it had set itself for the year.

The year-on-year growth in Migros' sales across all formats continues to be nourished by the company's adherence to its multichannel & multiformat business strategy. In real terms, total turnover was up by 12.1% in 2024. While part of this is attributable to low 2023 base effects, Migros registered strong results in both its offline and online operations last year. Online channels continued to make an increasingly greater contribution to consolidated turnover growth: in 2024 they generated 18.5% of all sales other than those of tobacco products and alcoholic beverages.

Market research shows Migros gaining market share in both the overall and the modern FMCG markets. These market share gains are being driven mainly by greater customer traffic and by a real increase in average shopping-cart value. Migros' share of the overall FMCG market reached 9.8% in 2024.

Both customer footfall and inflation-adjusted average shopping-cart value increased last year. Migros booked a 5.4% EBITDA margin in 2024. The inflationary pressure on operating costs in early 2024 eased somewhat after midyear.

Migros' TMS 29-adjusted investments amounted to TL 9.9 billion in value in 2024. Last year's investment outlays corresponded to 3.4% of the company's consolidated sales. In addition to the 356 new stores that it opened in 2024, Migros gave additional impetus to supply chain investments and opened 16 new distribution centers. Focusing also on sustainable energy investments, the company commissioned a solar power plant in Kırşehir.

In 2024 Migros booked a net profit of TL 6,574 million and a net profit margin of 2.2% (2023: 4.9%). Last year's substantially thinner net profit margin is essentially the result of inflation accounting. Because twelve-month inflation was significantly lower in 2024 than it was in 2023, nominal returns on assets were correspondingly lower last year as well.

In the twelve months to end-2024, the company's (IFRS 16-excluded) net cash assets increased by 37% in real terms and reached TL 21.3 billion in value while its (IFRS 16-excluded) net financial debt shrank by 59% and fell to TL 1,208 million.

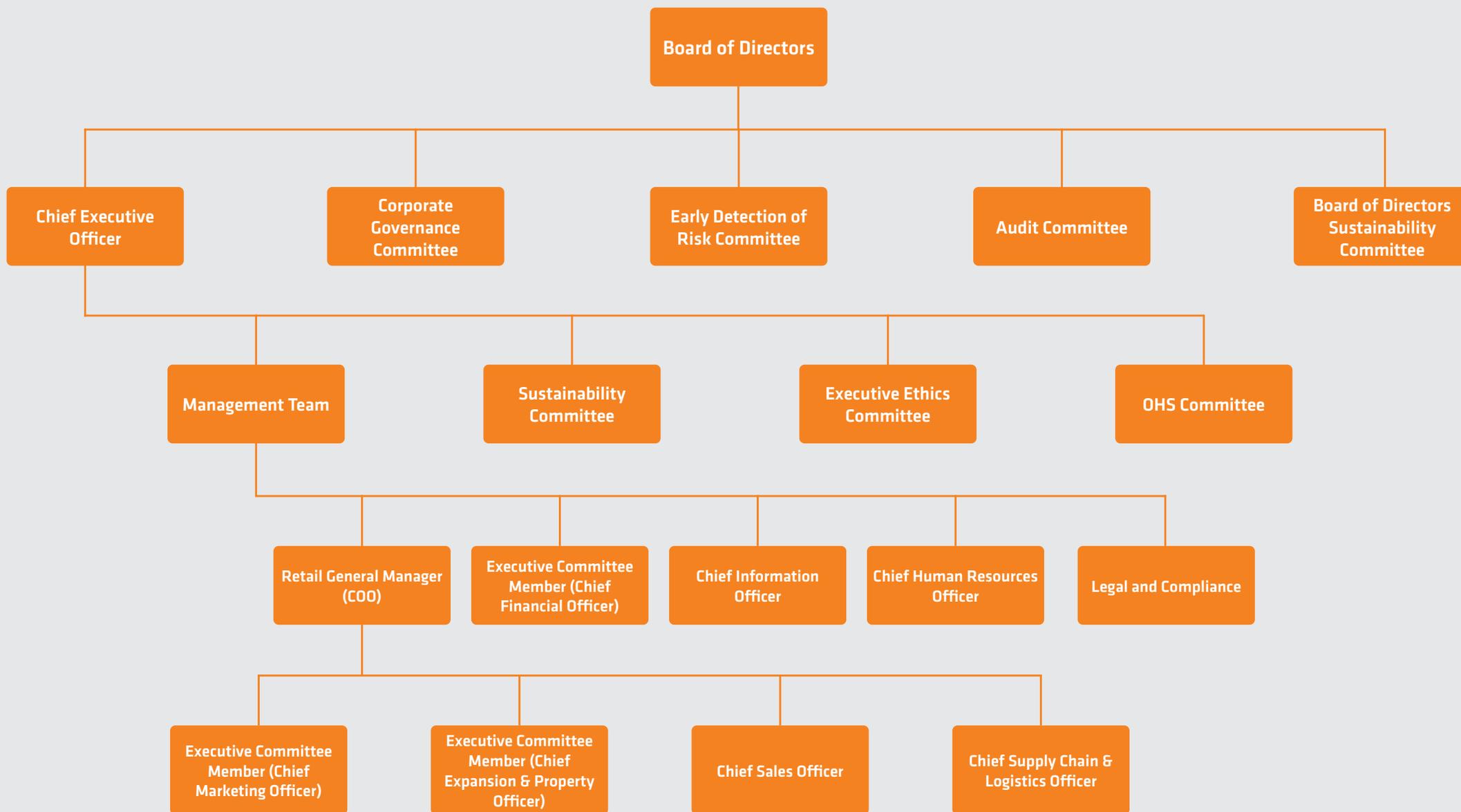
Prudent inventory management contributed significantly to the strength of the company's cashflow last year. In 2024 Migros generated a free cashflow of TL 14.3 billion, up by 23% YoY in real terms.

Migros Ticaret A.Ş.

Board of Directors



Integrated Governance Model



Senior Management



Yaşar Ender Tüzün
Chief Expansion,
Property and
Construction Officer

Aydın Ferit Cansever
Supply Chain
Management and
Logistics Assistant
General Manager

Cüneyt Taşpek
Chief Sales Officer

Olca Yılmaz Nomak
Migros Group CHRO

Ö. Özgür Tort
Migros Group CEO

Murat Mustafa Bartın
Migros Group Executive
Committee Member &
Migros Retail General
Manager (COO)

Özlem Tavaslıoğlu
Migros Group Legal &
Compliance Assistant
General Manager

Ferit Cem Doğan
Migros Group Executive
Committee Member
(CFO)

Ekmel Nuri Baydur
Migros Group Executive
Committee Member
(CMO)

Kerim Tatlıcı
Migros Group Chief
Information Officer

Senior Management

Ömer Özgür Tort, PhD

Migros Group CEO

Ö. Özgür Tort joined the Business Development Department of Migros in 1996 and went on to lead, in chronological order, International Investments Coordination and Customer Relationship Management. In 2002, he was posted as Chief Operations Officer of Ramstore retail operations in Russia, where he stayed for the next four years before returning to Migros Türkiye as Chief Human Resources Officer in 2006. In 2008, Dr. Ö. Özgür Tort was appointed as Chief Executive Officer of Migros and has served in this role ever since. In parallel, Özgür Tort has taken a lead in founding new generation retail services and is chair of all Migros subsidiaries: Dijital Platform Gıda Hizmetleri A.Ş. (MigrosOne – E-Commerce), Mimedya Medya Platform A.Ş. (Retail Media), MoneyPay Ödeme ve Elektronik Para Hizmetleri A.Ş. (Fintech), Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş. (EV Charging Services), Paket Lojistik ve Teknoloji A.Ş. (Paket Taxi – Last Mile Logistics) and CRC Danışmanlık ve Organizasyon A.Ş. (GurmePack – Ready Meal Production). Tort is a member of Anadolu Group Sustainability Committee. In addition, since 2013 Dr. Ö. Özgür Tort has been a board member of the Consumer Goods Forum (CGF), a global organization formed by the world's leading retailers and manufacturers. Between 2019 – 2021, he took over as the Co-Chair (retail) of the CGF. On the national level, Dr. Ö. Özgür Tort is the Vice Co-Chair of Food Retailers Association (GPD) and board member of the Turkish Federation of Shopping Centers and Retailers (TAMPF). In 2020, Tort became a board member of both GS1 Global and GS1 Türkiye. Tort graduated from Istanbul Technical University with a BSc in Industrial Engineering and in addition holds an MS degree in Engineering Management from Missouri University of Science and Technology. He gained a PhD degree at Marmara University in Engineering Management researching Value Chain Based Agricultural Financing Model.

Mustafa Murat Bartın

Migros Group Executive Committee Member & Migros Retail General Manager (COO)

Mustafa Murat Bartın, born in 1974, graduated from Middle East Technical University, department of Industrial Engineering. He started his professional career at Migros as an Industrial Engineer at R&D in 1995, and worked as Business Development Expert, R&D and Planning Project Leader, Marketing Manager of Migros Online. Between 2000 and 2009 he worked for Hewlett-Packard Turkey and held positions as E-Business Sales Manager, Pre-Sales Service Manager, Business Development Manager, Sales Manager, Consultant and Integration Country Manager respectively. He joined Migros as Information Technology and Business Development Director in 2009, and he was appointed as Chief Alternative Sales Channels Officer responsible from International operations, Wholesales and Online Retail Operations between 2015-2018; Chief Large Format&Online Retail Officer between 2018-2020. Bartın has been Chief Operations Officer since July 2020. Mustafa Murat Bartın continues to working as Migros Retail General Manager (COO) as of July 2023.

Ferit Cem Doğan

Migros Group Executive Committee Member (CFO)

Ferit Cem Doğan, born in 1969, graduated from Middle East Technical University, Faculty of Economics in 1991. Following his graduate studies in Department of Economics at University of Oslo, Norway, he started his career at Philip Morris Corporate Services, Zurich, Switzerland as a Senior International Auditor in 1995. From 2001 to 2006, he held the positions at Kraft Foods as Internal Controls & Projects Manager, London, UK; Financial Controller, Dubai, U.A.E; Finance Manager, Bremen, Germany. He worked at Emaar Properties as Chief Financial Officer between 2006 - 2008. He has been with Migros Ticaret A.Ş. since 2009 as Finance Director. In February 2019, he took on his position as Chief Financial Officer. Ferit Cem Doğan continues to working as Migros Group Executive Committee Member (CFO) at Migros as of 1 July 2023.

Ekmel Nuri Baydur

Migros Group Executive Committee Member (CMO)

Ekmel Nuri Baydur, born in 1968, graduated from Marmara University, faculty of Business Administration. He started his professional career at Yapı Kredi Bank as a Product Manager in 1992. He joined Migros Ticaret A.Ş in 1995. He held positions as Marketing Specialist and Marketing Manager in various categories in Dry Grocery Marketing. He was appointed as Marketing Group Manager for Fruit and Vegetables in 2002. Between 2011 and 2021 he served as Fruits, Vegetables and Meat Marketing Group Manager and Fruits, Vegetables and Meat Marketing Director respectively; and also became responsible for management of Meat Production Facility. Baydur has worked as Chief Marketing Officer between February 2021 and June 2023. Ekmel Nuri Baydur has been working as Migros Group Executive Committee Member (CMO) at Migros as of 1 July 2023.

Kerim Tatlıcı

Migros Group Chief Information Officer

Kerim Tatlıcı, born in 1969, graduated from Istanbul Technical University, faculty of Mathematics Engineering. He completed an MBA program at Koç University. He started his professional career as Assistant Manager of Store Automation in 1993. He worked as the Central Automation Manager between 1999-2002, the Software Development and Implementation Manager between 2002 and 2005, the Information Technology Manager between 2005 and 2011; and the Information Technology Group Manager between 2011 and 2014. In 2014, he was appointed as Information Technology and Business Development Director. Between January 2019 and June 2023, Tatlıcı worked as the company's Chief Information Officer. As of July 2023, Kerim Tatlıcı is appointed as Migros Group Information Technologies and Business Development (Migros CIO).

Senior Management

Olcay Yılmaz Nomak

Migros Group CHRO

Olcay Yılmaz, born in 1975, completed her undergraduate studies at Yıldız Technical University, Faculty of Industrial Engineering in 1996. She started her professional career at Eczacıbaşı Karo Seramik as Production Planning Specialist, in 1996. Yılmaz joined Migros Group in 1998, as an Industrial Engineer at R&D and Planning department. Between 2001 and 2005 she worked as Project Group Associate and Group Leader at Project Management Department. She was appointed as HR Planning and System Development Manager in 2005. Between 2010 and 2018 she worked as HR Planning and Recruitment Manager, Human Resources Group Manager and Human Resources Director respectively. Between February 2019 and June 2023, she worked as Chief Human Resources Officer, responsible for Human Resources, Training and Industrial Relations. She led several HR functions as recruitment, employer branding, training and development, talent management, compensation, planning and system development during her Migros career. As of July 2023, Olcay Yılmaz Nomak is appointed as Migros Group Chief Human Resources Officer (CHRO).

Özlem Tavaslıoğlu

Migros Group Legal & Compliance Assistant General Manager

Özlem Kılıç Tavaslıoğlu was born in Burdur in 1970. After graduating from Burdur High School, she completed her bachelor's degree at Dokuz Eylül University Faculty of Law in 1992. She started her business life as a freelance lawyer in 1992. She started her career at Migros as a lawyer at İzmir Regional Law Unit. She worked as Manager and Senior Manager at İzmir Regional Law Unit between 2008-2013. She was appointed as a Manager at Aegean Regional Law Unit in 2014. She served as Group Manager at the Legal Branches Directorate between 2017-2019. She served as Director at the Legal Directorate between 2019-2023, Director at the Legal and Compliance Group Directorate, and Group Director at the Legal and Compliance Group Directorate between 2023-2024. As of September 2024, she continues her duty as the Chief Legal & Compliance Officer.

Cüneyt Taşpek

Chief Sales Officer

Cüneyt Taşpek, born in 1965, received his Bachelor's Degree at Anadolu University, Department of Business Administration in 1986. He started his career in 1987 at the Purchasing Department of Alarko Alsim. From 1989 to 1992, he worked at the Sales Department of Mapo. Taşpek joined Migros Group in 1992, as Assistant Store Manager and was then promoted to Store Manager in 1994, a position he held until 1997. Between 1997 and 2000, he worked as Regional Sales Manager and then from 2000 to 2011 as Adana Region Manager. He was appointed as Istanbul European Region Manager in 2011. He worked as West Marmara Region Director between 2014 and 2018. From April 2018 to May 2021, Taşpek worked as Hypermarket Business Unit Director. He was appointed as Supermarket Business Unit Director in June 2021. As of July 2023, he took on his current position as Chief Sales Officer.

Aydın Ferit Cansever

Supply Chain Management and Logistics Assistant General Manager

Aydın Ferit Cansever was born in 1974 in Istanbul. After graduating from Saint Michel French High School in 1992, he completed his bachelor's degree in the Department of Metallurgical and Materials Engineering at Istanbul Technical University in 1996 and then completed his postgraduate education in the Department of Industrial Engineering at Istanbul Technical University and graduated as a certified engineer. He started his Migros career in 1998 as a Specialist in the R&D Department. He worked as System, Organization and Support Unit Manager between 2002-2004. He served as Business Analysis and Quality Management Manager in 2005. He worked as Business Development and Process Management Manager between 2008-2009. He was appointed as Business Development and Process Management Manager in 2010. Between 2014-2024, he served as Business Development and Process Management Group Manager, Business Development and Process Management Director, and Supply Chain Management Director, respectively. As of September 2024, he continues to serve as Chief Supply Chain & Logistics Officer.

Yaşar Ender Tüzün

Chief Expansion, Property and Construction Officer

Born in 1973, Yaşar Ender Tüzün graduated from Beşiktaş Atatürk Anatolian High School and earned his bachelor's degree in Business Administration from Marmara University. Tüzün began his career at Migros in 1991 as part of the Sales Team. Between 1997 and 2006, he working as Marketing Specialist, Assistant Marketing Manager, and Marketing Manager. From 2006 to 2024, he held the roles of Expansion and Property Manager, Expansion and Property Group Manager, Expansion and Property Director, and Expansion and Property and Public Relations Director. Tüzün was appointed as the Chief Expansion, Property & Construction Officer on 1 January 2025.

Corporate Governance Principles Compliance Report

Migros Ticaret A.Ş. (“Migros”, “the Company”, “our Company”)

Address	Atatürk Mah. Turgut Özal Bulvarı No: 7 34758 Ataşehir / İstanbul
Trade Registry No.	659896
Mersis (Central Registration System) No.	0622052951300016
Phone	+90 216 579 30 00
Customer Care Line	0850 200 4000

For renewal of its corporate governance rating, our Company signed a new agreement covering its second rating period on 13 October 2023 with SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. (“SAHA”), which is authorized to carry out rating in Türkiye in accordance with the CMB’s Corporate Governance Principles.

The 9.67 (97.74) corporate governance rating assigned to Migros by SAHA Corporate Governance & Credit Rating Services on 28 December 2023 was reconfirmed by as 9.67 (97.74) by that agency on 27 December 2024.

The individual scores assigned for each heading to our Company are presented below:

Headings	Weight	Assigned Score (%)
Shareholders	25%	95.83
Public Disclosure and Transparency	25%	98.45
Stakeholders	15%	99.51
Board of Directors	35%	94.97
Average	100%	96.74

Migros’ publicly-traded shares were included in the BIST Sustainability Index when that index was launched and have remained in it ever since. Migros’ shares were also included in the BIST Sustainability 25 Index when it was launched on Borsa İstanbul in 2022.

PART I - STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Migros attaches great importance to the implementation of corporate governance principles as prescribed by capital market laws and regulations, the Turkish Commercial Code, and other regulatory requirements. Migros is aware of the benefits that the implementation of these principles will have for the Company, for its shareholders, and ultimately for the country as a whole. Our corporate governance practices are constantly being reviewed and improvements are made in them where necessary both so that we may be in compliance with Corporate Governance Principles Communiqué II-171 and so that we may be an exemplary company on such issues.

Our Company has adopted the main principles of Corporate Governance which are:

- Fairness
- Transparency
- Responsibility
- Accountability.

A corporate governance committee was formed within the Board of Directors in 2007 and charged with overseeing corporate governance matters throughout the Company and with supervising the Investor Relations Department. Capital market laws and regulations mandate that a corporate governance committee be set up and that its head be chosen from among the Company’s independent board members.

In a Board resolution passed on 26 April 2024, Uğur Bayar, Talip Altuğ Aksoy, Esel Yıldız Çekin, Mehmet Hurşit Zorlu, Burak Başarır, Recep Yılmaz Argüden and Affan Nomak were elected to seats on the Corporate Governance Committee. Independent Board member Uğur Bayar functions as the Committee Chairman.

Our corporate website (www.migroskurumsal.com) is regularly updated in order to provide information on the Company to our shareholders. In addition, dedicated websites are available on each of our Company’s formats for the information of the general public and our stakeholders. In addition to forming a part of its integrated annual report, Migros’ corporate governance principles compliance report may also be found in the “Investor Relations” section of its corporate website and on the Migros page of the Public Disclosure Platform (KAP).

The most recent version of the Company’s articles of association that are in conformity with the Turkish Commercial Code and the Capital Market Law are posted on the corporate website (www.migroskurumsal.com) and on KAP.

Our Company is a member of the Investor Relations Association (TÜYİD) and the Corporate Governance Association of Türkiye (TKYD).

Corporate Governance Principles Compliance Report

PART II - SHAREHOLDERS

2.1 Investor Relations

The Investor Relations Department was set up under the responsibility of the assistant general manager for finance. The Investor Relations Department acts in compliance with the requirements of Turkish Commercial Code, capital market laws and regulations and with CMB regulations, communiques, and principles in the conduct of its activities. The Investor Relations Department is actively involved in making it easy for shareholders to protect and exercise their rights, including but not limited to, their rights to obtain information and to examine the Company's records.

- The main duties and responsibilities of the Investor Relations Department are as follows;
- Manage general assembly meeting-related matters in compliance with the requirements of laws and regulations and of the Company's articles of association;
- Conduct matters related to share capital increases;
- Conduct matters related to dividend payments;
- Represent the Company before such agencies as the Capital Markets Board (CMB), Borsa İstanbul, the Central Registry Agency (MKK), and Takasbank and liaise with them;
- Maintain records pertaining to the Board of Directors, to committees set up within the board, and to general assembly meetings;
- Provide the Public Disclosure Platform with information about material events as required by the Public Disclosure Communique (VII-128.6), the Material Events Communique (II-15.1), and other pertinent regulatory requirements;
- Keep track of all matters related to public disclosures covered by the Company's public disclosure policy;
- Prepare documents that may be useful to shareholders at general assembly meetings and ensure that shareholders have easy access to these documents;
- Keep track of the requirements of laws and regulations and of CMB legislation;

- Inform senior management of matters and issues with which the Company must be in compliance;
- Prepare the Company's quarterly and annual reports;
- Coordinate efforts and activities related to Corporate Governance in harmony with the Corporate Governance Committee;
- Prepare quarterly and annual informational presentations and bulletins;
- Provide investment banks/brokerage analysts, fund managers, shareholders, and other stakeholders with information about the Company to the extent allowed by the Company's disclosure policy;
- Propose changes to keep the articles of association in compliance with current laws and regulations;
- Keep abreast of and analyze information about the sector;
- Respond to shareholders' queries and requests for information to the extent allowed by the Company's disclosure policy;
- Have shareholders' paper-form securities dematerialized;
- Contribute to the initiatives and efforts regarding sustainability.
- Coordinate the changes and developments in relation to Borsa İstanbul Corporate Governance and Sustainability Indices, in which the Company is included,
- Handle the processes related to the Company's corporate bond issuances,

The Investor Relations Department frequently prepares and submits to the Board of Directors a report of its most recent activities. Additionally, the Corporate Governance Committee makes quarterly presentations on the Company's corporate governance practices and investor relations activities.

All shareholders who wish to obtain information about the Company may submit their requests by email to yatirimci@migros.com.tr and/or by calling +90 850 200 4000 Customer Service Line and +90 579 3405 Investor Relations Line. All other channels of communication are also available to shareholders.

Corporate Governance Principles Compliance Report

Member of the Executive Committee (CFO):

Ferit Cem Doğan

Email: cemdo@migros.com.tr

Investor Relations and Risk Management Director: Dr. Affan Nomak

Email: affann@migros.com.tr

Capital Market Activities Level 3 License No: 204627

Corporate Governance Rating Specialist License No: 700482

Investor Relations and Corporate Compliance Group Manager: Ahmet Hüsamettin Özkök

Email: ahmeto@migros.com.tr

Capital Market Activities Level 3 License No: 209815

Corporate Governance Rating Specialist License No: 702068

The activities of the Company in 2024 are itemized below.

Teleconferences conducted during the year: 4

Investor presentations concerning the Company's financial results: 4

Financial press releases concerning the Company's financial results: 4

Material event disclosures sent to the Public Disclosure Platform: 60

Board of Directors resolutions passed: 25

Domestic and international conferences and roadshows taken part in: 9

Analysts and fund managers met with during the year: 250+

2.2 Shareholders' Rights to Information Disclosure

Informing

The Investor Relations Department endeavors to respond to requests for information about the Company that it receives as quickly as possible and without making any distinctions among shareholders. Mindful of shareholders' right to be informed and of their right to have simultaneous, convenient access to information, announcements about the Company are also published on the Company's corporate website.

Immediately after each announcement of the Company's quarterly results, teleconferences concerning the investor presentation published on our website were conducted. During these teleconferences, detailed information was provided about the presentation.

The shareholders' right to receive and review information as stipulated by the law is not eliminated or restricted neither by any provision contained in the Company's articles of association, nor by any practice based on the Company management's decision.

Auditing

At the meeting of the Board of Directors of Migros, held on 20 March 2024, it was decided according to the proposal by our Audit Committee that PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. be elected as the independent audit company for the 2024 fiscal year. This decision was submitted to the General Assembly for approval, according to the Board's resolution.

The Migros general assembly of shareholders voted to approve, as the Company's independent auditor for 2024, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., which had been selected by the Board of Directors.

A two-member Audit Committee has been formed by the Board of Directors of Migros. Under article 4.5.3 of the CMB's "Communiqué concerning corporate governance principles (II-17.1)", all of the members of the Audit Committee must be selected from among the Company's independent board members.

At a meeting of the Board of Directors on 26 April 2024, a resolution was passed to reconstitute the Audit Committee as a two-person body whose members are both independent board members and Barış Tan and Emre Ekmekçi were elected to fill these seats. As also required by Capital Markets Board regulations, Barış Tan was designated as the committee's chairman.

The Company's articles of association contain no provisions that complicate the conduct of a special audit. The Company management avoids undertaking any transaction that would complicate the execution of a special audit. No requests for performance of a special audit at the Company have been received during the reporting period.

The internal audit activities of the Company are discussed in the relevant sections of the Corporate Governance Principles Compliance Report.

Corporate Governance Principles Compliance Report

2.3 General Assembly Meetings

Attention is given to covering all issues whose discussion is statutorily mandated when determining items for the agendas of general assembly meetings. Care is taken to express general assembly agenda items clearly and to include each item under a separate and specific heading. General assembly meeting announcements are published in the Turkish Trade Registry Gazette, on the Public Disclosure Platform (KAP), on the Central Registry Agency's (MKK) electronic general assembly portal (e-GAM) and e-Company portal, and on the Company's corporate website so as to give all shareholders convenient access to these announcements. A general meeting information document containing detailed information about agenda items, the CVs of company directors, the Board of Directors' proposal on dividends and their payment schedule (including reasons for not paying a dividend), and other relevant information is published on the Migros corporate website (www.migroskurumsal.com), as well as on the KAP, e-GKS, and e-Şirket portals.

General assembly meetings are held physically at the Company's headquarters (Atatürk Mahallesi, Turgut Özal Bulvarı No: 7, 34758 Ataşehir, İstanbul) and are simultaneously conducted electronically through the electronic general assembly system. General assembly meetings are open to all stakeholders and are attended by media representatives.

Company officers responsible for the preparation of financial statements and a representative of the independent auditor attended the general assembly meeting so as to provide such information as might be needed and to respond to any questions.

A separate item concerning charitable donations provided during the year is included in general assembly meeting agendas and shareholders are provided with information about them.

Annual General Assembly Meeting

The annual general assembly meeting at which Migros' 2023 activities and accounts were examined took place on 16 April 2024 at 14:00 at the Company's head office building located at the address of Atatürk Mahallesi, Turgut Özal Bulvarı No: 7, 34758 Ataşehir, İstanbul and it was also simultaneously conducted electronically through the MKK's e-GAM. The meeting was observed by ministry representative Seda Çaycı Akkale, who had been charged with this duty by İstanbul Trade Directorate letter numbered 95715748 and dated 4 April 2024.

2023 balance sheet and income statement, the Board of Directors' annual report, independent auditors' report, and proposal for the distribution of the year's dividends were made available for the examination of shareholders at the Company's headquarters, on its corporate website at www.migroskurumsal.com, and on the electronic general assembly portal during the three weeks preceding the meeting.

An examination of the attendants list showed that 11,921,569,550.5 shares out of a possible 18,105,423,300 corresponding to TL 119,215,695.505 of the Company's TL 181,054,233 in capital were represented at the meeting.

Immediately after the meeting, its minutes and attendants list were reported to the Public Disclosure Platform and were also published under the "Information about general assembly meetings" heading of its corporate website at www.migroskurumsal.com. General meeting decisions involving matters that are subject to mandatory registration were registered with the İstanbul trade registry and announced in issue 11072 of Türkiye Ticaret Sicili Gazetesi on 30 April 2024. Prior to the meeting, no shareholders submitted any proposals for items to be included in the meeting's agenda.

The total amount of charitable donations and aids made during the reporting period have been presented for the information of shareholders at the Company's Annual Ordinary General Assembly Meeting. In 2023, the Company's charitable donations to organizations and campaigns including the Turkish Red Crescent Association, Educational Volunteers Foundation of Türkiye, Aegean Forest Foundation, Koç University, Anadolu Education and Social Assistance Foundation, Foundation for Children with Leukemia, etc. amounted to TL 24,897,253.91.

Under the CMB Corporate Governance Communiqué App. 1, principle no. 1.3.6., shareholders were informed that there were no material transactions carried out in 2023, which were of the nature mentioned in the said principle.

The decisions passed at the 2023 Ordinary General Assembly Meeting have been carried out.

2.4 Voting Rights and Minority Rights

As is stipulated in Migros' articles of association, there are no special voting rights at the Company. All votes are of equal weight. Every shareholder at a general assembly meeting is entitled to cast as many votes as the number of shares that they hold. There are no shareholders with cross-shareholding interests. The articles of association provide for no special privileges and/or similar rights with respect to representation on the Board of Directors. Four of the twelve members of the Board of Directors are independent members.

The Company avoids engaging in any and all manner of practices that might obstruct the exercise of shareholders' voting rights and takes maximum care to make sure that the Company's minority rights are exercised in view of the applicable legislation and the provisions of the articles of association.

Those who are entitled to cast votes at general assembly meetings may exercise those rights personally and they may also designate a proxy, who may or may not be a shareholder themselves, to do so on their behalf. A specimen of the proxy statement for shareholders not personally attending a meeting is posted at the Company's headquarters, on its corporate website (www.migroskurumsal.com), and at the Public

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Disclosure Platform (KAP) and the MKK's e-GAM portal and is also published in the Turkish Trade Registry Gazette along with the general assembly meeting summons.

Voting on agenda items at general assembly meetings is by an open show of hands by shareholders who are physically present; electronic voting is provided for shareholders who are attending meetings in an electronic environment. Once voting has been completed, the results of physically cast and electronically cast votes are consolidated in the e-GAM.

2.5 Dividend Rights

There are no privileges regarding participation in the Company's profit. Profits are distributed within statutorily prescribed periods of time and as soon as possible after a general assembly meeting has taken place. The actual payment dates are determined by the general assembly.

Payment of dividends has always been an important matter for Migros, which always aimed to protect the interests of its shareholders. The utmost attention is given to the fine balance between the growth strategy and dividend payment policy.

Dividend Policy

Migros shareholders at the company's ordinary general meeting approved the company's new dividend policy on 16 April 2024. The policy reads as follows:

"Our Company conducts a dividend distribution policy within the framework of the provisions of the Turkish Commercial Code, Capital Markets Legislation, Tax Regulations and other relevant legislation as well as the provisions of our Articles of Association regarding the dividend distribution.

In line with the Corporate Governance Principles, a balanced and accurate policy is followed between the benefits of the shareholders and the Company. By taking our Company's long-term strategies, investment and financing plans as well as its profitability into consideration, our Company targets to distribute 50% of its annual net distributable profit every year, in cash or in the form of bonus shares of stock, or some combination of the two. This policy is subject to the Company's cash flow projections, forward looking expectations on its operations, investment plans and economic conditions. The General Assembly may decide to distribute dividend which differs from the targeted percentage by taking all these factors into consideration.

Dividend distribution shall start latest by the end of the fiscal year in which the General Assembly approves the dividend distribution.

The Company may decide to distribute dividend in advance or distribute dividend with either equal or different installments, in compliance with regulations in effect."

The Board of Directors' dividend distribution proposal was discussed at the General Assembly meeting convened on 16 April 2024. Accordingly it was decided;

- to distribute gross dividends of TL 1,250,000,000.00 to be fully paid in cash, after allocating TL 124,094,728.84 of secondary legal reserves, of which TL 192,935,524.48 will be provided from Net Distributable Period Profit and TL 1,181,159,204.36 from "other distributable resources", in the consolidated financial statements prepared in accordance with the capital markets legislation and in the legal records prepared in accordance with the Tax Procedure Law and tax legislation.
- to pay dividend TL 6.9040087 gross=net for shares at the nominal value of TL 1 for our shareholders which are full taxpayer institutions or limited taxpayer institutions obtaining dividend through a workplace or permanent representatives in Türkiye,
- to pay gross dividend of TL 6.9040087 and net dividend of TL 6.2136078 (by deducting 10% withholding tax) cash for shares at the nominal value of TL 1 for our other shareholders,
- to start dividend distribution on 27 May 2024 upon completion of the legal process following the General Assembly Meeting and to authorize the Board of Directors to engage in necessary transactions.

These dividends have since been paid in full.

Since the legal limit in the Article 519 of the Turkish Commercial Code has been reached, the allocation of primary reserve is not required.

2.6 Transfer of Shares

The Company's articles of association contain no provisions restricting the transfer of its shares. Transfers of the Company's shares are subject to the provisions of the Turkish Commercial Code and of capital market laws and regulations. Subject to the satisfaction of specific conditions, the Company may acquire its own shares and accept them as collateral.

The Company's capital structure as of 31 December 2024 is as follows:

Migros Ticaret A.Ş. Shareholder Structure		
Shareholder	Share Amount (TL)	Share (%)
MH Perakendecilik ve Ticaret A.Ş.	89,046,058	49.18
Others	89,046,059	49.18
Migros Ticaret A.Ş.	2,962,116	1.64
Total	181,054,233	100.00

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PART III - PUBLIC DISCLOSURE AND TRANSPARENCY

3.1 The corporate Website and Its Content

Any and all manner of information and announcements that might have an impact on the exercise of shareholders' rights is made available to shareholders on an up-to-date basis via the corporate website. The website addresses all of the matters set forth in Corporate Governance Principles.

The Company has a dedicated website for each one of its formats. Our corporate website contains the following sections and their associated sub-sections:

- About Us
- Investor Relations
- Sustainability
- Media
- Career
- Help Center

Besides addressing the matters set forth in section 2.1 ("Corporate Website") of CMB Corporate Governance Communique II-17.1, the Migros corporate website also contains information about many other subjects.

The Investor Relations section of our corporate website covers the main headings of "Corporate", "Financial Information", "General Assembly", "Contact Us" and "Frequently Asked Questions". Our investors can find more detailed information about Migros in the subsections under these main headings. Our "Investor Relations" page is updated as circumstances warrant and as required by law. Every effort is made to make such information easily accessible to stakeholders.

The corporate website also contains trade registry information and the shareholding structure in Turkish and English as required by law.

In addition, the Company's "Privacy and Data Security Policy" is also available at our corporate website. The Policy is intended to clarify the types of data we collect, the reasons and methods of data collection, the purposes such data are used for, and the steps taken to ensure their security.

3.2 Annual Report

The annual report is prepared in such a way as to contain all of the matters specified in the Turkish Commercial Code, in "Regulations concerning the determination of minimum content in companies' annual reports" (published in issue 28395 of Official Gazette on 28 August 2012), and in the corporate governance principles set forth in the appendix to CMB Corporate Governance Communique II-17.1. As so required, the Board of Directors has an annual report prepared that provides the public with complete and truthful information about the Company's activities.

The following information is provided under the "Board of Directors" heading of the corporate governance principles compliance report section of the annual report: statements pertaining to information about members of the Board of Directors, to duties that executives undertake outside the Company, and to the independence of independent members; information pertaining to committees set up within the Board of Directors that includes their working principles, members, frequency of meetings, and performance along with the board's assessments of the committees' effectiveness; information pertaining to the number of Board of Directors meetings held during the year and members' attendance at them.

The corporate governance principles compliance report also contains, in appropriate sections, information about: changes in the legal framework that may significantly affect the Company's activities; significant lawsuits filed against the Company and their potential consequences; conflicts of interest between the Company and those from which it obtains investment advisory, rating, and similar services along with measures taken by the Company to preclude such conflicts; cross-shareholding interests that involve more than a 5% capital stake; information about corporate social responsibility issues including employee rights, professional/occupational training, and other company activities that have social and/or environmental consequences.

PART IV - STAKEHOLDERS

4.1 Informing Stakeholders

Migros corporate governance practices observe stakeholders' rights as embodied in laws and regulations and in its contractual agreements. The Company keeps stakeholders informed about issues that may be of concern to them through a variety of communication channels including, but not limited to, its corporate website at www.migroskurumsal.com. Policies and procedures concerning stakeholders' rights (Anti-Bribery and Anti-Corruption Policy, Compensation Policy, Responsible Supplier Policy, etc.) are posted on the corporate website. Company employees, shareholders, and other individuals and entities with which the Company has a shareholding and/or business relationship may submit suggestions and complaints about such issues directly to company executives. All such submissions are considered and responded to as circumstances require.

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Migros publishes the names and contact information of the department heads of the Company on its corporate website (www.migroskurumsal.com) thus making it possible for stakeholders to directly contact the manager overseeing a particular issue and direct their questions and opinions to the relevant person firsthand. The objective of this model is to allow for the establishment of a more transparent and effective communications model between the Company and its stakeholders.

Necessary mechanisms have been set up to let stakeholders report any violations of laws and regulations by the Company and any involvement by the Company in dealings that may be unethical, if applicable. Stakeholders are provided with clear and explicit information about the Corporate Governance Committee, the Audit Committee, and the members of both so that they may contact these committees directly in order to report any such issues.

The Company keeps shareholders and other interested parties informed through such means as press releases and investor presentations.

4.2 Stakeholders' Participation in the Company Management

The employees' participation in management is regulated by internal guidelines. Article 7 of "The Company's Responsibilities toward its Employees" section of the Migros Code of Conduct reads as follows: "In matters that are related to employees, Migros seeks to include the opinions of its employees as much as possible in any decision concerning the future of the Company."

Accordingly, management of Migros gives a great deal of attention towards the achievement of this goal. Stakeholders' opinions are sought in material decisions bearing impact with respect to them. As part of our business conduct, Migros employees participate in the decision-making processes concerning their respective areas of work. Migros employees have the opportunity to communicate their new ideas, proposals and demands to the senior management of the Company and Members of the Board of Directors directly or electronically via intranet, the Company's internal communication platform.

The management body, through which our employees are represented at our stores, is the Workplace Union Representative committees. In addition to overseeing the enforcement of the provisions of the collective bargaining agreement, Workplace Union Representatives discuss the complaints and requests communicated by our employees or by our Company with the employer representatives. In addition, they are also represented in various committees such as the Occupational Health and Safety Committee on which they are members, and on committees set up for various projects.

A "Working Life Assessment Survey" is conducted every year by an independent research company in order to measure and further improve the levels of Migros employees' job satisfaction and company loyalty. The findings from the survey form the basis of new administrative decisions to be made each year.

An annual Goal-Awareness Workshop is conducted in order to ensure that the Company's targets and strategies are fairly, equally, and clearly understood by all Migros employees. Representatives attending the workshop have a direct impact on the determination of the Company's annual goals. The goals setting the main strategy of the Company are objectively deployed across all departments.

4.3 Human Resources Policy

1. Purpose

Migros Ticaret A.Ş. structures its strategies with a customer satisfaction approach that raises the retail standards in the countries it operates in order to achieve sustainable quality, reputability and sector leadership. Migros Human Resources aims to provide the human resource that will create a competitive advantage in our company on realizing these strategies, to develop the systems to constantly motivate and manage human resources and implement these systems in line with the corporate principles. It aims to establish and implement Human Resources Systems that correspond with the company strategies, values and serve for employees' happiness and engagement.

Migros Human Resources aims to provide the human resource that will create a competitive advantage in our company on realizing these strategies, to develop the systems to constantly motivate and manage human resources and to make sure these systems operate in integration with each other.

2. Our Employer Brand

As Migros Ticaret A.Ş. our employer value proposition (EVP) for existing and potential employees is "Good Job, Good Future". Our main employer qualities that we have determined together with our employees and capitalized on are as follows:

- We are a reliable and corporate family
- We aim for the top
- We are constantly developing
- We are innovative
- We provide all our employees equality of opportunity and strong career development opportunities.

3. Search and Selection

The main purpose of Search and Selection is to provide the human resource that will create a competitive advantage in realizing the corporate strategies within the necessary time using the most objective and effective evaluation tools to the company.

It covers all the human resource needs and completion of them within the organization.

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In our recruitment process, there is no discrimination based on age, gender, race, religion, language, ethnic origin, sexual preference, belief, marital, social or economic status, disability, pregnancy or military service status. In the candidate selection process, they are selected according to their experiences, skills, competencies required by the position.

4. Internal Application System

The purpose of our internal application system is to provide for our workforce needs from internal sources and thus give our own employees different career opportunities in the company to increase their motivation and engagement.

5. Performance Management System

Through our Performance Management System, it is aimed to guide our employees' career development/back up, income package and development plans in line with evaluation results by making sure that the goals to be reach in line with the company strategies are embraced by all our employees and the performance of our employees are monitored in a fair and productive manner.

Our Performance Management System, in which KPI (Key Performance Indicators) and OKR (Objectives & Key Results) structures are used together has transparent and dynamic features and increases the common goal and cooperation with its infrastructure that supports instant feedback and cross-functional teamwork. The personal performance notes achieved as a result of the Performance Evaluation comprise the input for career development/back up, income package and development plans.

6. Job Evaluation System

The purpose of our Job Evaluation System is to determine the relative contributions of work to the results of the organization in a fair and methodological manner and to assess the relative size of jobs.

According to the job evaluation methodology each varying position in our company is evaluated according to the size of the job, knowledge-skill, responsibility and problem-solving criteria. Job families and a level structure were formed unique to the company by forming groups of roles which have common characteristics taking into consideration with vision, strategy and goals; and these groups have been organized into levels according to objective criteria.

Job Evaluation provides critical input for Performance Management, Reward and Remuneration, Search and Selection, Training Development and Career Planning/Back Up processes. It is a platform that can be used as the infrastructure for all "Integrated Human Resources Systems" and impacting remuneration in particular.

7. The Remuneration System

The main purpose of Remuneration Management is to manage the total income package of employees based on job -evaluation results and outside and inside of company salary balances with fair and competitive salary policies distinguishing and rewarding performance.

The Remuneration System is based on the salary policies which are determined annually according to job family/level of positions, the salary market, the existing salary structure of the company and the ability to pay. The employee raises are determined according to the PIR (position in range) calculated with these salary principles and the results of individual performance evaluations.

Within the framework of our remuneration policy, which covers our employees in our operations, there is no difference in salary and fringe benefits among employees with similar duties, seniority and performance. Starting level pricing in our stores is based on minimum wage and fringe benefits, regardless of gender.

The salaries and benefits of blue-collar workers are evaluated in the scope of the Collective Labor Contract.

The salaries determined according to the above procedures are then approved by Migros Human Resources & Industrial Relations Assistant General Manager and our General Manager.

8. Competency / Potential Evaluation / Strategic Human Resources

Competency is the observable behavior that includes the knowledge, skill and attitude that distinguishes the highest level of performance.

The purpose of our Competency Evaluation process is to determine the individual competency profile that is compatible with our company culture and to match the requirements of a job with the qualified employee. Also, the purpose is to create the human resources necessary to support the strategic human resources planning of our company and maintain it as well as determine the backup for key positions and identify the Potential & Star candidates.

The compatibility of our employees to the position profiles are evaluated in line with the organizational needs planning that supports our company's productive growth strategy; critical position backups and potential & star candidates are determined, they are approved by management decision in Strategic Human Resources Planning Meetings and then finalized.

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9. Development Planning

The Development Planning process planned each year for Store Management and every 2 years for Administrative Units starts with the announcement of competency evaluation results. Our employees, who can view their evaluation results on the system, fill out the Development Agreement on the system and determine which skill they will improve and which development activities (in class training, online training, article, book, complementary activity) they will participate in and enable the evaluations to provide input for the development process. The filled form is first submitted to the manager of the employee then to the Training Department for approval.

While the requests in Development Plans of employees for the development tools such as online training, article, book, -complementary activity are automatically assigned, in class training is organized by the “Migros Retail Academy” and announced by email.

10. The Reward Systems

Migros Reward and Premium Systems aims to reward differentiated individual/team work, customer admiration and appreciation through differentiated branches in Reward System to recognize the achievements of employees and increase their company engagement and motivation in line with the company goals.

11. Career Planning Management (Appointment/Promotion Processes)

The Career Planning Process; is a fair and reliable process that is carried out at certain periods to support the company's productive and profitable growth strategy by appointing/promoting qualified candidates suitable to the profile of the positions within the framework of a certain standard depending on the principles of objectivity and transparency.

In the promotion processes; for our store employees, being successful in the results of the competency & performance evaluations in the Store Career Recipes booklet and in the results of Migros Development Center are taken into account. They are expected to meet the training and seniority criteria sought for each position and not to have any warning/caution. They are also required to be successful in exams and interviews for some positions.

This process is evaluated for our employees in HQ within the framework of the job analysis forms created by their job size and according to the headcount situation. The career development of our employees is impacted by the requirements of the position they are in, the level definitions of job families they are depending on and changes of their job size. Job Evaluation provides critical input for Performance Management, Reward and Remuneration, Search and Selection, Training Development and Career Planning/Backup processes.

12. Employee Relations Management

The aim of our Working Life Evaluation Survey is conducted by an independent company is to measure the level of satisfaction and engagement of our employees, to identify what needs to be improved and prioritize them. The results of this survey guide our improvement activities on working life.

4.4 Code of Ethics and Social Responsibility

Migros has determined its Code of Ethics within the framework of the following responsibilities.

- The responsibilities of the Company towards its employees
- The responsibilities of employees towards the Company
- The responsibilities of Migros towards other companies
- Responsibilities of the Company towards the society
- Migros Code of Ethics can be accessed on the Company's corporate website (www.migroskurumsal.com).

Migros' corporate culture includes its concern for public health and hygiene, sensitivity toward identifying and satisfying societal needs, organization of and participation in exemplary educational, cultural, athletic and social activities essential for social development as well as its corporate identity as an “Honest Retailer” sensitive to the environment.

As required by its sense of corporate social responsibility, Migros operates in compliance with laws, the rules of ethics, and respect for human rights in the conduct of all consumer-related services; fulfills the responsibilities incumbent upon it in the furtherance of registered-economy activities that give back to society by enriching national resources; contributes to formal employment through its upholding of statutorily-mandated employee rights. The Company also shares its sense of social responsibility with its social stakeholders - employees, suppliers, subsidiaries, investors and consumers and with the public at large. Great importance is given to supporting and spreading of such pioneering and value-adding practices for the improvement of the society.

Migros is aware a good reputation can be ruined in a single blunder. Migros acts ethically and with integrity in every practice it engages in. The Company is well aware that trust cannot be won easily, and that it is a bond that grows and develops slowly over a long period of time between a company and its customers and that once broken, cannot be saved by quick fixes. Migros has been protecting the good health and rights of its customers since its inception. Many innovative practices introduced by Migros encourage good shopping habits and foster consumer awareness. These practices subsequently became industry standards and some have even been made into law.

Detailed information about the Company's social responsibility activities is provided in appropriate sections of the annual report.

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PART V - BOARD OF DIRECTORS

5.1 Structure and Composition of the Board of Directors

All of the members of the Migros Board of Directors possess the qualifications required of them in article 4.3 of CMB Corporate Governance Communiqué II-171. All of them are professionals distinguished by virtue of their exemplary business knowledge, experience, and background.

The Board of Directors identifies strategic objectives taking into account both the requirements of laws and regulations and the Company's articles of association and internal directives. The board formulates the most appropriate balance among between growth and the issues of risk vs return in line with these objectives and, mindful of the Company's long-term interests, administers the Company transparently, accountably, justly, and responsibly.

The Migros Board of Directors consists of twelve members, all of whom are elected by shareholders at a general assembly meeting. The board's membership consists of non-executive board members, except CEO Ömer Özgür Tort. In the company, the duties of Chairman of the Board of Directors and CEO are fulfilled by different people. Among the board members are independent members who have the ability to act with absolute impartiality in the conduct of their duties.

According to article 4.3.4 of CMB Corporate Governance Communiqué II-171, the number of independent board members must not be fewer than one-third of a board's total membership. When determining how many independent board members a board must have, fractions are rounded up to the nearest whole number but in no case may the number of independent board members be fewer than two. In compliance with this rule, four of the twelve members of the Migros Board of Directors are independent members.

Under the articles of association, board members serve for three-year terms at most unless a shorter term of office is specified at the general assembly meeting at which they are elected. A board member whose term of office expires may be reelected. Shareholders assembled in a general assembly meeting may, for just cause and at any time that they deem such action to be necessary, dismiss any board member whether or not such an item is on the meeting agenda.

The Corporate Governance Committee, which performs the duties of a nomination committee at Migros, has created a pool of prospective independent board members during 2024 and the nominees have been presented in a report to the Board of Directors.

There are no binding rules governing board members, other than independent board members, undertaking duties outside the Company. However, the conditions stipulated in the Corporate Governance Communiqué are abided by with respect to outside duties undertaken by independent board members. According to the

limitation imposed, they may not serve as independent board members at more than three companies where shareholders having management control over the Company have management control and in the aggregate, at more than five companies traded on the stock exchange. The duties board members undertake outside the company are presented for the information of shareholders through the General Assembly Information Document at the General Assembly Meeting.

Migros Corporate Governance Committee has set a target (25%) for assignment of women members on the Board of Directors, and has made a recommendation in writing to the Board of Directors. The Board of Directors set the minimum ratio of women members as 25% and formulated a policy to achieve this goal. As a matter of principle, there are no barriers to women serving as members of the Board of Directors, at a number which will not be less than 25% of the number of all members. It has been reckoned that women members possessing academic and industrial experience who will contribute value to the Company can serve on the Board of Directors.

The composition of the Board of Directors is reviewed annually, upon which the Board of Directors devises plans accordingly. Esel Yıldız Çekin, a member of the Board of Directors, has been serving on the Migros Board of Directors since 29 April 2020. Consequently, one woman member has been serving on the Company's Board of Directors composed of 12 members.

Board of Directors

Name	Title	Appointed on	Term
Tuncay Özlhan	Chairman (Non-executive)	16 April 2024	1 Year
Kamilhan Süleyman Yazıcı	Vice Chairman (Non-executive)	16 April 2024	1 Year
Talip Altuğ Aksoy	Member (Non-executive)	16 April 2024	1 Year
Burak Başarır	Member (Non-executive)	16 April 2024	1 Year
Mehmet Hurşit Zorlu	Member (Non-executive)	16 April 2024	1 Year
Esel Yıldız Çekin	Member (Non-executive)	16 April 2024	1 Year
Rasih Engin Akçakoca	Member (Non-executive)	16 April 2024	1 Year
Ömer Özgür Tort	Member and CEO (Executive)	16 April 2024	1 Year
Emre Ekmekçi	Independent Member (Non-executive)	16 April 2024	1 Year
Bariş Tan	Independent Member (Non-executive)	16 April 2024	1 Year
Bekir Ağırdır	Independent Member (Non-executive)	16 April 2024	1 Year
Uğur Bayar	Independent Member (Non-executive)	16 April 2024	1 Year

Age Distribution of the Board of Directors

30-50	58%
Over 50	42%

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Independent Board Members' Affidavits

To the Board of Directors of Migros Ticaret Anonim Şirketi ("the Company"):

Owing to my having been proposed as a candidate for a seat as an independent board member on your Company's Board of Directors at your Company's general assembly meeting for the year 2023, I hereby declare and wish it to be known by all Company organs, shareholders, and other interested parties that I am a candidate to serve as an independent board member at the Company within the framework of the Company's articles of association and the criteria of the Capital Markets Board's Corporate Governance Principles and that I possess the qualifications to do so and furthermore:

a) That neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have, within the most recent five years, entered into any employment relationship in an administrative capacity involving significant duties and responsibilities, owned more than 5% of the capital or voting rights or privileged shares either jointly or individually, or have established a significant commercial relation with the Company, or with corporations over which the Company holds management control or significant influence or with shareholders who hold management control over the Company or have significant influence over the Company, or with legal entities controlled by these shareholders,

b) That within the most recent five years, I have not been a shareholder (5% and more), not worked in an administrative capacity undertaking significant duties and responsibilities or not served as a member of the board of directors in any company, particularly companies involved in the Company's auditing (including tax audit, statutory audit, internal audit), rating, or consulting functions that the Company purchases or sells a substantial amount of goods or services within the framework of the contracts executed, during the period of such sale or purchase,

c) That, as may be seen from my resume, I am possessed of the professional training, knowledge, and experience necessary to duly fulfill the duties I shall undertake as an independent member of the Board of Directors;

d) That, as of the date on which my candidacy for board membership was proposed and this affidavit is submitted, I am not a full-time employee of any public agency or organization and that, if elected, I shall not be for the duration of my term of office;

e) That I am a resident of Türkiye as defined in the Income Tax Law;

f) That I am possessed of ethical standards and of professional reputation and experience sufficient to enable me to make a positive contribution to the Company's affairs, to maintain my impartiality in any disputes that may arise among the Company's shareholders, and to come to decisions freely on the basis of all stakeholders' interests;

g) That I will be able to devote to the Company's affairs an amount of my time sufficient to keep track of the conduct of the Company's activities and to fully satisfy the requirements of the duties I will be undertaking

h) I have not served as a member on the Company's board of directors for more than six years within the last ten years,

i) I have not served as an independent board member in more than three companies over which the Company or the controlling shareholders of the Company hold management control and in more than five listed companies in total.

j) That I am neither registered nor designated as a representative of any legal entity that controls a seat on the Board of Directors.

Emre Ekmekçi

Independent Member of
Board of Directors

Barış Tan

Independent Member of
Board of Directors

Bekir Ağırdir

Independent Member of
Board of Directors

Uğur Bayar

Independent Member of
Board of Directors

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5.2 Operating Principles of the Board of Directors

In line with corporate governance principles, the Migros Board of Directors maintains transparency, accountability, fairness, and responsibility in the conduct of its operations. Through a value-driven business model and integrated approach, the board embraces governance principles that are compatible with the interests of all stakeholders. Recognizing the value of planning for the future today, Migros places sustainability at the core of its operations. This approach, combined with a focus on meeting the needs and expectations of all stakeholders, drives the company's commitment to long-term value creation. Taking the opinions of its internal committees into account, the Board of Directors devises internal control systems that incorporate risk management and information mechanisms and processes capable of minimizing the adverse impact of risks that might affect company stakeholders. The effectiveness of risk management and internal control systems is reviewed at least once a year. Information about the functionality and effectiveness of the internal control system is provided in the annual report.

As required by CMB Corporate Governance Communiqué II-17.1, the Board of Directors plays a proactive role in ensuring effective communication between the Company and its stakeholders and in addressing and resolving any disputes that may arise. To accomplish this, it cooperates closely with the Corporate Governance Committee and with the Investor Relations Department. During 2024 the Migros Board of Directors passed 25 resolutions on a variety of subjects. Majority of the full membership were present at every meeting in which these decisions were taken and the decisions were passed by a majority of those in attendance. Under the articles of association, invitations to board meetings may be sent out by the chairman (or his deputy) at least three days in advance of the meeting date by means of fax, letter, or email. These invitations indicate the meeting date, time, place, and agenda. Whenever the board is convened, it may agree upon a schedule for the regular conduct of meetings during the year.

A secretariat is charged with organizing and conducting meeting-related matters both before and after meetings are held. This secretariat is also responsible for the regular maintenance of meeting-related records, for making entries in the Board of Directors Book of Resolutions, and for making this register accessible to board members for their inspection. Any and all manner of views may be expressed during board meetings. If any dissenting votes are cast against a particular resolution, information about this is included in the minutes along with the justifications for such dissent. No dissenting opinions were entered into the minutes of any board meetings that took place during 2024. Any questions that may be raised by board members and the answers given to them are also entered into the minutes. Issues pertaining to board meetings and decision quorums are governed by the Turkish Commercial Code and the and the Articles of Association.

The agendas for board meetings are determined in line with the suggestions and guidance of board members and senior executives. Even if no other item has been placed on a meeting's agenda, the Company's monthly financial statements and investment program are discussed.

Each member of the Migros Board of Directors is entitled to one vote. No members have been granted weighted voting or veto rights.

Members of the Migros Board of Directors are covered by insurance against the risk that the Company may suffer a loss on account of misjudgment and errors in the performance of their duties. Liability insurance policies in the amount of USD 25 million have been taken out on board members and senior executives in 2024. This matter has been announced on KAP (Public Disclosure Platform) in March 2024.

Members of the Board of Directors are not allowed to vote in the issue of acquitting board members of their fiduciary responsibilities at general assembly meetings.

Duties and powers of the Board of Directors members can be found in the Company's Articles of Association available on the Company's corporate website (www.migroskurumsal.com) and on KAP (Public Disclosure Platform).

5.3 Number, Structure, and Independence of Committees Established within the Board of Directors

An audit committee, a corporate governance committee and an early detection of risk committee was set up both in compliance with the requirements of CMB Corporate Governance Communiqué II-17.1 and in order to help the Board of Directors better fulfill its duties and responsibilities. Owing to the structure of the board, neither a nominating committee nor a remuneration committee has been set up: the functions of such committees are performed by the Corporate Governance Committee. These committees' areas of responsibility, their working principles, and their memberships are determined and publicly disclosed by the Board of Directors.

Under CMB Corporate Governance Communiqué II-17.1, all audit committee members and the heads of other committees must be selected from among independent board members. Care is taken to avoid having any single board member serving on more than one committee. No executive board member or general manager may serve on these committees.

The activities of the board's Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee for 2024 have been reviewed and assessed by the board. It was ascertained that in the conduct of their operations these committees had been mindful of the requirements of laws and regulations and that their activities had a beneficial impact on the Company's practices.

The Audit, Corporate Governance, and Early Detection of Risk committees all report directly to the Board of Directors as required by the Turkish Commercial Code and by Capital Markets Board regulations. The Sustainability, Occupational Health & Safety, and Ethics committees report directly to the CEO.

Corporate Governance Principles Compliance Report

As an adjunct to the Migros Sustainability Committee consisting of representatives from various departments across the company, a board-level sustainability committee consisting of members of the Migros board of directors was formed in 2024.

a. Audit Committee

At a meeting of the Board of Directors held on 26 April 2024, it was decided that the Audit Committee should consist of two independent board members and that Barış Tan and Emre Ekmekçi were elected to fill these seats. In compliance with CMB regulations, Barış Tan was chosen to serve as committee chairman.

Audit Committee

Barış Tan	Committee Chairman	Independent Member	Non-executive
Emre Ekmekçi	Member	Independent Member	Non-executive

As required by CMB Corporate Governance Communiqué II-17.1, Migros Audit Committee members are elected from among the company's independent directors. Committee Chairman Barış Tan has professional experience in auditing, accounting, and/or finance.

Besides auditing the Company's accounting system and its publicly disclosed financial statements, the Audit Committee also oversees the operation and effectiveness of independent auditing and of the Company's internal control and internal audit systems. As required by Corporate Governance Principles, the selection of independent auditors, the preparation of independent auditing contracts and the initiation of independent auditing processes, and every stage of the activities of the independent auditors are subject to the oversight of the Audit Committee.

The Audit Committee determines methods and criteria that are to be applicable when examining and finalizing any complaints the Company receives about its accounting and internal control system or its independent auditing and when company personnel are given access to confidential reports about in-house accounting and independent auditing matters.

Every year, the Audit Committee submits its proposal for the designation of the Company's independent audit firm for the fiscal year from 1 January until 31 December.

Prior to the public disclosure of annual and interim financial statements and having consulted and obtained the opinions of the Company officers concerned and of the independent auditors, the Audit Committee provides the Board of Directors with a written declaration concerning its own assessment of the statements' compatibility with respect to the Company's approved accounting principles and of their truthfulness and accuracy.

The Audit Committee convenes at least four times a year. The results of these meetings are set down in minutes that are submitted to the Board of Directors along with any decisions that are taken. Information about the Audit Committee's operations and meeting results is included in the Company's annual report.

The Audit Committee works in coordination with the Early Detection of Risk Committee by way of holding joint meetings.

The Audit Committee immediately notifies the Board of Directors in writing of any findings it makes concerning its duties and areas of responsibility and of its assessments and recommendations concerning such matters.

Operating Principles of the Audit Committee

Purpose and Scope

Set up under the Capital Market legislation, the Audit Committee reports to the Board of Directors.

The purpose of the Audit Committee is to verify that the Company's accounting and reporting system runs in accordance with applicable laws and regulations, to supervise the audit and public disclosure of financial information, and the operation and efficiency of independent audit and internal control system.

Authority

The Audit Committee is formed and authorized by the Board of Directors, which also sets out its duties and operating principles. As and when it deems necessary, the Audit Committee seeks opinion from independent experts regarding its activities, and the cost of necessary advisory services are borne by the Company.

The Audit Committee acts within the frame of its authorization and responsibilities, and makes recommendations to the Board of Directors, which is ultimately responsible for the final decision at all times.

Detailed information about the Committee structure and meetings, duties and responsibilities, basis and enforcement is provided under the Investor Relations tab on our corporate website. (www.migroskurumsal.com).

Corporate Governance Principles Compliance Report

b. Corporate Governance Committee

The Migros Board of Directors has set up a corporate governance committee to oversee corporate governance practices at the Company and to coordinate the activities of the Investor Relations Department. The Committee targets continuous improvement of the Company's corporate governance practices. At its meeting on 26 April 2024, the board decided to elect Uğur Bayar, Talip Altuğ Aksoy, Esel Yıldız Çekin, Mehmet Hurşit Zorlu, Burak Başarır, Recep Yılmaz Argüden and Affan Nomak as the members of the Corporate Governance Committee. In compliance with CMB regulations, the board also decided to appoint Uğur Bayar to head the committee. The Committee meets at least four times a year and is formed of 7 members.

Corporate Governance Committee

Uğur Bayar	Committee Chairman	Independent Member	Non-executive
Talip Altuğ Aksoy	Member	Not an Independent Member	Non-executive
Esel Yıldız Çekin	Member	Not an Independent Member	Non-executive
Mehmet Hurşit Zorlu	Member	Not an Independent Member	Non-executive
Burak Başarır	Member	Not an Independent Member	Non-executive
Recep Yılmaz Argüden	Member	Not an Independent Member	Non-executive
Affan Nomak	Member	Not an Independent Member	Investor Relations and Risk Management Director

It was decided that the Corporate Governance Committee should also fulfill the duties of both a nominating committee and a remuneration committee as is allowed by CMB Corporate Governance Communiqué II-17.1. Accordingly and in the fulfillment of its duties as a nominating committee, the Corporate Governance Committee is responsible for creating a transparent system capable of identifying, vetting, and training suitable candidates to fill seats on the Board of Directors and to undertake management positions that have administrative responsibilities and to develop policies and strategies for dealing with such issues. The Corporate Governance Committee also makes regular assessments of the structure and efficiency of the Board of Directors and submits to the board its recommendations for possible changes in such matters.

In the fulfillment of its duties as a remuneration committee, the Corporate Governance Committee determines and oversees principles, criteria, and practices which are to be used in the remuneration of members of the Board of Directors and of managers with administrative responsibilities and which take the Company's long-term goals into account. The committee submits to the Board of Directors its recommendations concerning the remuneration that is to be paid to members of the Board of Directors and to managers with administrative responsibilities subject to the degree to which the recipients have satisfied remuneration-related criteria.

Operating Principles of the Corporate Governance Committee

Purpose and Scope

Set up under the Capital Market legislation, the Corporate Governance Committee reports to the Board of Directors.

In line with the CMB Corporate Governance Communiqué (II-17.1), the purpose of the Corporate Governance Committee is to establish whether corporate governance principles are implemented at our Company, the reasons for non-implementation, if applicable, and conflicts of interest resulting from failure to achieve complete alignment with these principles. The Committee is responsible for suggesting improvements regarding corporate governance practices to the Board of Directors and for overseeing the activities of the Investor Relations Department.

Pursuant to the Corporate Governance Communiqué, the Corporate Governance Committee fulfills the functions of the Nomination Committee and the Remuneration Committee, as well.

Authority

The Corporate Governance Committee is formed and authorized by the Board of Directors, which also sets out its duties and operating principles. As and when it deems necessary, the Corporate Governance Committee seeks opinion from independent experts regarding its activities, and the cost of necessary advisory services are borne by the Company.

The Committee acts within the frame of its authorization and responsibilities, and makes recommendations to the Board of Directors, which is ultimately responsible for the final decision at all times.

Detailed information about the Committee structure and meetings, duties and responsibilities, basis and enforcement is provided under the Investor Relations tab on our corporate website. (www.migroskurumsal.com).

c. Early Detection of Risk Committee

At a meeting of the Board of Directors held on 26 April 2024, it was decided to elect Uğur Bayar, Barış Tan, Esel Yıldız Çekin, Mehmet Hurşit Zorlu and Burak Başarır to seats on an early detection of risk committee which had been set up in compliance with the requirements of Turkish commercial law, capital market laws and regulations, and corporate governance principles. As also required by Capital Markets Board regulations, Uğur Bayar was designated as the committee's head.

Corporate Governance Principles Compliance Report

Early Detection of Risk Committee

Uğur Bayar	Committee Chairman	Independent Member	Non-executive
Bariş Tan	Member	Independent Member	Non-executive
Esel Yıldız Çekin	Member	Not an Independent Member	Non-executive
Mehmet Hurşit Zorlu	Member	Not an Independent Member	Non-executive
Burak Başarır	Member	Not an Independent Member	Non-executive

The Early Risk Detection Committee has the highest responsibility for managing, monitoring, and auditing risks, subject only to the oversight of the CEO. As defined by the Board of Directors in accordance with the Turkish Commercial Code and capital market laws and regulations, the activities of the Early Detection of Risk Committee consist of identifying, at an early stage, risks that might endanger the Company's existence, well-being, and continuity; of taking measures needed to deal with such risks; and of managing risk. The Early Detection of Risk Committee performs a review of risk management systems at least once a year. The committee convenes at least six times a year.

The Risk Management Department works closely with the Chief Financial Officer and Early Risk Detection Committee in the conduct of its operations. Whenever this department identifies risks, it quickly devises and implements measures to deal with them. The department tracks a variety of risk indicators, aiming both to anticipate and assess the likelihood and impact of potential risks and to identify the factors contributing to their existence. These issues have a direct impact on annual performance bonuses and are included in the head of the Risk Management Department's KPIs.

Operating Principles of the Early Detection of Risk Committee

Purpose and Scope

Set up under the Capital Market legislation and in accordance with Article 378 of the Turkish Commercial Code, the Early Detection of Risk Committee reports to the Board of Directors. The purpose of the Early Detection of Risk Committee is to early detect the risks that may threaten the existence, development and survival of the Company, to implement the necessary measures in relation to identified risks, and to manage the risk.

Authority

The Early Detection of Risk Committee is formed and authorized by the Board of Directors, which also sets out its duties and operating principles. As and when it deems necessary, the Early Detection of Risk Committee seeks opinion from independent experts regarding its activities, and the cost of necessary advisory services are borne by the Company.

The Early Detection of Risk Committee acts within the frame of its authorization and responsibilities, and makes recommendations to the Board of Directors, which is ultimately responsible for the final decision at all times.

Detailed information about the Committee structure and meetings, duties and responsibilities, basis and enforcement is provided under the Investor Relations tab on our corporate website. (www.migroskurumsal.com)

d. Migros Board of Directors Sustainability Committee

At a meeting held on 26 April 2024, the Migros Board of Directors decided to set up a board-level sustainability committee as an adjunct to the Migros Sustainability Committee consisting of representatives from various departments across the company. Bekir Ağırdir, Emre Ekmekçi, and Burak Başarır were elected as committee members; Bekir Ağırdir was designated the committee's chair.

Sustainability Committee

Bekir Ağırdir	Committee Chairman	Independent Member	Non-executive
Emre Ekmekçi	Member	Independent Member	Non-executive
Burak Başarır	Member	Not an Independent Member	Non-executive

The Migros Board of Directors Sustainability Committee convened twice during the year. During these meetings, the committee reviewed and assessed the company's sustainability strategies and performance and decided what action should be taken moving forward.

Operating Principles of the Sustainability Committee

Scope and Objectives

1. This document sets forth the rules, principles and procedures governing the duties and responsibilities owed by the Sustainability Committee of the Board of Directors (the "Sustainability Committee") to the Board of Directors of Migros Ticaret A.Ş. (the "Company").
2. In addition to developing sustainability strategies, policies and goals as well as improving the Company's performance on Environmental, Social and Corporate Governance ("ESG") issues, the Sustainability Committee also assists the Board of Directors in fulfilling its responsibilities in relation thereto.
3. The Sustainability Committee monitors risks to the Company as well as Company policies and programs pertaining to specific legal, regulatory, and public policy issues in the environmental and social area that could affect the Company's activities, its shareholders, all stakeholder communities within its ecosystem or even general public opinion from a sustainability perspective.

Corporate Governance Principles Compliance Report

4. The Sustainability Committee serves as the guide to prioritizing the long term, integrating sustainability into the Company's strategic vision and activities in line with the Company's clearly defined corporate purpose. The Committee fulfills these obligations by carrying out the activities specified under Duties and Responsibilities.

5. The Sustainability Committee offers suggestions and supports the Board of Directors with its preparatory efforts.

Mandate

1. Members of the Sustainability Committee are appointed and empowered by the Board of Directors. The scope of the duties and rules of procedure for the Sustainability Committee are established by the Board of Directors.

2. The Board of Directors may remove some or all of the members of the Sustainability Committee from office even if their term of office has not yet expired.

3. The Board of Directors shall appoint members to complete the term of office seat on the Sustainability Committee vacated because of removal from office, resignation or death.

4. The Committee shall act within the scope of its own powers and responsibilities and submit suggestions to the Board of Directors but the power and responsibility for taking final action shall always rest with the Board of Directors.

Detailed information about the Committee structure and meetings, duties and responsibilities, basis and enforcement is provided under the Investor Relations tab on our corporate website. (www.migroskurumsal.com)

Committees and Boards that Report Directly to the CEO

Migros Sustainability Committee

The Migros Sustainability Committee oversees all aspects of any issues that may impact the company's sustainability performance. Its members are appointed by the CEO acting on behalf of the Migros Board of Directors, of which he is also a member. The CEO has ultimate responsibility for all sustainability-related issues at Migros.

The CEO appoints the Migros Sustainability Committee's chair and members from among the heads of all the company's primary functions. Other employees actively involved in dealing with sustainability issues are, with the guidance of senior executives, included on the committee irrespective of position. Short, medium, and long-term sustainability targets are identified in light of the company's core strategies,

presented to senior management, and subsequently committed to with the approval of the Migros Board of Directors. When annual targets are being identified, it is expected that at least one of every department's targets should address a sustainability issue associated with the company's key objectives.

The entire Migros Sustainability Committee must convene twice a year to review and assess recent sustainability-target performance issues and decide what needs yet to be done. Issue-specific subcommittees are designated to make sustainability targets more achievable; they report their activities and results to the Sustainability Committee as a whole. These subcommittees convene as frequently as circumstances may require. To ensure the more effective measurement of Migros' social and environmental impact, the Migros Sustainability Committee and its subcommittees submit reports of their activities, process assessments, and result analyses to the CEO and senior management four times a year. The Migros Board of Directors reviews target-performance and progress.

Migros Occupational Health & Safety Committee

Migros takes a proactive approach to maximizing occupational health and safety. The company's OHS management system consists of two key components: the Migros OHS Group Directorate and the Migros Headquarters OHS Committee. The head of the OHS Group represents the company on OHS-related issues. The Migros Headquarters OHS Committee's membership consists of senior human-resources management, related departmental executives, and full-time workplace safety specialists and physicians who have been appointed to sit on the committee in accordance with applicable laws and regulations. The committee reports directly to the CEO. It is responsible for regularly reviewing and assessing OHS processes at all Migros-owned workplaces everywhere in Türkiye so as to maintain the highest possible level of company employee health and safety.

Migros Executive Ethics Committee

The Migros Ethics Committee reviews and assesses the results of internal audits of the company's anti-bribery & anti-corruption processes and practices, aspects of the company's operations that are exposed to elevated ethical risks, and all matters involving Migros' ethical guidelines. The committee is chaired by the Migros director responsible for industrial relations; its other members are the Migros directors responsible for corporate communication, internal audit, legal affairs, and sales. The Migros Ethics Committee convenes at least once every three months and four times a year as well as whenever circumstances warrant.

The Migros Ethics Committee is responsible for reviewing and assessing company-wide compliance with Migros' anti-bribery & anti-corruption, human rights, and opportunity equality policies and with Migros' ethical guidelines. It reports its activities and findings to the Migros Executive Ethics Committee.



Corporate Governance Principles Compliance Report

The Migros Executive Ethics Committee is charged with reviewing and ruling on internal ethics disputes communicated to it by the Migros Ethics Committee. It makes decisions on matters that are of concern to the whole company and its decisions are binding on the whole company. It is chaired by the CEO; its other members are the assistant general manager responsible for human rights and industrial relations, executive committee members responsible for retailing operations and for financial affairs, the Migros director responsible for industrial relations. The Migros Executive Ethics Committee convenes as needed but at least twice a year. The committee plays a vital role in the company's ethical governance by identifying and addressing ethical issues and by advising senior management on appropriate solutions.

5.4 Risk Management and Assessment by the Management

Loans

The repayment schedule for the nominal principal amount of the Company's financial payables as at 31 December 2024 is presented in detail in the note titled "Borrowings" in the Company's Consolidated Financial Statements and Independent Auditor's Report for the period 1 January - 31 December 2024.

Risk Management

Pursuant to the applicable provisions of the Turkish Commercial Code, the Early Detection of Risk Committee, which is charged with early diagnosis of risks that may threaten the existence, development and survival of the Company, and with ensuring that necessary actions are taken in relation to those risks, carried on with its activities in 2024.

Within the scope of the activities conducted with the Company employees, the Early Detection of Risk Committee follows up various risk indicators, which have been created to ensure identification of the risks that could preclude the achievement of the Company's strategic business goals, to monitor the factors that make up these risks, to determine and measure the probability and impact of the risks, and follows up the risk criteria deemed important. The Migros Early Detection of Risk Committee was set up to manage any and all manner of strategic, operational, and financial risks capable of endangering the company's existence, wellbeing, or continuity.

Company departments record all operational risks deemed to be material. This information is collected, compiled, and reported to senior management annually for use as input in the formulation and updating of Migros' risk map. For physical risks, incident and near-miss forms filled out by employees are tracked by the OHS unit. Employee feedback also serves as important input in the conduct of annually-conducted departmental reviews and assessments of material risk criteria. All company units analyze and monitor risk indicators, any changes in which are reported to and evaluated by the Migros Early Risk Detection Committee. The committee convenes at regular intervals to determine whether or not appropriate risk

mitigation action is being taken. The Migros Early Risk Detection Committee must convene at least six times a year for this purpose.

Risk assessments are conducted using a data-driven approach, with key risk areas being evaluated, financial risks being monitored through performance indicators, and operational risks being assessed based on such metrics as stock levels, stock loss rates, and stock disposal rates.

As part of its overall risk management approach, Migros contracts insurance coverage for transferable external risks such as natural disasters (earthquakes, fires, floods etc) and cyberattacks while also taking action to manage non-transferable risks more effectively. It may also outsource some services from several service providers in order to reduce its exposure to risk concentration.

Through its Integrated Quality Management System, Migros tracks compliance with the requirements of its quality, occupational health, food safety, customer satisfaction, and environmental management systems. Taking the needs and expectations of all parties concerned into account, the company identifies risks and opportunities in its processes so as to improve them by enhancing their beneficial impact and preventing unintended effects. In the conduct of supplier audits, attention is given to product-safety, ethical, environmental, and social risks capable of impacting company operations. Whenever risks are identified, plans are formulated to manage them.

The boards of directors of Migros subsidiaries have also published risk management policies governing their own companies' risk management practices.

The Migros Early Risk Detection Committee convened seven times in 2024. Reports of the committee's activities and findings are regularly submitted to the Migros Board of Directors according to established guidelines.

During the year, efforts were made throughout the company to enhance employees' awareness about earthquake risks and their likelihood. The company's existing emergency-response and risk and crisis management plans were also reviewed. Migros has also contracted licensed structural engineering firms on a project to conduct comprehensive seismic risk assessments of all stores, administrative buildings, warehouses, and distribution centers currently in use. The aim of this project is to identify structural weaknesses in buildings and, where feasible, take measures to deal with them so that the buildings may continue to be used. For buildings that cannot be strengthened, work is in progress to identify alternative premises so that the existing ones can be vacated. On the basis of preliminary risk assessments carried out in 2024, thirty stores were identified that were deemed to be unsafe from the standpoint of their seismic resilience. As it was not possible to come to an agreement with property owners on the matter of the seismic retrofitting of these buildings, sales were suspended, the stores were closed, and the premises were vacated as per the Migros' Health & Safety Policy.

Corporate Governance Principles Compliance Report

Migros provides its employees with a range of training resources to enhance their understanding and awareness of risk management principles. Administrative unit personnel and store managers are provided with a comprehensive three-part online training and assessment package covering corporate governance, risk management, and general knowledge. An external consultancy is contracted to provide Migros senior managers with specialized training on such issues as crisis management and earthquake preparedness & recovery. This training includes practice scenarios and simulations.

Internal Auditing Mechanisms

The Migros Internal Audit Department is responsible for investigating potential bribery and corruption risks by analyzing operational data. Particular attention is given to scrutinizing data from employees who are exposed to elevated bribery and corruption risks on account of the nature of their duties. The department keeps a close watch on all company activities and operations by conducting internal audits throughout the year. In cases where a potential irregularity is identified, the department initiates a comprehensive investigation to assess the situation and determine what action needs to be taken. In cases where the irregularity necessitates legal action, the department notifies those concerned and recommends corrective measures to rectify the situation.

The Migros Internal Audit Department regularly and functionally submits all findings, results, and analyses deemed important in the areas of anti-bribery & anti-corruption, ethical behavior, and human rights to the Migros Audit Committee. The department provides its own personnel with training and other resources to ensure that they comply with internationally accepted auditing standards and practices in the performance of their duties. Detailed information is provided in the Migros Internal Audit Quality Policy.

The Migros Internal Audit Department conducted quarterly audits in 2024, as approved by the Migros Audit Committee, and reported all findings to the committee. In addition to regular audits, the department also audited issues that had been reported to senior management and for which a decision had been made that action needed to be taken.

As in previous years, the Migros Internal Audit Department continued to carry out its activities in 2024 in accordance with International Institute of Internal Auditors (IIA) standards and code of ethics. Last year's Turkish Standards Institute inspections again found that Migros' internal auditing, consultancy, and assurance practices and processes were sufficiently standardized, robust, flexible, and routinely conducted to qualify for continuation of the company's TS EN ISO 9001 Quality Management System certification. Audit plans are prepared within the scope of the Audit Universe, which is carried out with the approval of the Audit Committee and updated every year.

The Board of Directors' opinion regarding the Company's internal control system and internal audit activities is that the internal control system in place and internal audit activities executed are being carried out effectively.

5.5 Strategic Goals of the Company

In line with its mission, Migros structures its strategies to achieve sustainable quality and earn respect as the industry leader through an approach to customer satisfaction which raises the standards of retailing in the countries in which it is active.

Migros aims for long-term sustainable growth by positioning itself as a multi-format retailer across online and offline channels. It also focuses on new business channels that support its core operations.

Migros' main strategy is to provide our customers with high quality, modern, reliable services at affordable prices. Through adherence to its strategies and the conduct of its activities and operations, Migros also helps contribute to the realization of UN Sustainable Development Goals.

Migros makes the most efficient and effective use of all resources subject to its management and control in ways that are consistent with its commitment to responsible and transparent governance and its approach to sustainability. Stakeholder opinions are solicited and baseline assessments are conducted to determine priorities in economic, social, and environmental matters impacted by the company's activities. Aiming to achieve "growth through collaboration mindful of the needs and expectations of all stakeholders", the results of baseline assessments are used as input to identify improvement and development targets. Migros transparently and plainly communicates all progress it makes on its sustainability journey under the Migros Better Future Plan. Targets set to achieve these strategies are shared with all the organizational units and supported by business plans. The Corporate Performance Management System in place facilitates monitoring and evaluation of these targets and business results as well as their assessment and revision whenever necessary.

The Migros Board of Directors leads the company's strategic approach within an overall framework on sustainable growth and responsible resource management. The Board of Directors has set key sustainability targets, such as for carbon footprint, water footprint, and food waste reduction and improving energy efficiency and female representation in senior management. Detailed information about target-fulfillment and roadmaps and performance is provided in the appropriate sections of this report.

Annual, quarterly and monthly reporting structures have been created to enable the Board of Directors to carry out its basic administrative functions such as planning, organizing and supervising.

Members are kept informed by means of annual meetings at which the most recent five-year plan is presented to the Board of Directors, by annual budget and review meetings, and by monthly meetings at which the Company's business results are presented and the board's feedback is solicited. Detailed monthly reports are also submitted to the board for its information. In this way, all the members of the Board of Directors are able to track the Company's ongoing efforts to fulfill its targets and to immediately intervene and provide guidance when necessary.

Corporate Governance Principles Compliance Report

5.6 Financial Rights Provided to Board Members and to Managers with Administrative Responsibilities

The financial rights to be provided to the members of the Board of Directors are discussed as a separate agenda item at general assembly meetings. At the 2023 general meeting held on 16 April 2024, shareholders voted (1) to pay each independent Board member a total monthly gross salary of TL 150,000 over the duration of their tenure; (2) to pay neither monthly salaries nor attendance fees to other Board members on account of their position as company director.

The remuneration of independent board members involves neither company stock options nor company performance-based compensation plans. All the benefits provided to senior executives are declared in the footnotes to the financial statements.

The Remuneration Policy applicable to members of the Board of Directors and senior executives was published on the corporate website at www.migroskurumsal.com.

Benefits Provided to Senior Executives During the Reporting Period

“Senior Executives” are the chairman and members of the Board of Directors, the CEO, members of the Executive Committee, and assistant general managers.

The benefits provided to senior executives consist of salaries, bonuses, pension contributions, company-leased automobiles, and employer’s share of social security premiums.

(TL thousand)	01 January - 31 December 2024	01 January - 31 December 2023
Short-term benefits provided to senior executives	592,166	510,814
Total	592,166	510,814

Migros makes no loans and extends no credit to any senior executive. Neither does it extend any form of personal credit to senior executives through third parties or otherwise provide senior executives with any form of surety.

OTHER ISSUES

In 2024, there were no regulatory changes that would significantly affect the Company’s operations.

Utmost care is taken to avoid any situations that may give rise to a conflict of interest between the Company and the entities providing services such as investment consultancy and rating, and the provisions of applicable legislation are complied with in these matters. No situations creating a conflict of interest were observed in 2024.

A number of lawsuits that have been filed against or in favor of the Company are currently being litigated. These suits are concerned primarily with receivable-, rent-, or business-related issues.

At the end of each reporting period, the Company’s management reviews and assesses the potential consequences and financial impact of such litigation, and based on its best judgment, provisions are set aside to cover likely losses or gains. Detailed information about such matters is provided in the consolidated financial statements.

No lawsuits have been filed against the Company or board members on account of any practices contradicting with the legislation.

Fringe Benefits of Migros Employees

Migros grants its employees fringe benefits in addition to the rights they have under the law. Fringe benefits provided to blue collar workers are determined in the collective bargaining agreement. The Company provides noncontributory health insurance and private pension system enrolment to all of its employees, in addition to social leaves, fuel allowance, food allowance, clothing allowance, leave travel allowance, holiday allowance, education allowance to employees with children in school, marriage, military service, childbirth and death allowances. Through the portal “Ailem ve Ben”, the Company offers advantageous services to all of its employees in education, healthcare, shopping and similar matters. Classroom and online training in various subjects are provided to all employees via Akademig. In addition, social benefits that vary according to the duties of employees are also made available.

Tax Approach & Management

Migros aims to fulfill all tax and other legal obligations fully and on time and to set an example for others in this regard. Migros and its subsidiaries adhere to the principles of full compliance with tax laws and regulations and of complete transparency in all dealings with tax authorities. Our stakeholders’ interests are taken into account when determining our tax management approach and when fulfilling external disclosure obligations. Tax-related incentives and other benefits are claimed only if doing so is legal and only for tax planning and management purposes.

The Migros CFO is also responsible for the company’s tax governance. The company’s heads of tax and general accounting, who both report directly to that executive, are responsible for compliance with tax laws and regulations. All of the company’s tax declarations and filings are prudently controlled by Anadolu Holding’s tax coordinator and are verified by an independent chartered accountant.

Corporate Governance Principles Compliance Report

Other

The Company is not a party to any mutual cross-shareholding.

The company's collective bargaining agreement with the Tez-Koop labor union covers the period 1 January 2023 to 31 December 2025. A Public Disclosure Platform (KAP) announcement concerning this was released on 12 April 2023.

We have been notified by the Competition Authority that an investigation has been initiated to determine whether or not a number of retailers (including Migros) and their suppliers are in violation of article 4 of the Competition Protection Act (Statute 4054). The initiation of an investigation by the Competition Authority does not imply an actual violation of the law or imposition of criminal penalties. Developments regarding this matter will be made public as they unfold. A public announcement to this effect was made by Migros through the Public Disclosure Platform on 10 March 2025.

Information on Tax Assets and Liabilities is presented in the related footnote of the independent audit report for the year 2024.

Other matters related to Corporate Governance Principles are as follows:

During 2024, there were no material transactions with related parties as defined in the Corporate Governance Principles.

Necessary explanations about the transactions of Migros Ticaret A.Ş. with related parties are given in the related footnote of the financial report.

a. Company Disclosure Policy

Material events are publicly disclosed in a truthful and timely manner as prescribed by CMB Communiqué II-15.1 concerning such matters. In addition, any and all manner of significant information that might influence shareholders' and other stakeholders' decisions is also publicly disclosed. In the public disclosure of such information, the following channels are used depending on the nature and particulars of the announcement:

- Material event disclosures sent to the Public Disclosure Platform,
- Financial reports sent to the Public Disclosure Platform,
- Annual and interim reports,
- The corporate website at www.migroskurumsal.com,

- Informational and presentation documents published for stakeholders,
- Prospectuses, circulars, notices and other documentation issued pursuant to capital market laws and regulations,
- Printed and visual media press releases,
- Notices and announcements published in Turkish Trade Registry Gazette and in daily newspapers.

In order to ensure that shareholders and other stakeholders have convenient access to public disclosures such as presentations, press releases, and press conferences, such materials are also published on the Company's corporate website at www.migroskurumsal.com. Information publicly disclosed through the Public Disclosure Platform is also sent to financial data providers and to printed and visual media.

The identities of individuals who may have access to confidential company information before the public disclosure of material events are publicly disclosed. The names of the Company's board members and senior executives are published in the annual report along with that of the independent auditors. Information about any changes taking place in the Company's senior management during the reporting period was provided in the annual report.

In situations where CMB regulations require a public announcement concerning news, statements, and/or rumors about the Company which appear in the press, in other media, or on websites and of which the Company becomes aware, Public Disclosure Platform announcements are used to make such disclosures, depending on their nature; in order to ensure that shareholders and other stakeholders have convenient access to such disclosures, they are also published on our corporate website at www.migroskurumsal.com.

The Migros Disclosure Policy is formulated by the Board of Directors and updated as circumstances and regulations dictate. This policy is presented to shareholders convened in a general assembly and then published on the Company's corporate website at www.migroskurumsal.com. The Investor Relations Department strives to respond to questions that shareholders ask the Company truthfully, completely, equitably, and within the framework of this disclosure policy.

The Migros Disclosure Policy requires that any and all manner of information must be provided upon request unless such information is in the nature of a trade secret or, if divulged, would give other individuals or organizations a competitive advantage over Migros or would have an adverse impact on the Company's activities.

Corporate Governance Principles Compliance Report

Like its public disclosure policy, the Migros Dividend Policy is also formulated by the Board of Directors and publicly disclosed by being included in the Company's annual report, published on the Company's corporate website at www.migroskurumsal.com, and presented to shareholders convened in a general assembly.

When identifying individuals who will have administrative responsibility at the Company, the requirements and criteria stipulated in the Turkish Commercial Code (Statute 6102), the Capital Markets Law (Statute 6362), CMB communiques, and other applicable laws, regulations, and administrative provisions are taken into account.

b. Material Event Disclosures

During 2024 the Company submitted 60 disclosures to the Public Disclosure Platform. Whenever the Public Disclosure Platform demanded further information about such announcements or the Company's response to news appearing in the media, the Company responded to such requests urgently.

Periodic financial statements, notes, annual reports and interim annual reports are shared with the public to provide an accurate and complete view of the Company's financial position. Financial statements are prepared in compliance with national/international accounting standards in consolidated format in compliance with communiques issued by the CMB. The accounting policies of the Company are referred to in the notes to financial statements. The Company's annual reports are prepared in sufficient detail to allow all concerned parties to obtain the necessary information and are updated every fiscal year in line with the applicable legislation/needs.

After every public disclosure of the Company's quarterly financial statements in 2024, presentations and bulletins concerning them were published on the Company's corporate website at www.migroskurumsal.com to inform shareholders. The Public Disclosure Platform has been notified that the said information was posted on the corporate website.

The Company designates an independent audit firm each year and requires this independent audit firm to rotate after a given period. Consultancy services are not obtained from the firm designated as an independent auditor.

c. Disclosure of Ultimate Controlling Individual(s) Shareholder(s)

The shareholding structure of Migros is presented below.

Shareholder	Share Amount (TL)	Share (%)
MH Perakendecilik ve Ticaret A.Ş.	89,046,058	49.18
Others	89,046,059	49.18
Migros Ticaret A.Ş.	2,962,116	1.64
Total	181,054,233	100.00

Legal and Real Persons Indirectly Holding an Interest in the Capital as per the Latest Situation

Shareholder	Share Amount (TL)	Share (%)
Tülay Aksoy	11,917,547.4	6.58
Tuncay Özilhan	11,596,405.3	6.41
AG Anadolu Grubu Holding A.Ş. Other	65,532,105.3	36.19
Migros Ticaret A.Ş.	2,962,115.6	1.64
Others	89,046,059.4	49.18
Total	181,054,233.0	100.00

There are no preferred shares.

Information about changes in the Company's capital structure taking place during the year was publicly disclosed immediately through the Public Disclosure Platform system. Such changes are also announced in the pertinent sections of the Company's 2024 annual report. Under the Material Events Communiqué II- 15.1, material event disclosures must be made by the Company's Chairman, board members, general manager, or assistant general managers, by any shareholder who directly or indirectly controls 5% or more of the Company's capital or voting rights, or by anyone acting in concert with any of these whenever they purchase or sell Migros shares.

Corporate Governance Principles Compliance Report

d. Public Disclosure of Individuals Who Are In a Position to Access Inside Information

Board of Directors members, CEO, members of the Executive Committee and Assistant General Managers having access to inside information at the Company are named hereinbelow:

Board of Directors

Tuncay Özilhan	Chairman
Kamilhan Süleyman Yazıcı	Vice-Chairman
Talip Altuğ Aksoy	Member
Burak Başarır	Member
Mehmet Hurşit Zorlu	Member
Esel Yıldız Çekin	Member
Rasih Engin Akçakoca	Member
Ömer Özgür Tort	Member and Migros Group - CEO
Emre Ekmekçi	Independent Member
Barış Tan	Independent Member
Bekir Ağırdir	Independent Member
Uğur Bayar	Independent Member

Senior Management

Ömer Özgür Tort	Migros Group - CEO
Mustafa Murat Bartın	Migros Group Member of the Executive Committee and Migros Retail - CEO
Ferit Cem Doğan	Migros Group - Member of the Executive Committee (Finance) - CFO
Ekmel Nuri Baydur	Migros Group - Member of the Executive Committee (Marketing)
Kerim Tatlıcı	Migros Group - Assistant General Manager (Information Technologies and Business Development)
Olca Yılmaz Nomak	Migros Group - Assistant General Manager (Human Resources and Industrial Relations)
Özlem Tavaslıoğlu	Migros Group Assistant General Manager (Legal and Compliance)
Cüneyt Taşpek	Assistant General Manager (Sales)
Aydın Ferit Cansever	Assistant General Manager (Supply Chain Management and Logistics)
Yaşar Ender Tüzün	Assistant General Manager (Investment and Construction)

In addition to the Company's Board of Directors and Senior Management, individuals serving in director position, Finance department managers, and reporting managers at the Company have access to inside information due to their functions.

Under Article 7 (5) of the Material Events Communiqué (II-15.1), our Company makes sure that individuals with access to inside information are aware of their obligations in relation to such information stemming from the Law and applicable legislation, as well as the sanctions related to their misuse.

As a consequence of its auditing functions, the Company's independent auditors PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. also has access to insider information.

e. Silent Period

The Chairman and members of the Board of Directors, Chief Executive Officer, Chief Financial Officer, Corporate Communications Director, Investor Relations and Risk Management Director and other Company executives designated by the Corporate Governance Committee are assigned to act as spokespeople to represent our Company in all contacts with shareholders, investors, brokerage analysts and other stakeholders through any communication channel, including the printed press, within the frame of the Company's disclosure policy.

Individuals designated as Company spokespeople are obliged to abide by the Silent Period practice, which starts one week before the disclosure of quarterly financial results and lasts until the date of such disclosure.

The beginning and ending dates of the Silent Period practice are published on the corporate website, under the heading Financial Calendar once the disclosure dates of financial statements are fixed. The disclosure dates of financial results and the corresponding Silent Periods are fixed before financial statements are disclosed, and announced by way of the Financial Calendar. During the course of the Silent Period, Company spokespeople may not make comments regarding the Company's financial position for the relevant period, except for the information publicly disclosed in the name of the Company. In this period, analysts', investors' and similar individuals' questions about the financial position for the relevant period are left unanswered. Yet, people authorized to make public disclosures about the Company may participate in conferences, panels and similar events and deliver speeches during the Silent Period, strictly provided that they observe the confidentiality of inside information.

Corporate Governance Principles Compliance Report

f. BIST Sustainability and BIST Sustainability 25 Indexes of Borsa İstanbul

Migros' publicly-traded shares were included in the BIST Sustainability Index when that index was launched nine years ago and have remained in it ever since. Migros' shares were included in the BIST Sustainability 25 Index when it was launched on the İstanbul stock exchange in 2022. The Company's sustainability activities can be reached under the Sustainability tab on the corporate website.

g) Authorities and Responsibilities of Board Members and Managers

The duties and authorities of board members and managers are explicitly defined in the Company's articles of association, which may be found on the Company's corporate website at www.migroskurumsal.com. The Migros Board of Directors is empowered to take decisions on all matters pertaining to whatever kinds of business and/or transactions are necessary for the Company to achieve its object and scope save for those that are exclusively reserved to the general assembly of shareholders by laws and regulations or by the Company's charter.

Managers' authorities and responsibilities are defined in their power of signature statements.

h) Prohibition on Doing Business with or Competing against the Company

No member took part in any activity that could be deemed to be in competition with the Company.

i) Research & Development Activities

R&D costs incurred by the Company during 2024 amounted to TL 741 million. Having received R&D Center certificate from the Ministry of Science, Industry and Technology, Migros Ticaret A.Ş. has continued with technical research and development activities in business development and software during 2024.

Under the Migros R&D center, Migros administrative units develop new initiatives for the improvement of processes in relation to retailing activities carried out at Store and Distribution Centers or for creation of new processes. Mostly entailing innovative solutions and smart systems integrated with technology, the applications also serve to touch our customers and suppliers.

j) Subsequent Events

Information on the subsequent events is presented in the Consolidated Financial Statements and Independent Auditor's Report for the period 1 January - 31 December 2024.

Affiliated Company Report - Conclusion Section

In the related Affiliated Company Report for the Group of Companies approved by the Board of Directors of Migros Ticaret A.Ş., it has been concluded that Migros Ticaret A.Ş. did not engage in any transaction with its controlling shareholders or subsidiaries thereof at the instruction of the controlling company or with the intent to obtain results that would be to the benefit of exclusively to the controlling company or a company affiliated thereto, nor is there any action taken or avoided to the benefit of the controlling company or a company affiliated thereto; also according to the conditions and circumstances known to us, a counter-performance on arm's length was provided in all transactions the Company carried out in 2024 with its controlling shareholder or subsidiaries thereof so as to ensure continuation of the operation in a competitive manner at the market conditions prevailing at the time the transaction was performed. Furthermore, there were no actions taken or avoided to the benefit of the controlling shareholder in Migros Ticaret A.Ş. or subsidiaries thereof that might cause loss to the Company and hence, there are no transactions or actions that would require offsetting.

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				Information regarding the amounts and beneficiaries of all donations made during the year were provided in a separate item in the agenda. The shareholders were informed about the total amount of donation and main donations separately. The Company made donations totaling TL 11,918,962 in 2024 for the purpose of donation to people in need. The Company made donations to Anadolu Eğitim ve Sosyal Yardım Vakfı, Koç Üniversitesi, Deniz Temiz Derneği, Türkiye Eğitim Gönülleri Vakfı, etc.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	No cross ownership.

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			While utmost care is given to the use of minority rights, our Articles of Association regulates the usage of all minority rights in accordance with regulations. The Articles of Association of our company does not include any article broadening the extent of minority rights compared to the Law.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing program is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	X					
3.3.4 - Meetings have been organized to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				The Corporate Governance Committee determined a ratio (25%) for membership of women in the Migros Board of Directors and made a written recommendation to the Board of Directors. Migros Board of Directors made a policy to have female Board members at the minimal rate of 25%. As a matter of principle, there are no barriers to or limitations on women serving as members of the Board of Directors. All members of the board—male and female—are considered and evaluated entirely on the basis of their professional and sectoral experience and their academic qualifications. The Board structure is evaluated on yearly basis and the Board of Directors makes planning on this matter. Ms. Esel Yıldız Çekin has been serving as Board member in the Migros Board of Directors since 29.04.2020. Thus, one female member takes part in Migros Board of Directors.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/ accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				External duties of Migros Board members - excluding the independent members - are not conditional on certain rules. However, our Company complies with the provisions of the Corporate Governance Communique regarding the external commitments of independent board members. The independent Board members shall not be the independent member of the board in more than three of the corporations as such; the corporation or the controlling shareholders of the corporation who hold the control of management corporations and in more than five listed corporations. The external duties of the board members were presented in the General Assembly Meeting via the General Assembly Information Document.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.		X				In addition to the Audit, Corporate Governance, and Early Detection of Risk Committees, a Sustainability Committee was established within the Board of Directors. Hence, three independent Board members have duties on two Committees and one independent Board member has duties on one Committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	The Committees did not have consultancy service last year. The information on the consultancy services taken in the previous years is mentioned in the annual report of the related year.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				The total compensation provided to the Chairman, Board members, CEO and Assistant General Managers is reported in the annual report.

Corporate Governance Information Form

1. SHAREHOLDERS

1.1. Facilitating the Exercise of Shareholders Rights

The number of investor meetings (conference, seminar/etc.) organized by the company during the year 9 conferences & roadshows, 250+ institutional investors

1.2. Right to Obtain and Examine Information

The number of special audit request(s) 0

The number of special audit requests that were accepted at the General Shareholders' Meeting 0

1.3. General Assembly

Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d) <https://www.kap.org.tr/en/Bildirim/1262232>

Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time Yes

The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9 -

The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1) -

The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1) -

The name of the section on the corporate website that demonstrates the donation policy of the company Investor Relations / Corporate / Policies / Donation Policy

The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved <https://www.kap.org.tr/tr/Bildirim/516861>

The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting 11, 11/A

Identified stakeholder groups that participated in the General Shareholders' Meeting, if any Any stakeholders including press-media can participate in Migros General Assembly meetings. Shareholders who attended the General Assembly Meeting are shown in the Participants List (Hazir Bulunanlar Listesi) at the link: <https://www.kap.org.tr/en/Bildirim/1273179>

1.4. Voting Rights

Whether the shares of the company have differential voting rights No

In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares. -

The percentage of ownership of the largest shareholder 49.18%



Corporate Governance Information Form

1.5. Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association No

If yes, specify the relevant provision of the articles of association. -

1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy Investor Relations / Corporate / Policies / Dividend Distribution Policy

Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend. -

PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends -

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
16/04/2024	0	65.85%	0.07%	65.78%	Investor Relations / General Assembly	Investor Relations / General Assembly	Item 15	0	https://www.kap.org.tr/en/Bildirim/1273179

Corporate Governance Information Form

2. DISCLOSURE AND TRANSPARENCY

2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	“Corporate Profile, Partnership Structure and Affiliates, Migros Ticaret A.Ş. Articles of Association, Material Disclosures, Dividend Distribution Policy, Company Disclosure Policy, Frequently Asked Questions” under the Corporate tab, “Financial Results, Annual Reports” under Financial Information tab, Genel Assembly information under “Genel Assembly” tab in Investor Relations section and “Migros Code of Ethics” under Our Policies tab in About Us section
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	https://www.migroskurumsal.com/en/investor-relations/corporate#ortaklik-yapisi-ve-istirakler
List of languages for which the website is available	Turkish and English

2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	“Board of Directors” and Senior Management sections and Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.1 Structure and Composition of the Board of Directors / “Independent Board Members’ Affidavit”
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance Principles Compliance Report / Part V - Board of Directors / “5.3 Number, Structure, and Independence of Committees Established within the Board of Directors”
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance Principles Compliance Report / Part V - Board of Directors / “5.2 Operating Principles of the Board of Directors”
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	There was not any amendments in the legislation in 2024 which may significantly affect the activities of the corporation.
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Corporate Governance Principles Compliance Report “Other Issues” and Independent Auditors’ Report “Provisions, Contingent Assets and Liabilities” note
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Corporate Governance Principles Compliance Report / Other Issues
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	No cross ownership
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Sustainability

Corporate Governance Information Form

3. STAKEHOLDERS

3.1. Corporation's Policy on Stakeholders

The name of the section on the corporate website that demonstrates the employee remedy or severance policy	About Us / Our Policies / Severance Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	140 reemployment and other related lawsuits
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Corporate Governance Committee members, Audit Committee members and relevant Assistant General Manager
The contact detail of the company alert mechanism	Any violation or concerns can be communicated by employees via the e-mail address of the Ethics Committee - etikkurul@migros.com.tr; and by other stakeholders via etik@migros.com.tr and iletisim@migros.com.tr e-mail addresses. In addition, customers can contact Migros directly through Call Center (0850 200 40 00) and WhatsApp line (530 300 13 00).

3.2. Supporting the Participation of the Stakeholders in the Corporation's Management

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	About Us / Our Policies / Human Resources Policy
Corporate bodies where employees are actually represented	Our employees working at stores are represented in the Workplace Syndicate Representatives Committee. Workplace Syndicate representatives negotiate the implementation of union agreement terms with employer representatives, as well as complaints and suggestions. They are also represented in various committees such as "Occupational Health and Safety Council" and in the Committees formed for different projects. Every year, Migros conducts a survey via an independent research company to assess and improve employee satisfaction and commitment. The result of the survey forms a basis for new managerial decisions to be taken in the upcoming year. An annual meeting is held by the Company management to announce internally the Company's yearly strategy and objectives to the employees. The participants of this particular meeting have a directly impact on the determination of the Company's yearly objectives. The targets that designate the Company's main strategy are objectively announced to all departments.

3.3. Human Resources Policy

The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Review and approval. In the Annual Strategic Human Resources Meetings, Potential, High Performing and Star employees are identified, and Critical Positions, Succession Plans and Retirement Plans are discussed and approved in line with the needs and short-medium-long term plans of Migros.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	About Us / Our Policies / Human Resources Policy ("Search and Selection" part)
Whether the company provides an employee stock ownership program	There isn't an employee stock ownership program.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	About Us / Our Policies / Human Rights and Equal Opportunity Policy
The number of definitive convictions the company is subject to in relation to health and safety measures	5

Corporate Governance Information Form

3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	"Migros Code of Ethics" under Our Policies in About Us tab
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Sustainability (contains information on environmental, social and corporate governance issues)
Any measures combating any kind of corruption including embezzlement and bribery	Detailed information is provided in the "Anti-Bribery and Anti-Corruption Policy" under Our Policies in About Us tab (https://www.migroskurumsal.com/en/about-us/our-policies#rusvet-ve-yolsuzlukla-mucadele-politikasi)

4. BOARD OF DIRECTORS-I

4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	Jan-20
Whether the board evaluation was externally facilitated	Yes
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	The Board of Directors made a selection for Chairman, Vice-Chairman and Committee members. Accordingly, Tuncay Özilhan was selected as the Chairman and Kamilhan Süleyman Yazıcı was selected as Vice-Chairman. CEO Özgür Tort serves as executive Board member. Furthermore, he is authorized by the Board of Directors to provide guidance to the public on the expectations of the Company for the upcoming periods.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	6 reports to the Audit Committee, 89 reports to the senior management
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.4 Risk Management and Internal Control Mechanisms / Internal Audit Mechanism
Name of the Chairman	Tuncay Özilhan
Name of the CEO	Ömer Özgür Tort
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	The functions of the CEO and Chairman are not combined
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	https://www.kap.org.tr/en/Bildirim/1260425
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Information on diversity policy is given at the "Human Resources Policy" under Our Policies in About Us tab on our corporate website.
The number and ratio of female directors within the Board of Directors	The Corporate Governance Committee determined a ratio (25%) for membership of women in the Migros Board of Directors and made a written recommendation to the Board of Directors. Migros Board of Directors made a policy to have female Board members at the minimal rate of 25%. The Board structure is evaluated on yearly basis and the Board of Directors makes planning on this matter. Ms. Esel Yıldız Çekin has been serving as member of Migros Board of Directors since 29.04.2020. Thus, one female member takes part in Migros Board of Directors.

Corporate Governance Information Form

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/ Or Finance Or Not
Tuncay Özilhan	Non-executive	Not independent director	15/07/2015	-	Not applicable	Not applicable	Yes
Kamilhan Süleyman Yazıcı	Non-executive	Not independent director	11/04/2017	-	Not applicable	Not applicable	Yes
Talip Altuğ Aksoy	Non-executive	Not independent director	11/04/2017	-	Not applicable	Not applicable	Yes
Burak Başarır	Non-executive	Not independent director	16/04/2024	-	Not applicable	Not applicable	Yes
Mehmet Hurşit Zorlu	Non-executive	Not independent director	15/07/2015	-	Not applicable	Not applicable	Yes
Esel Yıldız Çekin	Non-executive	Not independent director	29/04/2020	-	Not applicable	Not applicable	Yes
Rasih Engin Akçakoca	Non-executive	Not independent director	16/05/2019	-	Not applicable	Not applicable	Yes
Ömer Özgür Tort	Executive	Not independent director	28/04/2009	-	Not applicable	Not applicable	Yes
Emre Ekmekçi	Non-executive	Independent director	26/05/2021	https://www.kap.org.tr/Bildirim/1262232	Considered	No	No
Barış Tan	Non-executive	Independent director	21/04/2022	https://www.kap.org.tr/Bildirim/1262232	Considered	No	Yes
Bekir Ağırdir	Non-executive	Independent director	04/09/2023	https://www.kap.org.tr/Bildirim/1262232	Considered	No	No
Uğur Bayar	Non-executive	Independent director	16/04/2024	https://www.kap.org.tr/Bildirim/1262232	Considered	No	Yes

Corporate Governance Information Form

4. BOARD OF DIRECTORS-II

4.4. Meeting Procedures of the Board of Directors

Number of physical or electronic board meetings in the reporting period	5
Director average attendance rate at board meetings	100%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	3 days
The name of the section on the corporate website that demonstrates information about the board charter	Investor Relations / Corporate / "Migros Ticaret A.Ş. Articles of Association" and "Corporate Governance Principles Compliance Report"
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	External duties of Migros Board members - excluding the independent members - are not conditional on certain rules. However, our Company complies with the provisions of the Corporate Governance Communique regarding the external commitments of independent board members. The independent Board members shall not be the independent member of the board in more than three of the corporations as such; the corporation or the controlling shareholders of the corporation who hold the control of management corporations and in more than five listed corporations. The external duties of the board members were presented in the General Assembly Meeting via General Assembly Information Document.

4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance Principles Compliance Report / Part V - Board of Directors / "5.3 Number, Structure, and Independence of Committees Established within the Board of Directors"
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/1262240

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Audit Committee	-	Bariş Tan	Yes	Board member
Audit Committee	-	Emre Ekmekçi	No	Board member
Corporate Governance Committee	-	Uğur Bayar	Yes	Board member
Corporate Governance Committee	-	Talip Altuğ Aksoy	No	Board member
Corporate Governance Committee	-	Esel Yıldız Çekin	No	Board member
Corporate Governance Committee	-	Mehmet Hurşit Zorlu	No	Board member
Corporate Governance Committee	-	Burak Başarır	No	Board member
Corporate Governance Committee	-	Recep Yılmaz Argüden	No	Not board member
Corporate Governance Committee	-	Affan Nomak	No	Not board member
Committee of Early Detection of Risk	-	Uğur Bayar	Yes	Board member
Committee of Early Detection of Risk	-	Bariş Tan	No	Board member
Committee of Early Detection of Risk	-	Esel Yıldız Çekin	No	Board member
Committee of Early Detection of Risk	-	Mehmet Hurşit Zorlu	No	Board member
Committee of Early Detection of Risk	-	Burak Başarır	No	Board member
Other	Sustainability Committee	Bekir Ağırır	Yes	Board member
Other	Sustainability Committee	Emre Ekmekçi	No	Board member
Other	Sustainability Committee	Burak Başarır	No	Board member

Corporate Governance Information Form

4. BOARD OF DIRECTORS-III

4.5. Board Committees-II

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.3 Number, Structure, and Independence of Committees Established within the Board of Directors / "a. Audit Committee"
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.3 Number, Structure, and Independence of Committees Established within the Board of Directors / "b. Corporate Governance Committee"
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.3 Number, Structure, and Independence of Committees Established within the Board of Directors / "b. Corporate Governance Committee"
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.3 Number, Structure, and Independence of Committees Established within the Board of Directors / "c. Early Detection of Risk Committee"
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Principles Compliance Report / Part V - Board of Directors / 5.3 Number, Structure, and Independence of Committees Established within the Board of Directors / "b. Corporate Governance Committee"

4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	"Board of Directors Report" and "Financial Review"
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations / Corporate / Policies/ Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Provided in the "Key management compensation" section of the Independent Auditors Report

Composition of Board Committees-II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee	-	100%	100%	4	5
Corporate Governance Committee	-	100%	14%	4	5
Committee of Early Detection of Risk	-	100%	40%	7	7
Other	Sustainability Committee	100%	67%	2	2

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
Sustainability Compliance Report						
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritized environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				As a member of the Board of Directors and the chief executive officer, the Migros CEO holds the highest level of responsibility with respect to sustainability. Appointed by the CEO on behalf of the Board of Directors, the Sustainability Committee manages, implements, monitors and measures the Company's efforts in sustainability. The Company monitors, takes action and reports on its sustainable growth targets, the improvements in line with the sustainable ecosystem strategy into which such targets were integrated, the key performance indicators for such targets and the roadmap under the framework of the Migros Better Future Plan. Various risk indicators, which have been created in order to foresee the risks that could prevent the realization of the Company's strategic business goals, monitor the factors acting as the components of such risks, identify and measure the probability and impact of the actualization of such risks, are being monitored.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Sustainability Committee, Risk Management, Risks and Opportunities.
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X				The policies Migros has implemented within the scope of its sustainability strategy are accessible through the Company's corporate website.	https://www.migroskurumsal.com/en/about-us/our-policies
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X				Company's short and medium / long term sustainability targets, which have been established in line with the Company's ESG policies and Migros Better Future Plan, have been shared in the "Targets" section of the Integrated Annual Report.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Targets.
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X				Appointed by the CEO on behalf of the Board of Directors, the Sustainability Committee manages, implements, monitors and measures the Company's efforts in sustainability. The directors and group managers in all departments of the Company are a part of the Sustainability Committee as natural members. In addition, persons directed by the senior management of departments and who actively work in the field of sustainability also participate in the Sustainability Committee.	Migros 2024 Integrated Annual Report: Sustainability Committee section.
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X				Short and medium/long term targets are determined by the Sustainability Committee, focusing on the Company's main strategies, and are presented to the Senior Management and then committed with the opinion of the Board of Directors. The Sustainability Committee and any subcommittees serving under it report on any work, process evaluations and result analyses the Company has conducted with respect to sustainability 4 times a year on a quarterly basis to the CEO and Senior Management. In addition, the Board of Directors reviews any progress made with respect to the targets. The Board of Directors Sustainability Committee was established at the Board level in 2024 and this Committee meets twice a year.	Migros 2024 Integrated Annual Report: Sustainability Committee, Board of Directors Sustainability Committee sections.

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X				The annual activity and performance within the framework of the priorities and points of focus indicated in the Migros Better Future Plan, which is the Company's sustainability strategy and roadmap, the risk and opportunities as evaluated in terms of all processes, corporate governance approach, business environment strengthened by adapting to the necessities of the age and new technologies have been shared in the Migros Integrated Annual Report.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Better for Our Employees, Better for Our Customers and Stakeholders, Better for Our World, Extensive Combat Against Climate Change, Risks and Opportunities sections.
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	X				The Company is sharing the goals set within the framework of the Migros Better Future Plan and the details of its annual performance in the whole of the Integrated Annual Report. The section titled "Targets" also includes goals on issues such as carbon emissions, water consumption, food waste ratios, ratio of women in management, sustainable agriculture, monitorability/traceability on a base year, target year and rate of progress basis.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Targets.
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				The Company monitors and discloses its efforts to improve business processes, products and services in line with the "Migros Better Future Plan" under the "Better for Our Customers and Stakeholders" and "Better through Innovative Transformation" headings. Its main efforts and road map are available on its corporate website with more detailed information being shared in the Integrated Annual Report.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Better for Our Customers and Stakeholders, Better through Innovative Transformation.
A3. Reporting						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				The Company's Integrated Annual Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, the International Integrated Reporting Framework published by the International Integrated Reporting Council (IIRC) and Turkish Sustainability Reporting Standards (TSRS).	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Targets, Sustainability Performance Indicator, Performance and Targets sections under Better for Our World and Better for Our Employees.
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				The Our Contributions to Sustainable Development Goals section of the Company's Integrated Annual Report discusses which issues have been prioritized by the Company as well as which Sustainable Development Goals (SDGs) are being served through the activities and sustainability work elucidated in the report. The strategically material areas of focus for the company have been matched with the SDGs that benefit under the framework of the Migros Better Future Plan and published on the corporate website.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Contribution to Sustainable Development Goals. https://www.migroskurumsal.com/en/sustainability/migros-iyi-gelecek-plan
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	X				Lawsuits filed and/or concluded against the Company are disclosed on the Public Disclosure Platform ("KAP") and published in the Integrated Annual Report as deemed necessary/material.	Migros 2024 Integrated Annual Report, sections on: Report on Compliance with Corporate Governance Rules.

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A4. Verification						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	X				The Company's carbon emissions, water withdrawal / discharge, compliance with human rights, and statements with respect to supplier audits are being verified by independent institutions. The relevant data is shared in the Integrated Annual Report under Verification and Assurance Statements & TSRS Limited Assurance Report.	Migros 2024 Integrated Annual Report, sections on: Statement of Independent Assurance in Human Rights and Supply Chain, Greenhouse Gas Emissions Verification Statement, Water Footprint Verification Statement TSRS Limited Assurance Report.
B. ENVIRONMENTAL PRINCIPLES						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X				Migros Environmental Policy envisions working together with the Company's stakeholders, raising environmental awareness, protecting the environment and projects, which put the needs of future generations to the forefront with the aim to leave behind a clean environment for them. The Company holds an ISO 14001 certificate covering all of its service areas. The Migros Better Future Plan describes issues with higher priority and action plans. The Company identifies and controls the environmental dimensions and risks of its activities from a cycle of life viewpoint, thereby focusing its efforts on reducing the factors that have a negative impact on the environment. The Integrated Annual Report describes the related projects.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Better for Our World. https://www.migroskurumsal.com/en/about-us/our-policies#cevre-politikasi https://migroskurumsalstr.blob.core.windows.net/migroskurumsalstr/iso-14001-cevre-yonetim-sistemi-638049692197408430.pdf
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	X				The Company's Integrated Annual Report covers the 12-month period between 1 January 2024 and 31 December 2024. The financial data in the Report covers (99.9% of) all our activities, sustainability data and domestic activities.	Migros 2024 Integrated Annual Report: About the Report section.
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).	X				Short and medium/long term targets are determined by the Sustainability Committee, focusing on the Company's main strategies, and are presented to the Senior Management and then committed with the opinion of the Board of Directors. Departments are expected to set at least one annual goal with respect to sustainability as well as supporting the referred main targets. Sustainability-target fulfillment results are also included to elements of Migros' corporate performance evaluation system.	Migros 2024 Integrated Annual Report, sections on: Environmental Management, Sustainability Committee, Targets.
B5. How the prioritized environmental issues have been integrated into business objectives and strategies has been disclosed.	X				The Company follows its environmental, social and governance priorities and roadmap on sustainability within the framework of its "Migros Better Future Plan". The Company continues its work with the goal of monitoring, controlling and minimizing the environmental impacts that could arise from its operations. The Company has mainly prioritized "Extensive Combat Against the Climate Change", "Supporting the Circular Economy", and "Sustainable Agriculture and Saving Food". The goals for and progress made in each prioritized issue has been explained in the Integrated Annual Report.	Migros 2024 Integrated Annual Report, sections on: Migros Better Future Plan, Targets, Better for Our World.

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X				As shown from its values of "Better for Our World" and "Better for our Customers and Stakeholders", the Company includes its stakeholders in its business strategy in order to minimize its environmental impact. Through its Sustainable Business Partners Network it implements projects together with its suppliers to measure and reduce the carbon footprint of the goods it sells, reduce the use of plastic packaging, support sustainable agriculture and small manufacturers, and prevent food waste together with its suppliers under the scope of WRI 10x20x30. Furthermore, annual audits of suppliers also include environmental matters in their scope. We also have projects such as The Bag-Free Shopping Movement and Save Your Food project to integrate customers as well.	Migros 2024 Integrated Annual Report, sections on: Better for Our World, Better for Our Customers and Stakeholders.
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.	X				In the international arena, Migros is an active member of the Consumer Goods Forum (CGF). At a national level, Migros shares its opinion through the GPD, TAMPF, TÜSIAD and TOBB Retail Council, of which it is a member, as may be requested by municipalities or ministries.	Migros 2024 Integrated Annual Report: Communication with Stakeholders section.
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X				Information under the stated topics is shared in the Integrated Annual Report in the form of trends for a minimum of 3 years to ensure that any progress made can be monitored.	Migros 2024 Integrated Annual Report, sections on: Better for Our World, Sustainability Performance Indicators.
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X				The GHG Protocol and ISO 14064-3 standard are used in calculating and verifying carbon emissions. The company's water footprint is verified in accordance with ISO 14046 standard. The WRI Aqueduct Water Risk Atlas device is used to measure the water risk and water stress on the facilities used in operations. The Food Recovery Hierarchy and Global Food Loss and Waste Protocol are used as the basis for food loss ratios. The performance indicator, base year, target year, annual performance from the base year to the reporting year are reported with respect to all environmental targets.	Migros 2024 Integrated Annual Report, sections on: Better for Our World, Greenhouse Gas Emissions Verification Statement, Water Footprint Verification Statement.
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X				The Company reports its performance progress on environmental sustainability as a minimum 3-year trend in the Integrated Annual Report. There are also explanations as to status with respect to annual medium / long term goals.	Migros 2024 Integrated Annual Report, sections on: Better for Our World, Sustainability Performance Indicators
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	X				The Company has set its goals for reducing Scope 1 and 2 emissions, water use, energy consumption, food loss ratio in its Migros Better Future Plan. The Company shares the current status of its goals on an annual basis in its Integrated Annual Report.	Migros 2024 Integrated Annual Report, sections on: Better for Our World, Sustainability Performance Indicators.

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X				In its Migros Better Future Plan, the Company indicates that one of its areas of focus will be an extensive combat against climate change. It has announced its goal to reduce its carbon footprint by 42.65% by 2030 and as 2050 Carbon Net Zero in line with the 1.5 °C scenario and have this target verified by the SBTi (Science-Based Target initiative). To this end it shares its efforts to save power and prevent cooling gas leaks as well as investments in renewable energy.	Migros 2024 Integrated Annual Report, sections on: Better for Our World, Extensive Combat Against Climate Change.
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X				The life cycle assessment and carbon footprint of the Company's own brand products have been calculated. In depth efforts continue to make the packaging used for the Company's own brand products more sustainable. 25% of the packaging for 6 non-food own brand goods is made of r-Pet. Efficiency projects to reduce greenhouse emissions in distribution and logistics are also ongoing.	Migros 2024 Integrated Annual Report, sections on: Extensive Combat Against Climate Change, Sustainable Distribution Systems, Supporting a Circular Economy and Effective Waste Management.
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	X				The Company implemented the "Sustainable Business Partners Network" platform in order to measure the impact of the products it sells on Scope 3 emissions as accurately as possible. It monitors the environmental parameters such as carbon emissions, water consumption and waste quantity of its suppliers and expects them to set goals for improvement in light of climate change. It also provides workshops for its suppliers under the framework of the platform.	Migros 2024 Integrated Annual Report, sections on: Extensive Combat Against Climate Change, Carbon Footprint Works Towards Suppliers.
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X				As part of its extensive combat against climate change, the Company is working on projects to reduce its power consumption and use of cooling gases and shares its annual savings from these projects. The Company also reports to the CDP (Carbon Disclosure Project) Climate Change and Water Security programs every year.	Migros 2024 Integrated Annual Report: Energy Efficiency Works section.
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X				The Company shares its energy consumption data, together with detailed breakdowns in the form of 3-year trends in its Integrated Annual Report.	Migros 2024 Integrated Annual Report: Energy Efficiency Works section.
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X				The Company does not have any heating, cooling or steam consumption or sales as a secondary power source. It shares its electricity and other power consumption in the form of 3-year trends in its Integrated Annual Report.	Migros 2024 Integrated Annual Report: Energy Efficiency Works section.
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X				In 2024, 7,382 MWh of electricity was generated through solar power plants (SPP) on the roofs of Adana, Muğla, Diyarbakır and Torbalı Distribution Centers, MİGET, Kocaeli Derince 5M Migros. 5,924 MWh was used directly at the generation points and 1,458 MWh was fed into the electricity grid. In addition, the Kırşehir SPP project with an installed capacity of 34.4 MW was completed in 2024. In addition, the Company certified that it procured 350,000 MWh of electricity used in 2024 from Renewable Energy Resource Guarantee System (YEK-G) certified renewable energy producers. This corresponds to 51% of the 355,924 MWh of electricity that the company consumed in 2024. The Company aims to supply 1/3 of its energy consumption from solar panels by the end of 2026.	Migros 2024 Integrated Annual Report, Renewable Energy section.

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B19. The renewable energy production and usage data has been publicly disclosed.	X				In 2024, 7,382 MWh of electricity was generated through solar power plants (SPP) on the roofs of Adana, Muğla, Diyarbakır and Torbalı Distribution Centers, MİGET, Kocaeli Derince 5M Migros. 5,924 MWh was used directly at the generation points and 1,458 MWh was fed into the electricity grid. In addition, the Kırşehir SPP project with an installed capacity of 34.4 MWp was completed in 2024. In addition, the Company certified that it procured 350,000 MWh of electricity used in 2024 from Renewable Energy Resource Guarantee System (YEK-G) certified renewable energy producers. This corresponds to 51% of the 355,924 MWh of electricity that the company consumed in 2024.	Migros 2024 Integrated Annual Report, Renewable Energy section.
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	X				In addition to its target of reducing Scope 1 and Scope 2 emissions by 42.65% by 2030, the Company also aims to reduce its power consumption by 35% per sales square meter. To this end, optimization is achieved through a switch to new generation systems and central control over cooling, air conditioning and lighting. The Company shares its efforts to reduce power consumption, the savings achieved, and the emissions prevented within the context of its extensive combat against climate change.	Migros 2024 Integrated Annual Report: Energy Efficiency Works section.
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X				The Company reports the water drawn, consumed, and discharged during its operations based on source type. The data is verified in accordance with 14046 standards.	Migros 2024 Integrated Annual Report, sections on: Sustainable Water Management, Sustainability Performance Indicators.
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	X				The Company is not a part of the carbon pricing system. On the other hand, the pricing established through the efforts of the Ministry of Environment, Urbanization and Climate Change within the scope of the Partnership for Market Readiness (PMR) program are used as the basis for internal valuations.	Migros 2024 Integrated Annual Report CDP Report
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	X				The Company did not receive any carbon credit during the reporting period.	Migros 2024 Integrated Annual Report
B24. If carbon pricing is applied within the Company, the details have been disclosed.	X				The Company is not a part of the carbon pricing system. The Company uses the pricing established through the efforts of the Ministry of Environment, Urbanization and Climate Change within the scope of the Partnership for Market Readiness (PMR) program as the basis for internal valuations.	Migros 2024 Integrated Annual Report CDP Report
B25. The platforms where the Company discloses its environmental information have been disclosed.	X				The Company publishes its efforts regarding sustainability during the year in the Integrated Annual Report, the CDP Report (Climate Change program, the CDP Water Security program) and its corporate website.	Migros 2024 Integrated Annual Report: Better for Our World section. CDP Report https://www.migroskurumsal.com/en/sustainability

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.	X				The Company has a Human Resources Policy and a Human Rights and Equal Opportunity Policy in place. The implementation of these policies is supervised by Chief Human Resources Officer. The Internal Audit Department also monitors compliance with the policies and regularly reports to the Senior Management.	Migros 2024 Integrated Annual Report: Human Rights Compliance section. https://www.migroskurumsal.com/en/about-us/our-policies#insan-haklari-ve-firsat-esitligi-politikasi https://www.migroskurumsal.com/en/about-us/our-policies#insan-kaynaklari-politikasi
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X				The Company discloses the main principles it expects its suppliers to comply with in its Responsible Sourcing Policy and every contract executed with suppliers contains a clause requiring an undertaking to comply with such principles. Every year the Company conducts ethics, social and environmental audits of its suppliers under the scope of the GC-Ethical Compliance. These processes are disclosed in detail in the Integrated Annual Report.	Migros 2024 Integrated Annual Report: Sustainable Growth with Suppliers section. https://www.migroskurumsal.com/en/about-us/our-policies#sorumlu-tedarik-politikasi
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X				One of the areas the Company has identified in the Migros Better Future Plan as a point of focus is Gender Equality and Equal Opportunity. It shares the projects it has implemented both internally and at a societal level within this context. Furthermore, every year it conducts ethics, social and environmental audits of its suppliers under the scope of the GC-Ethical Compliance. The Company also has a Human Rights and Equal Opportunities Policy and a Gender Equality and Inclusion Policy in place.	Migros 2024 Integrated Annual Report, sections on: Gender and Opportunity Equality, Sustainable Growth with Suppliers. https://www.migroskurumsal.com/en/about-us/our-policies#insan-haklari-ve-firsat-esitligi-politikasi https://www.migroskurumsal.com/en/about-us/our-policies#gender-equality-and-inclusion-policy
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X				In every activity of the Company forced labor / child labor and discrimination are prohibited with very clear language. Its statements regarding this matter are also verified independently. Every year, the Company conducts both internal audits and audits of its suppliers with respect to this issue and transparently publishes the results in its Integrated Annual Report. Moreover, the supplier audits are also included in the third-party assurance.	Migros 2024 Integrated Annual Report, sections on: Gender and Opportunity Equality, Sustainable Growth with Suppliers, Human Rights Compliance. https://www.migroskurumsal.com/en/about-us/our-policies#insan-haklari-ve-firsat-esitligi-politikasi
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				The training provided to Company employees for career and personal development, unionization rights, and side benefits are disclosed in the Integrated Annual Report. In addition, the Company also has a Human Rights Policy, Severance Policy and Human Rights and Equal Opportunity Policy in place.	Migros 2024 Integrated Annual Report: Better for Our Employees section. https://www.migroskurumsal.com/en/about-us/our-policies#insan-haklari-ve-firsat-esitligi-politikasi https://www.migroskurumsal.com/en/about-us/our-policies#insan-kaynaklari-politikasi https://www.migroskurumsal.com/en/about-us/our-policies#tazminat-politikasi

Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X				The etikkurul@migros.com.tr email address and Migros Hotline are available for employees. Employees may share their requests anonymously. The Company has established an "Ethical Denunciation Monitoring and Recording" system in order to gather, evaluate and systematically monitor tips collected from various channels such as the call center, email or mobile application.	Migros 2024 Integrated Annual Report: Compliance with Corporate Policies and Code of Ethics section.
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X				The performance cards for senior management, all directors at a managerial or higher level include a "Employee Satisfaction" goal. Moreover, an independent research firm measures the levels of employee satisfaction and loyalty to the Company with the "Working Life Assessment Survey" and/or Happy Place to Work Surbey it conducts every year. The Company's efforts toward projects for contributing to employee development, employee satisfaction, employee health & wellness are disclosed.	Migros 2024 Integrated Annual Report: Better for Our Employees section.
C1.6. The occupational health and safety policies have been established and disclosed.	X				The Company has an Occupational Health and Safety Policy in place.	https://www.migroskurumsal.com/en/about-us/our-policies#is-sagligi-ve-guvenligi
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X				The Company discloses the work it conducts within the scope of ensuring occupational health and safety for its employees.	Migros 2024 Integrated Annual Report, sections on: Occupational Health and Safety, Sustainability Performance Indicators.
C1.7. The personal data protection and data security policies have been established and disclosed.	X				The Company has an Information Security Policy and a Personal Data Protection and Processing Policy in place. It has also established the requisite auditing and reporting mechanisms within this context. Detailed information is disclosed in the Integrated Annual Report.	https://www.migroskurumsal.com/en/about-us/our-policies#bilgi-guvenlik-politikasi https://www.migroskurumsal.com/hakkimizda/politikalarimiz#kisisel-verilerin-korunmasi-ve-islenmesi-politikasi
C1.8. The ethics policy have been established and disclosed.	X				The Company has a Code of Ethics and an Anti-Bribery and Anti-Corruption Policy in place. In addition, the audit and monitoring work done with respect to these policies as well as the results thereof are also published every year.	Migros 2024 Integrated Annual Report, sections on: Compliance with Corporate Policies and Code of Ethics. https://www.migroskurumsal.com/en/about-us/our-policies#migros-etik-kurallari https://www.migroskurumsal.com/en/about-us/our-policies#rusvet-ve-yolsuzlukla-mucadele-politikasi
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X				The Company's social responsibility projects are published on its corporate website and the Integrated Annual Report.	Migros 2024 Integrated Annual Report: Responsibility and Awareness Studies section. https://www.migroskurumsal.com/en/sustainability/our-works
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X				The Company offers corporate policy training to all employees with regards to its Environmental Policy, Human Rights and Equal Opportunity Policy, Anti-Bribery and Anti-Corruption Policy, Responsible Sourcing Policy and Code of Ethics. The Company also organizes a series of sustainability training to cover environmental matters as well as training on societal gender equality.	Migros 2024 Integrated Annual Report, sections on: Contributions to Employee Development, Sustainability Trainings, Internal Practices for Gender Equality, Compliance with Corporate Policies and Code of Ethics.



Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C2. Stakeholders, International Standards and Initiatives						
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X				The communication work, research, loyalty programs conducted by the Company to provide its customers with a good and safe experience are disclosed annually. Customer requests received from all channels are integrated and quickly resolved through the Migros Engagement Platform. The Company holds a TSE ISO 10002 Customer Satisfaction Management System quality certificate.	Migros 2024 Integrated Annual Report: Good and Trustworthy Customer Experience section.
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X				All channels, methods, and frequency of communication with all main stakeholders in accordance with GRI standards have been disclosed in the Integrated Annual Report in the form of a detailed table.	Migros 2024 Integrated Annual Report: Communication with Stakeholders section.
C2.3. The international reporting standards that adopted in reporting have been explained.	X				The Company's Integrated Annual Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and the International Integrated Reporting Framework published by the International Integrated Reporting Council (IIRC). At the same time, sections contributing to the World Economic Forum Stakeholder Capitalism Metrics, the Principles of the United Nations Global Compact, the UN Women Empowerment Principles (WEPs) have been identified. The Integrated Annual Report was prepared in accordance with international standards published by the International Sustainability Standards Board (ISSB) and Turkish Sustainability Reporting Standards (TSRS) prepared by the Public Oversight Board (KGK).	Migros 2024 Integrated Annual Report: About the Report section
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X				The Company is a member of the Food Waste, Collaboration for Healthier Lives, Product Data, Net Zero coalitions in the Consumer Goods Forum. The Company is also a pledgor under LEAD Network EU, UN Global Compact, SBTi, WEPs and Business Plastic Initiative. Its pledges and projects regarding such pledges are disclosed in its Integrated Annual Report.	Migros 2024 Integrated Annual Report: Memberships, Collaborations and Initiatives section.
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X				The Company is listed on the Istanbul Stock Exchange's BIST Sustainability Index and BIST Sustainability 25 Index.	Migros 2024 Integrated Annual Report: Highlights of 2024 section.



Sustainability Compliance Report

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X				Appointed by the CEO on behalf of the Board of Directors, the Sustainability Committee manages, implements, monitors and measures the Company's efforts in sustainability. The Committee determines the Company's strategy and road map for sustainability and organizes surveys to obtain the opinions of customers, suppliers and employees when updating such strategy and roadmap, while also taking into consideration the opinions received from other stakeholders throughout the year.	Migros 2024 Integrated Annual Report, sections on: Double Materiality Matrix, Sustainability Committee.
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				The Company is working on a number of responsibility and awareness projects through various collaborations and discloses the progress made in such projects both on its website and in the Integrated Annual Report.	Migros 2024 Integrated Annual Report: Responsibility & Awareness Studies section.



Financial Statements

181 Convenience Translation into English of Consolidated Financial Statements for the Year Ended 31 December 2024 Together with Independent Auditor's Report

MIGROS
Hepimize iyi gelecek



Migros Ticaret A.Ş.

Convenience Translation into English of Consolidated Financial Statements for the Year Ended 31 December 2024 Together with Independent Auditor's Report

(Originally Issued in Turkish)

Independent Auditor's Report



CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Migros Ticaret A.Ş.

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of Migros Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements (Note 1 -33) comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") the ethical requirements regarding independent audit in regulations issued by the POA; the regulations of the Capital Markets Board; and other relevant legislation are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

Independent Auditor's Report

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
<p>Revenue Recognition</p> <p>The Group operates in the retail market, had 3,621 stores as of 31 December 2024 and obtained revenue of 293.7 billion TRY in 2024.</p> <p>In addition to being the most important financial statement item for the retail industry, revenue is one of the most important criteria for performance measurement and evaluation of the results of strategies applied by management.</p> <p>"Recognition of revenue obtained from retail sales" was identified as a key audit matter since the transaction volume is high due to the number of stores and revenue is obtained from so many sales points. There is risk in the retail industry due to the amount of data processed by information technology systems.</p> <p>The relevant explanations, including accounting policies related to revenue recognition, are provided in Notes 2 and 16.</p>	<p>We performed the following auditing procedures in relation to the recognition of revenue in the financial statements:</p> <p>We developed an understanding of sales processes and tested the design, implementation and operating effectiveness of key controls within the revenue recognition process. In this framework, cash obtained from retail sales passing through the cashier system throughout the year was verified using the relevant bank documents on a sample basis and reconciled with the turnover accounted for.</p> <p>We evaluated the appropriateness of the Group's accounting policy for revenue recognition.</p> <p>We performed analytical tests to analyse the change in sales. The annual inflation rate used in these reviews was obtained from independent sources and square meters were evaluated by checking maps of selected stores on a sample basis. Product-based and category-based sales and gross margins were compared to prior periods and their consistency was evaluated.</p> <p>Since revenue is realized at a large number of sales points, the accuracy of amounts transferred to the cashier system at the end of each day was tested by comparing the end of day reports with the accounting records.</p>

4. Other information

Management is responsible for the other information. The other information comprises the Appendix I added to "Other information" section in the report but does not include the consolidated financial statements and our auditor's report thereon. Our conclusion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our review of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the review or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

5. Responsibilities of management and those charged with governance for the consolidated financial statements

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

6. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report

Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 5 March 2025.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Burak Özpoyraz, SMMM
Independent Auditor

Istanbul, 5 March 2025



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Migros Ticaret A.Ş.

Consolidated Balance Sheets at 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

	Notes	Audited 31 December 2024	Audited 31 December 2023
ASSETS			
Current assets:			
Cash and cash equivalents	4	22,524,342	17,837,809
Financial investments	5	21,524	667,760
Trade receivables	6	1,398,068	534,180
- Trade receivables from related parties	25	63,087	2,454
- Trade receivables from third parties	6	1,334,981	531,726
Other receivables		1,089,038	3,071,359
- Other receivables from third parties	7	1,089,038	3,071,359
Inventories	8	31,152,150	31,660,576
Prepaid expenses	9	1,297,241	813,586
Current income tax assets	23	153,811	-
Other current assets		57,824	99,394
Total current assets		57,693,998	54,684,664
Non-current assets:			
Financial investments	5	3,402,581	1,668,953
Other receivables		34,919	27,612
- Other receivables from third parties	7	34,919	27,612
Property, plant and equipment	10	32,323,282	29,301,055
Right of use assets	13	32,831,180	23,426,991
Intangible assets		22,132,945	21,328,032
- Goodwill	12	20,068,001	19,770,657
- Other intangible assets	11	2,064,944	1,557,375
Prepaid expenses	9	1,639,978	2,578,316
Total non-current assets		92,364,885	78,330,959
Total assets		150,058,883	133,015,623

The accompanying notes form an integral part of these consolidated financial statements.



Migros Ticaret A.Ş.

Consolidated Balance Sheets at 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

	Notes	Audited 31 December 2024	Audited 31 December 2023
LIABILITIES			
Current liabilities:			
Short term borrowings		645,792	578,225
- Bank loans	14	645,792	578,225
Short term portion of long term borrowings		4,177,658	3,722,587
- Bank loans	14	348,395	1,086,111
- Lease liabilities	13	3,829,263	2,636,476
Trade payables		57,708,638	53,983,947
- Trade payables to related parties	25	2,001,015	1,814,041
- Trade payables to third parties	6	55,707,623	52,169,906
Payables related to employee benefits	16	2,329,551	2,368,101
Other payables		2,570,127	1,004,899
- Other payables to third parties	7	2,570,127	1,004,899
Deferred income	9	1,739,934	1,329,019
Current tax liabilities	23	-	170,067
Short term provisions		1,841,892	1,662,884
- Short term provisions for employee benefits	16	1,353,287	1,353,911
- Other short term provisions	15	488,605	308,973
Total non-current liabilities		71,013,592	64,819,729
Non-current liabilities:			
Long term borrowings		16,272,191	10,526,879
- Bank loans	14	214,184	1,250,921
- Lease liabilities	13	16,058,007	9,275,958
Other payables		26,055	64,129
- Other payables to third parties	7	26,055	64,129
Deferred income		211,650	541,739
Long term provisions		1,385,774	1,725,829
- Long term provisions for employee benefits	16	1,385,774	1,725,829
Defferex tax liabilities	23	3,467,425	2,993,957
Total non-current liabilities		21,363,095	15,852,533
Total liabilities		92,376,687	80,672,262

The accompanying notes form an integral part of these consolidated financial statements.

Migros Ticaret A.Ş.

Consolidated Balance Sheets at 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)
(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

EQUITY	Notes	Audited 31 December 2024	Audited 31 December 2023
Attributable to equity holders of parent		57,309,280	52,011,551
Share capital	24	181,054	181,054
Share capital adjustment differences	24	3,359,496	3,359,496
Treasury shares	24	(861,574)	(861,574)
Other comprehensive income/(expense) not to be classified to profit or loss		(499,615)	286,225
- <i>Defined benefit plans re-measurement losses</i>		(2,872,906)	(2,371,460)
- <i>Revaluation fund of property, plant and equipment</i>		2,373,291	2,657,685
Other accumulated comprehensive income to be classified to profit or loss		2,130,484	1,376,724
- <i>Currency translation differences</i>		-	442,433
- <i>Gains on financial assets measured at fair value through other comprehensive income</i>		2,130,484	934,291
Dividend advances paid		(516,726)	-
Other reserves		1,730,523	1,432,056
Retained earnings		45,445,895	33,490,787
Net income for the year		6,339,743	12,746,783
Non-controlling interests		372,916	331,810
Total equity		57,682,196	52,343,361
Total liabilities and equity		150,058,883	133,015,623

The accompanying notes form an integral part of these consolidated financial statements.

Migros Ticaret A.Ş.

Consolidated Statements of Profit or Loss for the Years Ended 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
Revenue	17	293,779,664	262,132,403
Cost of sales (-)	17	(225,775,911)	(213,170,188)
Gross Profit		68,003,753	48,962,215
General administrative expenses (-)	18	(5,545,282)	(4,245,499)
Marketing expenses (-)	18	(56,640,106)	(49,113,567)
Other operating income	19	2,509,938	1,980,707
Other operating expenses (-)	19	(17,804,038)	(7,221,729)
Operating loss		(9,475,735)	(9,637,873)
Income from investment activities	20	625,677	543,697
Expenses from investment activities (-)	20	(356,097)	(35,335)
Operating loss before financial expense/(income)		(9,206,155)	(9,129,511)
Financial income	21	6,933,549	5,649,171
Financial expense (-)	22	(8,628,180)	(5,272,558)
Monetary gains		18,842,863	24,292,001
Net profit before tax from continuing operation		7,942,077	15,539,103
Tax expense from continuing operations		(1,403,318)	(2,719,081)
Income tax expense (-)	23	(583,381)	(997,899)
Deferred tax expense	23	(819,937)	(1,721,182)
Profit from continuing activities		6,538,759	12,820,022
Profit from discontinued operations		35,232	37,498
Net profit for the year		6,573,991	12,857,520
Net profit attributable to:			
- Non-controlling interests		234,248	110,737
- Equity holders of parent	26	6,339,743	12,746,783
Earnings per share ("TRY") from continuing operations	26	36.11	70.81
Earnings per share ("TRY") from discontinued operations	33	0.19	0.21

The accompanying notes form an integral part of these consolidated financial statements.

Migros Ticaret A.Ş.

Consolidated Statements of Comprehensive Income for the Years Ended 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
Net profit for the year	6,573,991	12,857,520
Items that not to be reclassified to profit or loss	(268,211)	782,194
- Revaluation of fund of property, plant and equipment	642,533	1,620,366
- Defined benefit plans remeasurement losses	(910,744)	(838,172)
Tax effect of items not to be reclassified to profit or loss	411,104	(54,132)
- Tax effect of revaluation fund of property, plant and equipment	1,806	(263,675)
- Tax effect of defined benefits plan remeasurement losses	409,298	209,543
Items to be reclassified to profit or loss	818,395	(115,430)
- Other comprehensive income on financial assets at fair value through other comprehensive income	1,260,828	(1,464)
- Currency translation differences	(442,433)	(113,966)
Tax effect of items to be reclassified to profit or loss	(64,635)	439
- Tax effect other comprehensive income on financial assets at fair value through other comprehensive income	(64,635)	439
Other comprehensive income, after tax	896,653	613,071
Total comprehensive income	7,470,644	13,470,591
Total comprehensive income attributable to	7,470,644	13,470,591
- Non-controlling interests	234,248	110,737
- Equity holders of parents	7,236,396	13,359,854

The accompanying notes form an integral part of these consolidated financial statements.



Migros Ticaret A.Ş.

Consolidated Statements of Changes in Equity for the Years Ended 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

					Other comprehensive income and expenses not to be reclassified to profit or loss	Other comprehensive income and expenses to be reclassified to profit or loss			Retained earnings					Total equity
	Share capital	Share Capital adjustment differences	Other reserves	Treasury shares	Defined benefit plans revaluation and measurement losses	Increase of revaluation fund of property plant and equipment	Gains on financial assets through other comprehensive income	Currency translation differences	Dividend advances paid	Retained earnings	Net profit for the year	Attributable to equity holders of the parents	Non controlling interests	
Balances as of 1 January 2023	181,054	3,359,496	2,390,375	(861,574)	(1,742,831)	1,461,863	935,316	556,399	-	20,133,959	13,195,959	39,610,016	104,825	39,714,841
Transfers	-	-	-	-	-	(160,869)	-	-	-	13,356,828	(13,195,959)	-	-	-
Transaction with non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	116,248	116,248
Dividend paid	-	-	(958,319)	-	-	-	-	-	-	-	-	(958,319)	-	(958,319)
Total comprehensive income	-	-	-	-	(628,629)	1,356,691	(1,025)	(113,966)	-	-	12,746,783	13,359,854	110,737	13,470,591
Net income for the year	-	-	-	-	-	-	-	-	-	-	12,746,783	12,746,783	110,737	12,857,520
Foreign currency translation differences	-	-	-	-	-	-	-	(113,966)	-	-	-	(113,966)	-	(113,966)
Revaluation and measurement losses/(gains)	-	-	-	-	(628,629)	-	(1,025)	-	-	-	-	(629,654)	-	(629,654)
Gain on revaluation and measurement property, plant and equipment	-	-	-	-	-	1,356,691	-	-	-	-	-	1,356,691	-	1,356,691
Balances as of 31 December 2023	181,054	3,359,496	1,432,056	(861,574)	(2,371,460)	2,657,685	934,291	442,433	-	33,490,787	12,746,783	52,011,551	331,810	52,343,361
Balances as of 1 January 2024	181,054	3,359,496	1,432,056	(861,574)	(2,371,460)	2,657,685	934,291	442,433	-	33,490,787	12,746,783	52,011,551	331,810	52,343,361
Transfers	-	-	361,495	-	-	(570,975)	-	-	-	12,956,263	(12,746,783)	-	-	-
Transaction with non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(193,142)	(193,142)
Acquisition/Disposal of a subsidiary	-	-	-	-	-	(357,758)	-	-	-	432,415	-	74,657	-	74,657
Dividend paid	-	-	(63,028)	-	-	-	-	-	(516,726)	(1,433,570)	-	(2,013,324)	-	(2,013,324)
Total comprehensive income	-	-	-	-	(501,446)	644,339	1,196,193	(442,433)	-	-	6,339,743	7,236,396	234,248	7,470,644
Net income for the year	-	-	-	-	-	-	-	-	-	-	6,339,743	6,339,743	234,248	6,573,991
Foreign currency translation differences	-	-	-	-	-	-	-	(442,433)	-	-	-	(442,433)	-	(442,433)
Gain on revaluation and measurement	-	-	-	-	(501,446)	-	1,196,193	-	-	-	-	694,747	-	694,747
Revaluation fund of property, plant and equipment	-	-	-	-	-	644,339	-	-	-	-	-	644,339	-	644,339
Balances as of 31 December 2024	181,054	3,359,496	1,730,523	(861,574)	(2,872,906)	2,373,291	2,130,484	-	(516,726)	45,445,895	6,339,743	57,309,280	372,916	57,682,196

The accompanying notes form an integral part of these consolidated financial statements.



Migros Ticaret A.Ş.

Consolidated Statements of Cash Flows for the Years Ended 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
Cash flows from operating activities:			
Net profit for the year		6,573,991	12,857,520
Profit from continuing activities		6,538,759	12,820,022
Profit from discontinued operations		35,232	37,498
Adjustments related to reconciliation of net profit for the year			
Adjustments for depreciation and amortisation expenses	18	9,977,506	8,933,801
Adjustments for impairment on receivables	6	36,609	12,232
Adjustments for inventory provisions	8	(137,472)	77,250
Adjustments for impairment on property, plant and equipment	20	356,097	35,335
Adjustments for provision for employee benefits	16	1,014,328	1,809,088
Adjustments for provision for litigation	15	247,235	126,411
Adjustments for other provisions	15	214,970	(644,973)
Adjustments for interest income	21	(6,296,716)	(3,562,159)
Adjustments for interest expense	22	8,344,061	4,924,583
Adjustments for deferred financing due to forward purchases expenses	19	17,035,401	6,824,703
Adjustments for unearned finance income from sales	19	(2,124,831)	(1,278,430)
Adjustments for unrealized foreign exchange losses	14	14,368	73,538
Adjustments for fair value losses arising from derivatives	21,22	(62,325)	23,076
Adjustments for income tax expense/(income)	23	1,403,318	2,719,081
Gain on sale of property plant and equipment	20	(187,595)	(528,341)
Adjustments for gains from sale of subsidiaries		(438,082)	-
Adjustments for monetary loss/(gain)		35,825	90,019
Changes in net working capital			
Adjustments for increase in trade receivables		(811,801)	652,704
Adjustments for increase in inventories		645,898	(4,968,984)
Adjustments for increase in other receivables related with operations		2,527,395	(5,946,109)
Adjustments for increase in trade payables		4,253,186	5,417,295
Adjustments for increase in other payables related with operations		2,104,148	5,236,399
Cash flows from operating activities			
Employee benefits paid	16	(1,166,149)	(2,719,295)
Interest received		2,107,608	1,314,301
Interest paid		(17,563,896)	(8,311,335)
Taxes paid		(893,380)	(429,593)
Other provisions paid		(165,777)	(551,374)
Net cash provided by operating activities			
		27,043,920	22,186,743

The accompanying notes form an integral part of these consolidated financial statements.

Migros Ticaret A.Ş.

Consolidated Statements of Cash Flows for the Years Ended 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
Investing activities			
Cash outflows from the purchase of tangible and intangible assets	10,11	(9,903,941)	(9,252,075)
Cash inflows from the sale of tangible and intangible assets		1,111,390	1,896,867
Cash inflows from disposal of subsidiaries		797,117	-
Obtaining control of subsidiaries cash outflows for purchases		(1,016,551)	(295,183)
Cash flows from investing activities		(9,011,985)	(7,650,391)
Financing activities			
Proceeds from borrowings	14	2,605	1,874,516
Cash outflows from repayments of borrowings	14	(977,702)	(2,805,734)
Cash outflows from repayment of derivative instruments		62,325	(17,194)
Interest received	21	6,296,716	3,562,159
Interest paid		(5,346,885)	(3,033,151)
Dividends paid		(2,013,324)	(958,319)
Cash outflows from payments of rent agreements		(4,578,054)	(3,559,179)
Cash flows from financing activities		(6,554,319)	(4,936,902)
Monetary loss on cash and cash equivalents		(6,599,636)	(10,137,277)
Effect of foreign currency translation differences on cash and cash equivalents		(191,447)	108,741
Net increase/(decrease) in cash and cash equivalents		4,686,533	(429,086)
Cash and cash equivalents at the beginning of the year	4	17,837,809	18,266,895
Cash and cash equivalents at the end of the year	4	22,524,342	17,837,809

The accompanying notes form an integral part of these consolidated financial statements.

Migros Ticaret A.Ş.

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)
(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

Migros Ticaret A.Ş., (collectively referred to as "Migros" or the "Company"), was established on 19 March 2008 and is registered in Istanbul, Türkiye under the Turkish Commercial Code. (Migros Türk Ticaret Anonim Şirketi, which was established in 1954, merged with its parent company Moonlight Perakendecilik ve Ticaret Anonim Şirketi ("Moonlight Perakendecilik") on 30 April 2009 and the trade name of Moonlight Perakendecilik was changed as Migros Ticaret A.Ş.)

The Company and its subsidiaries together will be referred as "the Group".

The Company is controlled by AG Anadolu Grubu Holding A.Ş., its parent company. AG Anadolu Grubu Holding A.Ş. is controlled by AG Sınai Yatırım ve Yönetim A.Ş., and AG Sınai Yatırım ve Yönetim A.Ş. is a management company that ultimately manages, with equal representation of and by way of equal management by the Süleyman Kamil Yazıcı family and the Özilhan family, the affiliates of AG Anadolu Grubu Holding A.Ş. AG Anadolu Grubu Holding A.Ş. holds a 50% indirect share.

The Group is mainly engaged in retail sales in food & beverages, consumer goods and wholesale. Other than that the Group is also engaged in online food retailing, takeout food, payment and e-money services, logistic (motorcycle courier) services, and shopping mall management.

As of 31 December 2024, the Group has a total sales area of 2,031,904 m² (31 December 2023: 1,930,340 m²) with a retail store area of 2,009,331 m² and a wholesale store area of 22,573 m², 3,592 retail stores and 29 wholesale stores, operates in a total of 3,621 (31 December 2023: 3,363) stores. As of the end of the year as of 31 December 2024, the total number of employees of the Group is 53,328. (31 December 2023: 50,915). Retailing is the Group's core business, accounting for approximately 97% (31 December 2023: 97%) of gross sales.

The address of the registered office is as follows:

Migros Ticaret A.Ş.

Atatürk Mah., Turgut Özal Blv.,

No: 7 Ataşehir İstanbul

These consolidated financial statements have been approved for issue by the Board of Directors ("BOD") on 5 March 2025 and signed by General Manager, and Assistant General Manager (Financial Affairs), on behalf of the BoD. The owners of the Company and regulators have the power to amend the consolidated financial statements after the issue in the General Assembly meeting of the Company.

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)**Subsidiaries:**

The Company has the following subsidiaries (the "Subsidiaries"). The nature of the business of the Subsidiaries and for the purpose of the consolidated financial statements, their respective geographical segments are as follows:

Subsidiaries	Country of incorporation	Geographical segment	Nature of business	31 December 2024 (%)	31 December 2023 (%)
Ramstore Kazakhstan LLC ^(*)	Kazakhstan	Kazakhstan	Shopping centre management	-	100.0
Mimeda Medya Platform A.Ş.	Türkiye	Türkiye	Media	100.0	100.0
MoneyPay Ödeme ve Elektronik Para Hizmetleri A.Ş.	Türkiye	Türkiye	Services limited by e-money legislation	80.0	80.0
Paket Lojistik ve Teknoloji A.Ş. ^(**)	Türkiye	Türkiye	Logistics	100.0	75.0
Dijital Platform Gıda Hizmetleri A.Ş.	Türkiye	Türkiye	Online food retailing	93.0	93.0
Migen Enerji ve Elektrikli Şarj Hizmetleri A.Ş. ^(***)	Türkiye	Türkiye	Charging service	100.0	100.0
CRC Danışmanlık ve Organizasyon A.Ş.	Türkiye	Türkiye	Packaged food production	50.0	50.0

^(*) The Group sold its subsidiary Ramstore Kazakhstan LLC ("Ramstore Kazakhstan") for USD21,578 and EUR11,800 with the share transfer agreement dated 15 July 2024. Within the scope of the agreements entered into force, the collection of the aforementioned amounts has been completed as of 23 July 2024.

^(**) On 21 February 2024, the Group acquired 18,3% of the paid-in capital of Paket Lojistik ve Teknoloji A.Ş. ("Paket Taxi"), which provides logistics services to its online operations, and on 25 December 2024, the Group acquired 6,7% of the paid-in capital from other shareholders and increased its ownership interest to 100%.

^(***) It is not included in the scope of consolidation considering the concept of monetary materiality.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**2.1 Basis of Presentation****2.1.1 Financial reporting standards applied**Statement of Compliance with TFRS

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No: 28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Accounting Standards and interpretations ("TAS") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué.

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)
(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.1 Basis of Presentation (Continued)****2.1.1 Financial reporting standards applied (Continued)**

In addition, the consolidated financial statements are presented in accordance with the specified format in "TFRS Taxonomy Announcement", issued on 15 April 2019 by the POA, and "the Financial Statements Examples and Guidelines for Use", which is published by the Capital Markets Board of Türkiye.

Migros and its subsidiaries, which operate in Türkiye, keep their accounting books and their statutory financial statements in Turkish Lira ("TRY") in accordance with the regulations on accounting and reporting framework and accounting standards promulgated by the CMB, Turkish Commercial Code ("TCC") and Tax Legislation and the Uniform Chart of Accounts which is issued by the Ministry of Finance. The foreign subsidiaries keep their accounting books and statutory financial statements in their local currencies and in accordance with the rules and regulations of the countries in which they operate.

All financial information presented has been rounded to the nearest thousand TRY unless otherwise stated.

2.1.2 Changes in the accounting policies, estimates and errors

Significant changes in accounting policies and accounting errors are applied retrospectively and prior year financial statements are restated. The effect of changes in accounting estimates affecting the current year is recognised in the current year; the effect of changes in accounting estimates affecting current and future periods is recognised in the current and future periods.

2.1.3 Functional and reporting currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in TRY, which is the functional currency of Migros Ticaret A.Ş. and the reporting currency of the Group. (Note 28)

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- All resulting exchange differences are recognised in other comprehensive income.

Going Concern

The consolidated financial statements have been prepared assuming that the Company and consolidated subsidiaries will continue as a going concern on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

(Amounts expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") unless otherwise indicated.)
(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.2 Financial reporting in hyperinflationary economy**

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2023, on the purchasing power basis as of 31 December 2024.

Pursuant to the decision of the Capital Markets Board (SPK) dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Türkiye published by the Turkish Statistical Institute (TÜİK). As of 31 December 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Coefficient	Three year Compound Interest rate
31.12.2024	2,684.55	1.00000	291%
31.12.2023	1,859.38	1.44379	268%
31.12.2022	1,128.45	2.37897	156%

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.



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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Financial reporting in hyperinflationary economy (Continued)

- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the consolidated income statement.

The outline of the TAS 29 indexing operations is as follows:

- All items other than those shown with current purchasing power as of the balance sheet date are indexed using the relevant price index coefficients. Amounts from previous years are also indexed in the same way.
- Monetary asset and liability items are not subject to indexation because they are expressed in purchasing power at the current balance sheet date. Monetary items are cash and items to be received or paid in cash.

Comparative information and restatement of prior period financial statements

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when it is necessary and significant differences are disclosed.

2.3 Summary of significant accounting policies

Accounting policies applied by subsidiaries can be changed in order to convenience with the accounting policies applied by the Group, when necessary. The accounting policies applied to the preparation of consolidated financial statements are summarized as follows:

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The consolidated financial statements of the Group include Migros, Mimedea, Moneypay, Dijital Platform, Paket Lojistik and CRC Danışmanlık. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

Intra-group transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, respectively.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a basis within other operating income or other operating expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Revenue

The Group records revenue when fullfills performance obligation while transferring committed service or good to their customer. An asset is transferred when (or as) the control of an asset is transferred to the customer.

The Group records revenue accordance with the following 5 main principles:

- Determination of customer contracts
- Determination of performance obligation on contracts
- Determination of transaction fee on contracts
- Allocation of transaction price to performance obligation in contracts
- Revenue recognition when each performance obligation is fulfilled

The specific accounting policies for the Group's main types of revenue are explained below:

Sales of goods - Retail

The Group operates in the retail sales of food and beverages, consumer and durable goods through its stores, shopping centers, Ramstores Banner abroad and internet sales. Sales of goods are recognised when the performance obligation is fulfilled. Retail sales are usually made against a cash or credit card payment.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

Within the scope of the Group customer loyalty program, customers who use loyalty cards earn points from their purchases. For these earned points, the probability of using them in the following periods is estimated and the relevant amount is recorded as sales discount.

Sales of Goods - Wholesale

Revenue from the sales of goods is recognised when a group entity has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Control transfer does not occur until the products were shipped to the specified location, the risks of obsolescence and loss were transferred to the wholesaler, the wholesaler accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has an objective evidence that all criteria for acceptance are satisfied.

Rent revenue

The Group recognises rent income on accrual basis based on the agreement.

Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined primarily on the basis of the weighted average cost method. For processed inventories, cost includes direct materials, direct labor and the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Borrowing costs are not included in inventory cost. Revenues and discounts from suppliers, sales premiums and advertising participation fees are accounted on an accrual basis and booked against cost of inventories. Stock depreciation is recalculated on a product basis each month, the previous depreciation provision is cancelled and the current amount is reflected in the financial statements. An inventory difference provision for the period covering the latest inventory count date and the balance sheet date has been included into the inventory impairment item.

Property, plant and equipment*Revaluation Method*

Property, plant and equipment except lands and buildings are carried at cost less accumulated depreciation and impairment if exists. With respect to TAS 16 "Property, Plant and Equipment", the Group has decided to choose revaluation model for lands and buildings by using the fair values determined in the valuation reports of Nova Taşınmaz Değerleme ve Danışmanlık A.Ş. ("Nova Taşınmaz Değerleme") as of 31 December 2024. The first fair value application was adopted as of 31 December 2017.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. No transfers from the revaluation fund to retained earnings are made unless the asset is derecognised.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Freehold land is not depreciated.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When a property, plant and equipment is disposed of or no future economic benefits are expected from its use or sale, it is derecognised. The gain or loss resulting from the disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value of the asset and is included in the profit or loss statement.

Cost method

Property, plant and equipment except lands and buildings are carried at cost less accumulated depreciation and impairment if exists.

Properties in the course of construction for production, administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Legal fees are also included in the cost.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The depreciation period for property, plant and equipment which approximate the economic useful lives of such assets, are as follows:

	Useful lives (Year)
Buildings	25-50
Leasehold improvements	Over period of lease ^(*)
Machinery and equipment	4-10
Furniture and fixtures	5-12
Motor vehicles	5-8

^(*) Leasehold improvements include the expenses made for the leased properties and are depreciated over the useful life of the leased property where the useful life is longer than the lease term, and over the useful life if it is shorter.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The increase in the carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Expenses for repair and maintenance of property, plant and equipment are normally charged to the consolidated profit and loss statement. They are, however, capitalized and depreciated through the estimated useful life of the property, plant and equipment in exceptional cases if they result in an enlargement or substantial improvement of the respective assets.

Derecognition of property, plant and equipment

A property, plant and equipment is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a property, plant and equipment, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets*Goodwill*

Goodwill arises when purchasing subsidiaries and the amount of the transferred consideration, the amount of non-controlling interests in the acquiree and the fair value of the identifiable net assets in the acquiree, the excess of the fair value difference at the acquisition date of the equity interests in the acquiree previously held by the acquirer. If the total transferred consideration, recognized non-controlling interests and previously held interests measured at fair value are less than the fair value of the net assets of the acquired subsidiary, for example in a bargain purchase, the difference is recognized directly in the statement of profit or loss.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. The carrying amount of goodwill is compared with its recoverable value, which is the higher of its value in use and fair value less costs to sell. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated income statement and is not reversed in subsequent periods

Brands

Brands that are acquired separately are accounted for at their acquisition cost, and brands that are acquired as a part of business combination are accounted for at their fair value in the consolidated financial statements. The Group assessed the useful life of brand as indefinite since there is no foreseeable limit to the period over which a brand is expected to generate net cash inflows for the Group. A brand is not subject to amortisation as it is considered to have an indefinite useful life. A brand is tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount when the carrying amount of the brand exceeds its recoverable amount.

Rent agreements

Lease agreements are determined by the Group as identifiable intangible assets and consist of the lease agreements taken over from the stores it has purchased and the parts of the purchase price of the purchased stores exceeding the fair value of the purchased assets. Lease contracts are recorded at their fair values at the date of purchase, and amortised during the contract period.

Computer softwares (Rights)

Rights arising on computer software are recognised at its acquisition cost. Computer software is amortised on a straight-line basis over their estimated useful lives and carried at cost less accumulated amortization. The estimated useful life of computer software is 5 years.

Internally-generated intangible assets and development expenditures

Maintenance and research costs of computer software are expensed as they occur. Development costs for designing and testing identifiable and unique computer software controlled by the Group are recognized as intangible assets if the following conditions are met:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

The cost of the software includes all of the costs directly attributable to the software (such as software development labor costs and the share of software overhead) required by management to create, produce, and prepare the software in order for it to function as intended. Other development expenditures that do not meet these criteria are recognized as an expense when incurred. Development-related expenses that were initially recognized as an expense cannot be recognized as an asset at a later date.

Computer software development expenses are capitalized and to be subject to depreciation over their estimated useful lives.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset. This difference is recognised in profit or loss when the asset is derecognised.

Non-current assets held for sale

Non-current assets or asset groups that meet the criteria of asset held for sale are measured at the lower of its carrying amount and fair value less cost to sell. When the fair value is less than the carrying cost, an impairment loss is recognized as an expense in the consolidated income statement for the period.

Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Financial investment*Classification and measurement*

The Group classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)*****Financial assets carried at amortized cost***

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded and which are not derivative instruments are measured at amortized cost. They are included in current assets, except for maturities more than 12 months after the balance sheet date. Those with maturities more than 12 months are classified as non-current assets. The Group's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the consolidated statement of financial position.

Impairment

The Group has applied simplified approach and used impairment matrix for the calculation of impairment on its receivables carried at amortized cost, since they do not comprise of any significant finance component. In accordance with this method, if any provision provided to the trade receivables as a result of a specific events, the Group measures expected credit loss from these receivables by the life-time expected credit loss. The calculation of expected credit loss is performed based on the past experience of the Group and its expectations for the future indications.

Financial assets carried at fair value

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value. If the management do not plan to dispose these assets in 12 months after the balance sheet date, they are classified as non-current assets. The Group make a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss:

i) Financial assets carried at fair value through profit or loss

Financial assets carried at fair value through profit or loss comprise of "derivative instruments" in the statement of financial position. Derivative instruments are recognized as asset when the fair value of the instrument is positive, as liability when the fair value of the instrument is negative. The Group's financial instruments at fair value through profit or loss consist of forward contracts and interest rate swaps.

ii) Financial investment carried at fair value through other comprehensive income

Financial investment carried at fair value through other comprehensive income comprise of "financial investment" in the statement of financial position. The Group measures such assets at their fair values. The Group has chosen this method to prevent the change in value from causing fluctuations in the company's income statement. Gains or losses arising from the related financial investment are recognized in other comprehensive income except foreign exchange gain or loss and impairment loss. When the financial investment carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)****Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. See Note 2.3 for further information about the group's accounting for trade receivables and impairment policies.

Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)****Earnings per share**

Earnings per share presented in the consolidated statement of income are determined by dividing consolidated net income attributable to that class of shares by the weighted average number of such shares outstanding during the year concerned. As disclosed in Note 26, the Group's earnings per share are calculated in accordance with "Earning Per Share" ("TAS 33").

Income as per share stated in the consolidated statement of profit or loss is calculated by dividing the net profit by the weighted average of the share certification available in the market during the whole year.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. These "bonus share" distributions are treated as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations has been calculated by taking into account the retrospective effects of the aforementioned share distributions.

Events after the reporting period

Subsequent events are composed of any event between the balance sheet date and the publication date of the balance sheet, even if they arise after any announcements of profits or other financial data.

The Group restates its consolidated financial statements if such subsequent events arise (Note 33)

Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are assessed continuously to determine whether the possibility of an outflow of resources embodying economic benefits is probable. When the possibility of an outflow of resources embodying economic benefits is probable for the accounts classified as contingent liabilities, provision is provided in the financial statements for related contingent liabilities except for the situations there is not a reliable estimation.

The Group discloses the contingent liabilities that are probable but there is not a reliable estimation for the amount of resources embodying economic benefits in the notes.

Assets that result from previous events that cannot be controlled fully by the Group and depend on the realization of one or more uncertain events, is considered as a contingent asset. Contingent assets are disclosed in the notes of the consolidated financial statements, if there is a high probability that resources with economic benefits will flow to the entity.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)****Leases****The Group as lessee**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees,
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

The Group applies the derecognition and impairment requirements in TFRS 9 to the net lease investment. The Group regularly reviews the estimated uncommitted residual values used in the calculation of the gross lease investment and in case of a decrease in the estimated uncommitted residual value, the Group revises the distribution of income over the lease term and reflects the reductions in the accrued amounts directly to the financial statements.

When a contract includes lease and non-lease components, the Group applies TFRS 15 to allocate the consideration under the contract to each component.

Related parties

Parties are considered related to the Group if;

a) directly, or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the Company that gives it significant influence over the Company; or
- has joint control over the Company,

b) the party is an associate of the Company,

c) the party is a joint venture in which the Company is a venture,

d) the party is member of the key management personnel of the Company or its parent,

e) the party is a close member of the family of any individual referred to in (a) or (d),

f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e),

g) the party has a defined benefit plan for the employees of the Company or a related party of the Company.

Related party transactions are transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Income taxes

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax liability is calculated using the legalized or substantially legalized tax rate as of the date of the consolidated financial statements.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)***Deferred tax*

Deferred tax liability or asset is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax rates which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax asset or liability of the assets and liabilities except for goodwill or business combinations are not calculated for temporary timing differences arising from the initial recognition and affecting both trading and financial profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Employee benefits/Employee termination benefits

The provision for employment termination benefits represents the present value of the estimated total provision for the future probable liabilities of the Group arising from the retirement of the personnel in accordance with the Turkish Labor Law and the laws applicable in the countries in which the subsidiaries operate. Pursuant to the laws governing working life in Türkiye and the Turkish Labor Law, the Group is required to collectively pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, who voluntarily leaves the job, is dismissed, dies or retires and reaches the retirement age. Provision allocated by using defined benefit plans' current value is calculated by using prescribed liability method. Actuarial gains and losses are recognized as other comprehensive income or loss in shareholders' equity in the period in which they arise.

Cash flow statement

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

Cash flows from operating activities represent the cash flows of the Group generated from retail and wholesale activities and lease income.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.3 Summary of significant accounting policies (Continued)**

Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed investments and financial investments).

Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Cash and cash equivalents comprise cash on hand and bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities equal or less than three months and which are subject to an insignificant risk of changes in value (Note 4).

Offsetting

A financial asset or liability can be offset and the net amount shown on the balance sheet only if the entity has a legal right to offset the recognized amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Dividend

The dividend distributed to the shareholders of the Company is reflected as a liability in the financial statements of the Group on the date it is approved by the shareholders of the Company. When entitled to receive dividends, it is recognized as income in the financial statements.

Paid in capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Deferred finance income/expenses

Deferred finance income/expenses represent imputed finance income and expenses on credit sales and purchases. Such income and expenses calculated by using the effective interest method are recognised as financial income or expenses over the period of credit sale and purchases, and included under other operating income and expenses.

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.4 Comparative information and restatement of prior period financial statements**

The Group's consolidated financial statements have been prepared in comparison with the previous period in order to give accurate trend analysis regarding the financial position and performance. Where necessary, comparative figures have been reclassified to conform to the presentation of the current period consolidated financial statements and significant changes are explained. In case of changes and errors in accounting policies and accounting estimates, significant changes and significant accounting errors are applied retrospectively and the prior period financial statements are restated. Changes in accounting estimates are applied in the current period if the change is made for only one period, and if it is related to future periods, both in the period when the change is made and prospectively.

In the Group's comparative financial statements as of 31 December 2024, there are no changes or errors in accounting policies and accounting estimates, and no material changes in significant accounting estimates.

2.5 Critical accounting estimates and assumptions

The preparation of the consolidated financial statements necessitates the use of estimates and assumptions that affect asset and liability amounts reported as of the balance sheet date, explanations of contingent liabilities and assets; and income and expense amounts reported for the accounting period. Although these estimates and assumptions are based on all management information related to the events and transactions, actual results may differ from them. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities for the next reporting period are outlined below:

(a) Goodwill impairment test

Impairment tests; It is done by comparing the present values of cash flows calculated within the framework of long-term plans for each cash-generating unit for goodwill, and the values found using the income method for brands, with the relevant carrying values.

As explained in related accounting policy, the Group performs impairment tests on goodwill annually as of 31 December 2024. The recoverable amount of the cash generating unit has been determined based on the fair value less costs to sell calculations. These value-in-use calculations include discounted after-tax cash flow projections, and these projections determined in TRY are based on five-year long-term plans approved by Migros Ticaret management. Estimated cash flows beyond the five-year period are calculated without considering any growth rate. In value-in-use calculations, the annual discount rate is 35.1% (2023: 33.5%). The discount rate used is the post-tax discount rate and includes risks specific to the Group (Note 12).

No impairment was identified as a result of the impairment tests performed as of 31 December 2024.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.5 Critical accounting estimates and assumptions (Continued)****(b) Impairment on leasehold improvements**

As explained in related accounting policy, property, plant and equipment are carried at the cost less accumulated depreciation and, if any, impairment. The Group evaluates its operational performance on a store-by-store basis and each store's continuity depends on the discounted net cash flow projections. Those cash flow projections are calculated, on a consistent basis to the Group's five year business plans and on a store-by-store basis by taking into consideration the remaining useful life of each store. In this context, the Group executes an impairment estimate on the leasehold improvements on stores where it is a lessee by considering the continuity of each store.

(c) Extension option in lease contracts

The lease obligation is determined by taking into account the extension options in the contracts. Most of the extension options included in the long-term lease contracts consist of applicable extension options by the Group. The Group reassesses the extension options in the lease term based on the medium-term business plans in the last year of the lease term and, if necessary, adds the extension right prospectively to the contract period. If the conditions change significantly, the assessment is reviewed by the Group.

(d) Explanations on fair value determination

As of the presentation of the consolidated financial statements as of 31 December 2024, the Group has excluded the cost model from the application methods in TAS 16 and chose the revaluation model for the presentation of land and buildings at their fair values. Revaluation studies of lands, building and investment properties have been performed by Nova Taşınmaz Değerleme, which is CMB accredited professional valuation Companies.

Lands and buldings in assets of the Group, which are located in Türkiye, have been revaluated in 31 December 2024 by Nova Taşınmaz Değerleme, using "Sample comparison approach analysis", and "Income approach".

As a result of the fair value measurements made by the valuation experts, the positive difference amounting to TRY 783.667 and the negative difference amounting to TRY 659.414 and TRY 141.134, net off deferred tax and minority interests, respectively, are recognized in "Revaluation fund of property, plant and equipment" under shareholders' equity amounting to TRY 120.478 and the negative difference amounting to TRY 343.137, which cannot be covered by the revaluation fund, is recognized in expenses from investing activities.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.6 New and Revised Turkish Financial Reporting Standards**

Explanations regarding the effects of the new TAS/TFRS on financial statements:

a) Standards, amendments, and interpretations applicable as of 31 December 2024:

- **Amendment to TAS 1 - Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **Amendment to TFRS 16 - Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in TFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendments to TAS 7 and TFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
- **TFRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
- **TFRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.6 New and Revised Turkish Financial Reporting Standards (Continued)****b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:**

- **Amendments to TFRS 17, 'Insurance Contracts';** Effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which permitted a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts. On the other hand, the implementation date of TFRS 17 has been postponed to 1 January 2026, by POA.
- **Amendments to TAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **Amendment to TFRS 9 and TFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**2.6 New and Revised Turkish Financial Reporting Standards (Continued)*****b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024: (Continued)***

- **TFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in TFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **TFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other TFRS Accounting Standards. An eligible subsidiary applies the requirements in other TFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in TFRS 19. TFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. TFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
 - it does not have public accountability; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with TFRS Accounting Standards.

2.7 Segment Reporting

For an operating segment to be identified as a reportable segment, its reported revenue, including sales to external customers and intercompany sales or transfers, must be 10 percent or more of the total revenue of all operating segments, internal and external, or its reported profit or loss must be 10 percent or more, or its assets must be 10 percent or more of the total assets of all operating segments. Operating segments that do not meet any of the above quantitative thresholds may also be considered reportable segments and disclosed separately if management believes that information about the segment would be useful to users of the financial statements. Based on those reasons, there is a single reportable segment in accordance with the provisions in TFRS 8 and segment reporting is not applicable.

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NOTE 3 - BUSINESS COMBINATION

120.000 shares corresponding to 30% of the paid-in capital of CRC Danışmanlık ve Organizasyon A.Ş. were acquired by Migros Ticaret A.Ş. and 80.000 shares corresponding to 20% of the paid-in capital of CRC Danışmanlık ve Organizasyon A.Ş. were acquired by Dijital Platform on 26 December 2023. The final share transfer price for a total of 50% shares is TRY 128.156. TRY 76.893 of this amount was paid by Migros Ticaret A.Ş. and TRY 51.263 was paid by Dijital Platform. After the completion of the transfer transactions, the Group consolidated for the first time on financial statements as of 31 March 2024. The difference between the net assets acquired and the purchase price is accounted as goodwill.

31 March 2024

Current assets:	
Cash and cash equivalents	149,366
Trade receivables	203,286
Other receivables	2,847
Inventory	21,216
Prepaid expenses	47,872
Other current assets	10,512
Total current assets	435,099
Non-current assets	
Other receivables	621
Property, plant and equipment	124,165
Intangible assets	7,892
Prepaid expenses	588
Total non-current assets	133,266
Trade payables	403,933
Payables related to employee benefits	29,053
Other payables	12,255
Deferred income	196
Total non-current liabilities	445,437
Fair value of total identifiable net assets	122,928
Net assets corresponding to the 50% share	61,464
Total purchase price	128,156

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 3 - BUSINESS COMBINATION (Continued)

On 21 February 2024, 18,3% of the paid-in capital of Paket Lojistik ve Teknoloji A.Ş. ("Paket Taxi"), in which the Group owns 75% of the shares, was acquired from the other shareholders of Paket Taxi by Dijital Platform Gıda Hizmetleri A.Ş., our subsidiary providing services in online food retailing. As a result of this share transfer, Migros' direct and indirect shareholding rate in Paket Taxi increased to 92.1% after this transfer. Subsequently, on 25 December 2024, 6,7% of the shares were acquired and the shareholding increased to 100%. The difference between the net assets acquired and the purchase price is accounted as goodwill.

	31 March 2024	31 December 2024
Current assets:		
Cash and cash equivalents	72,174	65,700
Trade receivables	582,805	675,647
Other receivables	6,492	5,314
Inventory	19,374	14,412
Prepaid expenses	145,734	169,747
Other current assets	55,474	34,775
Total current assets	882,053	965,595
Non-current assets:		
Property, plant and equipment	385,478	327,252
Intangible assets	10,865	6,123
Prepaid expenses	732	17,098
Total non-current assets	397,075	350,473
Short term borrowings	299	231
Trade payables	550,130	519,998
Payables related to employee benefits	16,625	20,162
Other payables	24,091	19,250
Deferred income	52,188	30,216
Current tax liabilities	27,952	66,644
Total non-current liabilities	671,285	656,501
Fair value of total identifiable net assets	607,843	659,567
Net assets corresponding to the 50% share	111,235	44,191
Total purchase price	200,490	185,588

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 4 - CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash	344,381	541,586
Banks	17,407,089	12,583,479
- demand deposit ^(*)	1,280,346	2,276,746
- time deposit	16,126,743	10,306,733
Cheques in collection	4,537	567
Credit card receivables	4,768,335	4,712,177
	22,524,342	17,837,809

^(*) The Group transfers the cash in its stores registers to the bank on a daily basis. In accordance with the bank agreements, transferred cash amounts have temporary blockages for a certain year of time and available for use at the end of this year. As of 31 December 2024, a cash amount of TRY579,283 in bank accounts is temporarily blocked due to the mentioned cash transfer. (2023: TRY427,626).

Weighted average effective interest rate on TRY denominated time deposits as of 31 December 2024 is 50.1% (2023: 43.9%).

Credit card slip receivables essentially have a maturity of less than one month.

The maturity analysis of time deposits at 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
1 - 30 days	16,126,743	10,306,733
Over 90 days ^(*)	-	52,102
	16,126,743	10,358,835

^(*) Time deposits with a maturity of more than 90 days are recognized in the financial investments account (Note 5).

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NOTE 5 - FINANCIAL INVESTMENTS**Financial assets**

	31 December 2024	31 December 2023
Investment fund	21,524	13,522
Currency protected deposits	-	602,136
Time deposit ^(*)	-	52,102
	21,524	667,760

^(*) Related amount indicating the bank deposits with over 90 days maturity recognised as cash fund by the Group.

Financial assets carried at fair value through other comprehensive income

	31 December 2024	31 December 2023
Long term financial investment carried at fair value through other comprehensive income	3,381,437	1,530,093
Subsidiaries	21,144	138,860
	3,402,581	1,668,953

	31 December 2024		31 December 2023	
	TL	Share (%)	TL	Share (%)
Colendi Holdings Limited	3,381,437	11.91	1,530,093	4.88
Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş.	21,144	100.00	10,704	100.00
CRC Danışmanlık ve Organizasyon A.Ş.	-	-	128,156	50.00
Total	3,402,581		1,668,953	

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NOTE 6 - TRADE RECEIVABLES AND PAYABLES**Trade receivables:**

	31 December 2024	31 December 2023
Receivables from tenants and wholesale activities	1,329,792	548,081
Doubtful trade receivables	201,190	236,054
Notes receivable	32,868	28,547
Due from related parties (Note 25)	63,087	2,454
Less: Provisions for doubtful receivables	(201,190)	(236,054)
Less: Finance income not accrued on term sales	(27,679)	(44,902)
	1,398,068	534,180

The maturity of trade receivables is generally less than one month, and they were discounted with the annual rate of 46.2% as of 31 December 2024 (2023: 42.9%).

Movement of provision for doubtful receivables is as follows:

	2024	2023
Beginning of the year, 1 January	236,054	299,625
Current year charge (Note 19)	36,609	12,232
Collections and provisions released	(7,702)	(11,572)
Currency translation differences	18,789	59,708
Monetary gain	(82,560)	(123,939)
End of the year, 31 December	201,190	236,054

Trade payables:

	31 December 2024	31 December 2023
Sellers	57,015,403	52,916,770
Trade payables to related parties (Note 25)	2,001,015	1,814,041
Expense accruals	1,235,589	1,268,010
Finance cost not accrued on term purchases	(2,543,369)	(2,014,874)
	57,708,638	53,983,947

The maturity of trade payables is generally less than three months and they are discounted with annual rate of 46.2% as of 31 December 2024 (2023: 42.9%).

Explanations on the nature and level of risks in trade receivables and payables are included in Note 27.

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NOTE 7 - OTHER RECEIVABLES AND PAYABLES**Other short-term receivables**

	31 December 2024	31 December 2023
Value added tax receivables ("VAT")	910,156	2,875,019
Receivables from personnel	174,280	145,885
Receivables from insurance companies	4,602	50,455
	1,089,038	3,071,359

Other long-term receivables

	31 December 2024	31 December 2023
Deposits and guarantees given	34,919	27,612
	34,919	27,612

Other short-term payables

	31 December 2024	31 December 2023
Other taxes and funds payable	2,236,454	731,248
Value added tax payables ("VAT")	256,389	199,451
Other	77,284	74,200
	2,570,127	1,004,899

Other long-term payables

	31 December 2024	31 December 2023
Deposits and guarantees received	26,055	64,129
	26,055	64,129

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NOTE 8 - INVENTORIES

	31 December 2024	31 December 2023
Finished goods and commodities	30,730,330	31,505,353
Work in progress	561,314	467,981
Raw materials	296,676	245,760
Other	84,566	99,690
Less: Provision for impairment on inventory	(520,736)	(658,208)

31,152,150**31,660,576**

Movement of impairment on inventory is as follows:

	2024	2023
Beginning of the year, 1 January	658,208	580,958
Charge for the year	520,736	844,925
Provisions released (-)	(658,208)	(767,675)

End of the year, 31 December**520,736****658,208**

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 9 - PREPAID EXPENSES AND DEFERRED INCOME**Short-term prepaid expenses**

	31 December 2024	31 December 2023
Prepaid rent expenses	509,495	114,286
Prepaid insurance expenses	215,633	180,510
Advances given	166,610	117,168
Other prepaid expenses	405,503	401,622
	1,297,241	813,586

Long-term prepaid expenses

	31 December 2024	31 December 2023
Prepaid rent expenses	688,490	741,350
Advances given for property, plant and equipment	649,153	1,489,944
Other	302,335	347,022
	1,639,978	2,578,316

Short-term liabilities from customer contracts

	31 December 2024	31 December 2023
Customer cheques	1,214,523	803,087
Deferred income	511,383	431,842
Advances received	14,028	94,090
	1,739,934	1,329,019

Long-term deferred income

	31 December 2024	31 December 2023
Deferred income	211,650	541,739
	211,650	541,739

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NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant and equipments years ended at 31 December 2024 is as follows;

	1 January 2024	Additions	Consolidation for the first time	Disposals (-)	Revaluation (*)	Transfers	Currency translation differences	Sale of subsidiary	31 December 2024
Cost									
Land	2,754,455	3,817	-	(544,482)	301,728	1,959	(47,003)	(340,441)	2,130,033
Buildings	5,406,547	55,804	-	(315,844)	(2,796)	475,839	(60,556)	(923,685)	4,635,309
Leasehold improvements	16,114,635	865,158	1,257	-	(28,954)	1,134,154	-	-	18,086,250
Machinery and equipments	21,064,555	1,079,078	105,606	(734,550)	-	2,613,158	(6,187)	(29,509)	24,092,151
Motor vehicles	858,821	24,390	2,632	(41,523)	-	14,539	-	-	858,859
Furniture and fixtures	9,763,845	664,508	10,032	(154,212)	-	1,098,390	(1,614)	(9,239)	11,371,710
Construction in progress	1,378,784	6,056,592	24,280	(401)	-	(5,338,039)	(29,750)	-	2,091,466
	57,341,642	8,749,347	143,807	(1,791,012)	269,978	-	(145,110)	(1,302,874)	63,265,778
Accumulated depreciation									
Buildings	(414,323)	(120,218)	-	5,738	-	-	(100,304)	176,537	(452,570)
Leasehold improvements	(10,837,885)	(1,277,437)	(1,081)	-	15,994	-	-	-	(12,100,409)
Machinery and equipments	(11,006,239)	(1,711,787)	(45,321)	732,902	-	-	4,247	22,055	(12,004,143)
Motor vehicles	(237,644)	(128,141)	(2,871)	33,753	-	-	-	-	(334,903)
Furniture and fixture	(5,544,496)	(636,631)	(6,389)	127,557	-	-	1,345	8,143	(6,050,471)
	(28,040,587)	(3,874,214)	(55,662)	899,950	15,994	-	(94,712)	206,735	(30,942,496)
Net book value	29,301,055								32,323,282

(*) Impairment loss amounting to TRY12,960 consists of leasehold improvements of the stores closed in 2024 (Note:20).

As of 31 December 2024, the value of the Group's land, plot and buildings according to the cost model is TRY3,771,231.

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NOTE 10 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Movement of property, plant and equipments year ended at 31 December 2023 is as follows;

	1 January 2023	Additions	Disposals(-)	Revaluation ^(*)	Transfers	Currency translation differences	31 December 2023
Cost							
Lands	3,139,676	98,338	(1,099,277)	600,952	23,928	(9,162)	2,754,455
Buildings	4,248,918	53,537	-	1,006,470	176,430	(78,808)	5,406,547
Leasehold improvements	14,298,482	1,360,831	(6,846)	(43,240)	531,325	(25,917)	16,114,635
Machinery and equipments	17,892,920	2,311,313	(638,740)	-	1,511,799	(12,737)	21,064,555
Motor vehicles	541,882	418,621	(101,682)	-	-	-	858,821
Furniture and fixtures	8,701,393	934,681	(287,945)	-	415,957	(241)	9,763,845
Construction in progress	973,945	3,098,671	-	-	(2,659,439)	(34,393)	1,378,784
	49,797,216	8,275,992	(2,134,490)	1,564,182	-	(161,258)	57,341,642
Accumulated depreciation							
Buildings	(330,908)	(123,515)	-	-	-	40,100	(414,323)
Leasehold improvements	(9,839,772)	(1,031,445)	-	20,847	-	12,485	(10,837,885)
Machinery and equipments	(10,138,340)	(1,376,665)	506,871	-	-	1,895	(11,006,239)
Motor vehicles	(144,121)	(128,424)	34,901	-	-	-	(237,644)
Furniture and fixture	(5,173,834)	(599,304)	228,348	-	-	294	(5,544,496)
	(25,626,975)	(3,259,353)	770,120	20,847	-	54,774	(28,040,587)
Net book value	24,170,241						29,301,055

^(*) Impairment amounting to TRY22,393 consists of leasehold improvements of the stores closed in 2023 and fair value changes in lands and buildings (Note 20)

As of 31 December 2023, the value of the Group's land, plot and buildings according to the cost model is TRY3.555.220.

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NOTE 11 - INTANGIBLE ASSETS

Movement of intangible assets for the periods ending 31 December 2024 and 2023 are as follows:

	1 January 2024	Additions	Consolidation for the first time	Disposals(-)	Currency translation differences	Sale of subsidiary	31 December 2024
Cost							
Trademark	10,892	-	-	-	-	-	10,892
Rent agreement	152,920	-	-	-	-	-	152,920
Rights	4,047,570	1,065,064	2,157	(32,733)	-	-	5,082,058
Other intangible assets	2,111,304	89,530	19	-	(34)	(11,486)	2,189,333
	6,322,686	1,154,594	2,176	(32,733)	(34)	(11,486)	7,435,203
Accumulated amortisation							
Rent agreement	(152,920)	-	-	-	-	-	(152,920)
Rights	(2,871,326)	(604,069)	(1,511)	-	-	-	(3,476,906)
Other intangible assets	(1,741,065)	(10,633)	(19)	-	(41)	11,325	(1,740,433)
	(4,765,311)	(614,702)	(1,530)	-	(41)	11,325	(5,370,259)
Net book value	1,557,375					2,064,944	

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NOTE 11 - INTANGIBLE ASSETS (Continued)

	1 January 2023	Additions	Disposals(-)	Currency translation differences	31 December 2023
Cost					
Trademark	10,892	-	-	-	10,892
Rent agreement	152,920	-	-	-	152,920
Rights	3,107,150	940,420	-	-	4,047,570
Other intangible assets	2,087,296	35,663	(21,237)	9,582	2,111,304
	5,358,258	976,083	(21,237)	9,582	6,322,686
Accumulated amortisation					
Rent agreement	(148,278)	(4,642)	-	-	(152,920)
Rights	(2,357,455)	(513,871)	-	-	(2,871,326)
Other intangible assets	(1,746,824)	(6,158)	17,081	(5,164)	(1,741,065)
	(4,252,557)	(524,671)	17,081	(5,164)	(4,765,311)
Net book value	1,105,701				1,557,375

Amortisation expenses related to intangible assets have been accounted under marketing expenses.

NOTE 12 - GOODWILL

	2024	2023
Beginning of the year, 1 January	19,770,657	19,770,657
Additions	297,344	-
Accumulated amortization and impairment	-	-
End of the year, 31 December	20,068,001	19,770,657

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 12 - GOODWILL (Continued)**Impairment tests for goodwill:**

Goodwill mainly arises from the acquisition of Migros, stores open on the acquisition date were designated as cash-generating units. The whole amount of goodwill is related to the acquisition of Migros, the Group management considers the synergy to be created by the important domestic market position as the main reason for the goodwill. Accordingly, the Group management allocated the above mentioned goodwill amount to Turkish domestic operations which is the main cash generating unit, considering its market share and importance of the total turnover of the domestic operations in the Group consolidation.

The recoverable value of the cash generating unit in question has been determined based on value in use calculations. Value in use is determined by discounting the expected future cash flows to be generated by cash-generating unit. These value-in-use calculations include the discounted after tax cash flow projections, which are based on TRY budgets approved by the Group management covering an five year period.

Subsequent projected cash flows over a five year period were calculated without regard to any growth rate, and the analysis predicted that the existing profitability structure would be preserved.

In the calculations made as of 31 December 2024, the future cash flows calculated with balance sheet date prices are discounted with an average of 35.1%. The discount rate used is the after-tax discount rate and includes risks specific to the Group. The fact that the after-tax discount rate used in the calculation of discounted cash flows is higher/lower by 1% (such as 35.1% or 34.1% instead of 36.1%) causes a decrease/increase of TRY3,042,046 (2023: TRY1,291,216) in the fair value calculations for which sales costs are deducted, as of 31 December 2024. Within the context of analysis performed by the Group Management, above mentioned changes in the key assumptions on which recoverable amount is based would not cause carrying amount to exceed its recoverable amount.

NOTE 13 - RIGHT OF USE ASSETS

For 31 December 2024 and 2023, movement on right of use assets is as follows:

Cost	1 January 2024	Additions	Disposals	31 December 2024
Buildings	41,047,168	16,388,627	(2,365,678)	55,070,117
	41,047,168	16,388,627	(2,365,678)	55,070,117
Accumulated Amortisation				
Buildings	(17,620,177)	(5,488,590)	869,830	(22,238,937)
	(17,620,177)	(5,488,590)	869,830	(22,238,937)
Net book value	23,426,991			32,831,180

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 13 - RIGHT OF USE ASSETS (Continued)

Cost	1 January 2023	Additions	Disposals	31 December 2023
Buildings	33,487,717	8,770,793	(1,211,342)	41,047,168
	33,487,717	8,770,793	(1,211,342)	41,047,168
Accumulated Amortisation				
Buildings	(12,773,106)	(5,168,806)	321,735	(17,620,177)
	(12,773,106)	(5,168,806)	321,735	(17,620,177)
Net book value	20,714,611			23,426,991

Amortisation expenses related to right of use asset have been accounted under marketing expenses.

Short-term lease liabilities

	31 December 2024	31 December 2023
Lease liabilities	3,829,263	2,636,476
	3,829,263	2,636,476

Long-term lease liabilities

	31 December 2024	31 December 2023
Lease liabilities	16,058,007	9,275,958
	16,058,007	9,275,958

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NOTE 13 - RIGHT OF USE ASSETS (Continued)

Liabilities from long-term lease transactions as of 31 December 2024:

	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
TRY	1,975,182	1,868,185	1,752,832	1,485,082	8,976,726	16,058,007
	1,975,182	1,868,185	1,752,832	1,485,082	8,976,726	16,058,007

Liabilities from long-term lease transactions as of 31 December 2023:

	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
TRY	1,366,127	1,270,586	1,125,741	971,458	4,542,046	9,275,958
	1,366,127	1,270,586	1,125,741	971,458	4,542,046	9,275,958

The Group's undiscounted lease payment receivables as of 31 December 2024 are as follows:

	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
TRY	612,405	184,315	148,690	115,111	42,858	45,146
	612,405	184,315	148,690	115,111	42,858	45,146

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NOTE 14 - BORROWINGS

	31 December 2024		
	Effective interest rate (%)	In original currency	Total TRY equivalent
Short term borrowings			
Fixed interest rate - TRY	27.49	645,792	645,792
Total short term borrowings		645,792	645,792
Current portion of long term borrowings			
Floating interest rate - TRY	60.07	348,395	348,395
Total current portion of long term borrowings		348,395	348,395
Total short term borrowings		994,187	994,187
Long term borrowings			
Floating interest rate - TRY	60.07	214,184	214,184
Total long term borrowings		214,184	214,184
Total financial liabilities		1,208,371	1,208,371

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 14 - BORROWINGS (Continued)

The redemption schedule of borrowings with effective interest rate at 31 December 2024 is as follows:

	TRY Loan	Total TRY equivalent
1 January 2025 - 31 December 2025	994,187	994,187
1 January 2026 - 14 December 2026	214,184	214,184
	1,208,371	1,208,371

The fair value of borrowings at 31 December 2024 is TRY998,561.

The redemption schedule of principal amounts of borrowings at 31 December 2024 is as follows:

	TRY Loan	Total TRY equivalent
1 January 2025 - 31 December 2025	822,919	822,919
1 January 2026 - 14 December 2026	235,408	235,408
	1,058,327	1,058,327

The redemption schedule of contractual cash outflows of borrowings at 31 December 2024 is as follows:

	TRY Loan	Total TRY equivalent
1 January 2025 - 31 December 2025	1,183,214	1,183,214
1 January 2026 - 14 December 2026	378,391	378,391
	1,561,605	1,561,605

The Group has the obligation to comply with the various credit commitments in the loan agreement in the interest of the said bank credits. The financial ratios calculated on the financial statements as of 31 December 2024 are in line with the provisions of the bank loan agreement.

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 14 - BORROWINGS (Continued)

The movement schedule of borrowings as of 31 December 2024 and 2023 is as follows;

	2024	2023
Beginning of the year, 1 January	2,915,257	6,282,336
Proceeds of borrowings	2,605	1,874,516
Payments (-)	(977,702)	(2,805,734)
Foreign exchange losses	14,368	73,538
Interest accrual	122,167	19,871
Disposal of subsidiary	(127,789)	-
Monetary gain	(740,535)	(2,529,270)
End of the year, 31 December	1,208,371	2,915,257

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 14 - BORROWINGS (Continued)

	31 December 2023		
	Effective interest rate (%)	In original currency	Total TRY equivalent
Short term borrowings			
Fixed interest rate - TRY	23.45	578,225	578,225
Total short term borrowings			578,225
Current portion of long term borrowings			
Fixed interest rate - TRY	21.47	734,565	734,565
Floating interest rate - TRY	29.22	242,967	242,967
Kazakhstan loan - Tenge	13.97	1,156,638	108,579
Total current portion of long term borrowings			1,086,111
Total short term borrowings			1,664,336
Long term borrowings			
Fixed interest rate - TRY	28.70	719,939	719,939
Floating interest rate - TRY	29.22	511,772	511,772
Kazakhstan loan - Tenge	13.97	204,646	19,210
Total long term borrowings			1,250,921
Total financial liabilities			2,915,257

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 14 - BORROWINGS (Continued)

The redemption schedule of borrowings with effective interest rate at 31 December 2023 is as follows:

	Tenge loan TRY equivalent	TRY Loan	Total TRY equivalent
1 January 2024 - 31 December 2024	108,579	1,555,757	1,664,336
1 January 2025 - 31 December 2025	19,211	995,610	1,014,821
1 January 2026 - 14 December 2026	-	236,100	236,100
	127,790	2,787,467	2,915,257

The fair value of borrowings at 31 December 2023 is TRY2,747,400.

The redemption schedule of principal amounts of bank borrowings at 31 December 2023 is as follows:

	Tenge loan TRY equivalent	TRY Loan	Total TRY equivalent
1 January 2024 - 31 December 2024	94,408	1,189,636	1,284,044
1 January 2025 - 31 December 2025	24,112	1,188,122	1,212,234
1 January 2026 - 14 December 2026	-	339,880	339,880
	118,520	2,717,638	2,836,158

The redemption schedule of contractual cash outflows of borrowings at 31 December 2023 is as follows:

	Tenge loan TRY equivalent	TRY Loan	Total TRY equivalent
1 January 2023 - 31 December 2024	106,289	1,713,649	1,819,938
1 January 2024 - 31 December 2025	25,825	1,456,015	1,481,840
1 January 2025 - 14 December 2026	-	406,151	406,151
	132,114	3,575,815	3,707,929

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NOTE 15 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES**Other short-term provisions**

	31 December 2024	31 December 2023
Provision for litigation	309,659	209,060
Provision for invoice	165,885	93,947
Provision for customer loyalty programs	13,061	5,966
	488,605	308,973

There are various lawsuits filed against or in favour of the Group. Receivables, rent or labour disputes constitute the majority of these lawsuits. The Group management estimates the outcomes of these lawsuits and estimates their financial impact according to which the necessary provisions are accounted.

Movements in the provision for litigation during the year are as follows:

	2024	2023
Beginning of the year, 1 January	209,060	361,124
Increase during year	247,235	126,411
Payments (-)	(60,033)	(133,230)
Monetary gain	(86,603)	(145,245)
End of the year, 31 December	309,659	209,060

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 15 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)**Collaterals, Pledges, Mortgages****31 December 2024:**

	TRY equivalent	TRY	USD	EUR
A. CPM given on behalf of the Company's legal personality	3,334,256	3,323,553	282	20
B. CPM given on behalf of fully consolidated subsidiaries	-	-	-	-
Total collaterals, pledges and mortgages	3,334,256	3,323,553	282	20

Proportion of the other CPM's to equity (%)**31 December 2023:**

	TRY equivalent	TRY	USD	EUR
A. CPM given on behalf of the Company's legal personality	2,340,349	2,328,342	282	20
B. CPM given on behalf of fully consolidated subsidiaries	127,790	-	3,227	-
Total collaterals, pledges and mortgages	2,468,139	2,328,342	3,509	20

Contingent assets and liabilities

Guarantees given at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Letter of guarantees given	3,334,256	2,468,139
	3,334,256	2,468,139

Guarantees received at 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Guarantees obtained from customers	2,347,246	2,437,552
Mortgages obtained from customers	359,905	50,910
	2,707,151	2,488,462

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 16 - EMPLOYEE BENEFITS

	31 December 2024	31 December 2023
Payables to personnel	1,547,688	1,284,034
Social security payables	781,863	1,084,067
	2,329,551	2,368,101
	31 December 2024	31 December 2023
Provision for employment termination benefits	1,385,774	1,725,829
Provision for unused vacation	1,353,287	1,353,911
	2,739,061	3,079,740
Movement of provision for unused vacation for the years ended in 31 December 2024 and 2023 is as follows:		
	2024	2023
Beginning of the year, 1 January	1,353,911	1,360,430
Provision for the year	671,196	1,169,717
Used in year (-)	(247,809)	(622,264)
Monetary gain	(424,011)	(553,972)
End of the year, 31 December	1,353,287	1,353,911

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 16 - EMPLOYEE BENEFITS (Continued)**Provision for employment termination benefits**

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and who reaches the retirement age, whose employment is terminated without due cause, is enlisted for military service or passed away. The termination benefit to be paid is one-month wage per a service year up to the maximum employment termination benefit.

In the consolidated financial statements as of 31 December 2024 and 2023, the Group reflected a liability calculated using the projected unit credit method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds.

The following actuarial assumptions were used in the calculation of the total liability:

	2024	2023
Discount rate (%)	3.73	3.00
Turnover rate to estimate the probability of retirement (%)	69.6-91.7	69.6-91.7

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised once every six months, the maximum amount of TRY46,655.43 effective from 1 January 2025 has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

The movement of the severance pay provision account for the years ended as of 31 December 2024 and 2023 is presented below:

	2024	2023
Beginning of the year, 1 January	1,725,829	3,043,401
Service cost	164,659	418,797
Interest cost	178,473	220,574
Actuarial loss	910,744	838,173
Payments (-)	(918,340)	(2,097,031)
Monetary gain	(675,591)	(698,085)
End of the year, 31 December	1,385,774	1,725,829

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NOTE 17 - REVENUE

	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	296,108,545	265,570,172
Other sales	796,942	951,625
Gross sales	296,905,487	266,521,797
Discounts and returns (-)	(3,125,823)	(4,389,394)
Sales revenue, net	293,779,664	262,132,403
Cost of sales (-)	(225,775,911)	(213,170,188)
Gross profit	68,003,753	48,962,215

Details of domestic and foreign sales before other sales, discounts and returns are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Retail sales revenue	286,887,079	256,549,068
Wholesale revenue	7,945,078	7,698,367
Rent income	1,276,388	1,322,737
	296,108,545	265,570,172

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NOTE 18 - EXPENSES BY NATURE

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	30,849,814	25,127,054
Depreciation and amortisation expenses	9,977,506	8,933,801
Rent and common area expenses ^(*)	7,828,030	6,952,943
Energy expenses	3,059,437	3,857,874
Porterage and cleaning expenses	1,975,601	1,621,177
Advertising expenses	1,936,545	1,959,682
Information technology maintenance expenses	1,881,780	1,509,359
Repair and maintenance expenses	971,964	892,665
Security expenses	660,654	459,282
Taxes and other fee expenses	233,938	230,185
Communication expenses	190,000	129,410
Other	2,620,119	1,685,634
	62,185,388	53,359,066

^(*) 6,130 million TRY of rent expenses in 2024 is related to variable leases, 814 million TRY is related to short-term leases, 294 million TRY is related to low value leases and 590 million TRY is related to common area expenses.**Marketing expenses**

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	26,692,685	21,895,728
Depreciation and amortisation expenses	9,977,506	8,933,801
Rent and common area expenses	7,640,884	6,785,649
Energy expenses	3,033,852	3,830,778
Advertising expenses	1,936,494	1,958,351
Porterage and cleaning expenses	1,920,649	1,577,898
Information technology maintenance expenses	1,508,719	1,395,012
Repair and maintenance expenses	949,513	875,514
Security expenses	632,938	439,989
Taxes and other fee expenses	191,187	194,015
Communication expenses	168,034	104,948
Other	1,987,645	1,121,884
	56,640,106	49,113,567

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NOTE 18 - EXPENSES BY NATURE (Continued)**General administrative expenses**

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	4,157,129	3,231,326
Other	1,388,153	1,014,173
	5,545,282	4,245,499

Expenses by nature in cost of sales for the years 1 January - 31 December 2024 and 2023 are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Cost of goods sold	224,051,477	211,598,640
Cost of service rendered	1,724,434	1,571,548
	225,775,911	213,170,188

Cost of trade goods include discounts, incentives and volume rebates obtained from suppliers. Service costs comprise energy, advertising, cleaning, security and administrative expenses incurred in the Group's shopping malls.

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NOTE 19 - OTHER OPERATING INCOME AND EXPENSES**Other operating income**

	1 January - 31 December 2024	1 January - 31 December 2023
Interest income on term sales	2,124,831	1,278,430
Insurance claim income	75,593	-
Competition board restructuring income	-	352,162
Other	309,514	350,115
	2,509,938	1,980,707

Other operating expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Interest expense on term purchases ^(*)	17,035,401	6,824,703
Litigation provision	247,235	126,411
Bad debt provision expense	36,609	12,232
Other	484,793	258,383
	17,804,038	7,221,729

^(*) Forward purchases are discounted to the assumed cash value with the relevant GDS interest rates separately for each month, and as a result, forward purchase interest expenses are calculated. Average interest rates 2024: 47.7% (2023: 19.3%)

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NOTE 20 - INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**Income from investing activities**

	1 January - 31 December 2024	1 January - 31 December 2023
Subsidiary sales profit	438,082	-
Gain on sale of property, plant and equipment	187,595	528,341
Currency protected deposit income	-	15,356
	625,677	543,697

Expense from investing activities

	1 January - 31 December 2024	1 January - 31 December 2023
Impairment of property, plant, and equipment	343,137	12,942
Losses from leasehold improvements of closed stores	12,960	22,393
	356,097	35,335

NOTE 21 - FINANCIAL INCOME

	1 January - 31 December 2024	1 January - 31 December 2023
Interest income on bank deposits	6,296,716	3,562,159
Foreign exchange gains	574,508	2,087,012
Financial income on derivatives	62,325	-
	6,933,549	5,649,171

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NOTE 22 - FINANCIAL EXPENSES

	1 January - 31 December 2024	1 January - 31 December 2023
Credit card commision expenses	4,690,617	2,072,174
Interest expense on lease liabilities	2,875,009	1,954,724
Interest expense on bank borrowings	778,435	897,685
Interest expense on provision for employment termination benefits	178,473	220,574
Foreign exchange losses	29,742	38,536
Financial expense on derivatives	-	23,076
Other	75,904	65,789
	8,628,180	5,272,558

NOTE 23 - TAX ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Corporate and income taxes payable	471,608	751,982
Less: Prepaid current income taxes	(625,419)	(581,915)
Current tax assets/(liabilities)	(153,811)	170,067
	31 December 2024	31 December 2023
Deferred tax assets	2,306,753	1,577,169
Deferred tax liabilities	(5,774,178)	(4,571,126)
Deferred tax liabilities, net	(3,467,425)	(2,993,957)

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NOTE 23 - TAX ASSETS AND LIABILITIES (Continued)**General Information**

The Group is subject to taxation in accordance with the tax regulations and the legislation effective in the countries in which the Group companies operate. In Türkiye, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

In Türkiye, corporate tax rate is 25% (2023: 25%).

The Group calculates its assets and liabilities related to deferred income by considering the temporary timing differences between taxable legal financial statements and financial statements prepared according to TFRS. As of 31 December 2024, the rate applied for the deferred tax assets and liabilities calculated according to the liability method for temporary differences occurring in future periods for Türkiye and Kazakhstan are 25% and 20%, respectively (2023: 25% and 20%, respectively).

Tax Advantages Obtained Under the Investment Incentive System

Earnings from the Group's investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment starts to be operated partially or completely until the investment contribution amount is reached. In this context, as of 31 December 2024, the Group has recognized deferred tax assets amounting to TRY29,029 (31 December 2023: TRY11,552) which will be utilized in the foreseeable future. As a result of the recognition of the tax advantage as of 31 December 2024, deferred tax income amounting to TRY17,477 has been recognized in the statement of profit or loss for the period 1 January- 31 December 2024.

Within the scope of the incentive certificates summarized above, a reduced corporate tax advantage of TRY116,115 (31 December 2023: TRY11,817) has been used in the current period statutory tax provision.

R&D Incentives

The Group capitalizes R&D expenditures in its statutory books within the scope of Law No. 5746. In accordance with the provisions of the same law, the Group uses R&D discount exemption for the portion of the expenditures allowed by the law by calculating the R&D expenditures made by the Group within the framework of the relevant legislation.

As of 31 December 2024, the Group has used R&D discount exemption amounting to TRY145,236 (31 December 2023: TRY148,206) against statutory tax.

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NOTE 23 - TAX ASSETS AND LIABILITIES (Continued)

The details of taxation on income for the years ended 31 December 2024 and 2023 are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Current year tax expense (-)	(583,381)	(997,899)
Deferred tax expense	(819,937)	(1,721,182)
Current year tax expense	(1,403,318)	(2,719,081)
	1 January - 31 December 2024	1 January - 31 December 2023
Profit before tax	7,942,076	15,539,103
Calculated tax income according to parent company tax rate (25%) (2023:25%)	(1,985,519)	(3,884,776)
Expected tax expense of the Group	(1,985,519)	(3,884,776)
Effect of non-deductable expenses	(239,872)	(115,103)
Exemption for R&D and other discounts	165,207	169,329
Tax effect of other income exempt from tax	209,046	219,026
Effect of temporary differences which no deferred tax assets are recognised	(1,338,092)	(1,899,124)
Effective tax rate difference		
Revaluation effect of property, plant and equipment and intangible asset	1,870,630	2,642,074
Other differences	(84,718)	149,493
The Group's expense/(income)	(1,403,318)	(2,719,081)

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NOTE 23 - TAX ASSETS AND LIABILITIES (Continued)**Deferred taxes**

The composition of cumulative temporary differences and the related deferred income tax assets and liabilities in respect of items for which deferred income tax has been provided as of 31 December 2024 and 2023 using the currently enacted tax rates, is as follows:

	Cumulative temporary differences		Deferred tax assets/(liabilities)	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Deferred tax assets:				
Inventories	4,264,812	2,023,535	1,066,203	505,884
Provision for employee termination benefits	2,335,020	1,708,562	583,755	429,102
Short term provisions	1,861,122	1,704,478	465,281	426,597
Finance income not accrued from future sales	27,679	44,902	6,920	11,225
Other	738,376	831,363	184,594	204,361
			2,306,753	1,577,169
Deferred tax liabilities:				
TFRS 16	(13,148,315)	(11,795,286)	(3,287,079)	(2,948,821)
Property, plant and equipment	(8,966,388)	(5,803,194)	(1,475,236)	(807,201)
Financial investment fair value change				
Finance expense not accrued from future sales	(2,543,369)	(2,014,874)	(635,842)	(503,718)
Fair value change of derivative financial instruments	(2,506,804)	(1,040,704)	(376,021)	(311,386)
			(5,774,178)	(4,571,126)
Total deferred tax assets, net			(3,467,425)	(2,993,957)

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NOTE 23 - TAX ASSETS AND LIABILITIES (Continued)

Movements of deferred tax assets and liabilities are as follows:

	2024	2023
Beginning of the year, 1 January	(2,993,957)	(1,205,495)
Deferred tax income from continuing operations	(819,937)	(1,721,182)
Recognized on other comprehensive income	346,469	(53,693)
- Remeasurement losses from defined benefit plans	409,298	209,543
- Property plant and equipment revaluation increases	1,806	(263,675)
- Financial investment fair value difference	(64,635)	439
Currency translation differences	-	(13,587)
End of the year, 31 December	(3,467,425)	(2,993,957)

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NOTE 24 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

The Group applies the registered capital system granted to companies registered in the CMB and has set a ceiling for its registered capital representing registered shares with a nominal value of 1 Kr. The Group's registered capital and issued capital are as follows:

	31 December 2024	31 December 2023
Common shares 1 Kr par value		
- Registered capital ceiling	500,000	500,000
- Issued capital	181,054	181,054

As of 31 December 2024 and 2023, there are no privileged shares representing the capital.

The shareholders of the Company and their shareholdings stated at historical amounts at 31 December 2024 and 2023 are stated below:

	31 December 2024		31 December 2023	
	TRY	Share (%)	TRY	Share (%)
MH Perakendecilik ve Ticaret A.Ş.	89,046	49.18	89,046	49.18
Migros Ticaret A.Ş.	2,962	1.64	2,962	1.64
Other	89,046	49.18	89,046	49.18
Nominal paid capital	181,054	100.00	181,054	100.00
Share capital adjustment differences ^(*)	3,359,496		3,359,496	
Adjusted share capital	3,540,550		3,540,550	
Treasury shares	(861,574)		(861,574)	

^(*) Share capital adjustment differences refer to the difference between the total amounts of cash and cash equivalent additions to capital adjusted in accordance with TFRS published by the POA and their pre-adjustment amounts. Capital adjustment differences have no use other than being added to capital.

As of 31 December 2024 breakdown of the equity in the financial statements prepared in accordance with the Tax Procedure Law are as follows.

	31 December 2024		
	PPI Indexed Legal Records	CPI Indexed Records	Amounts followed in Accumulated Profit/Loss
Share capital adjustment differences	4,570,259	3,359,496	(1,210,763)
Other reserves	3,009,380	1,730,523	(1,278,857)

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NOTE 24 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)**Dividend Distribution**

Publicly traded companies make dividend distributions in accordance with the Capital Markets Board Communiqué on Dividends No. II-19.1 enacted on 1 February 2014.

Partnerships distribute profits with a decision from the general board, within the framework of profit distribution policies determined by the general assemblies and in accordance with related legislation provisions. As per the related Communiqué, a minimum distribution rate was not set. Companies pay dividends as specified in their articles of association or profit distribution policies. Also, dividends may be paid in equal or unequal instalments and dividend advances may be distributed in cash based on the profit in the interim financial statements.

If legal reserves and dividends determined for shareholders in articles of association or dividend distribution policies are not allocated as per the TCC, no other legal reserve can be allocated or transferred until the following year, and no dividend is distributed to beneficial interest certificate holders, members of the board of directors, employees of the partnership or those other than shareholders. Also, no dividend is distributed to such parties unless the dividends determined for the shareholders are not paid in cash.

In the general board meeting of 16 April 2024, the general board decision was made to pay non-resident shareholders who earn dividends via a workplace in Türkiye or a permanent establishment a TRY6.9040087 gross=net cash dividend of 690.40087% for shares with a nominal worth of TRY1.00, to pay other shareholders a TRY6.9040087 gross cash dividend of 690.40087% for shares with a nominal worth of TRY1.00, a TRY6.2136078 net cash dividend of 621.36078% out of other resources planned to be allocated. It was decided that this total payment of TRY1,520 million (TRY1,496 million excluding repurchased shares) shall be made in on 1 June 2024.

Dividend Advance

In accordance with the decision taken at the Board of Directors meeting held on 5 November 2024, the Group decided to distribute a gross amount of 525,346 TL from the net profit for the period based on the interim financial statements dated 30 September 2024 as advance dividends and to make the payments on 13 November 2024.

NOTE 25 - RELATED PARTY DISCLOSURES**a) Balances with related parties**

As of 31 December 2024 and 2023, due from and due to related parties are as follows:

Trade receivables from related parties	31 December 2024	31 December 2023
Coca Cola İçecek A.Ş. ⁽¹⁾	37,945	-
Colendi Yapay Zeka ve Büyük Veri Teknolojileri Hizmet A.Ş. ⁽¹⁾	20,284	-
Anadolu Efes Spor Kulübü ⁽¹⁾	1,968	-
Türkiye'nin Otomobili Girişim Grubu San Tic A.Ş. ⁽¹⁾	534	-
Anadolu Sağlık Merkezi İktisadi İşletmesi (ASM) ⁽¹⁾	164	941
Anadolu Etap Penkon Gıda ve İçecek Ürünleri San, ve Tic, A.Ş. ⁽¹⁾	160	208
Other	2,032	1,305
	63,087	2,454

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NOTE 25 - RELATED PARTY DISCLOSURES (Continued)**a) Balances with related parties (Continued)**

Trade payables to related parties	31 December 2024	31 December 2023
Efes Pazarlama ve Dağıtım Ticaret A.Ş. ⁽¹⁾	1,147,286	929,574
Coca Cola Satış ve Dağıtım A.Ş. ⁽¹⁾	771,572	710,672
Adel Kalemcilik Ticaret ve San, A.Ş. ⁽¹⁾	29,873	65,850
AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri San, ve Tic, A.Ş. ⁽¹⁾	23,220	52,410
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	21,102	35,044
AEH Sigorta Acenteliği A.Ş. ⁽¹⁾	86	2,325
Other	7,876	18,166
	2,001,015	1,814,041

b) Transactions with related parties

Significant transactions regarding purchases and sales with related parties for the years ending on 31 December 2024 and 2023 are as follows:

Inventory purchases

	1 January - 31 December 2024	1 January - 31 December 2023
Coca Cola Satış ve Dağıtım A.Ş. ⁽¹⁾	4,805,565	4,610,046
Efes Pazarlama ve Dağıtım Ticaret A.Ş. ⁽¹⁾	4,340,185	3,951,671
AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri San, ve Tic, A.Ş. ⁽¹⁾	239,526	184,893
Adel Kalemcilik Ticaret ve San, A.Ş. ⁽¹⁾	139,526	175,455
	9,524,802	8,922,065

⁽¹⁾ AG Anadolu Grubu Holding group companies**Rent expenses**

	1 January - 31 December 2024	1 January - 31 December 2023
Kamil Yazıcı Yönetim ve Danışmanlık A.Ş.	16,973	15,530
Garenta Ulaşım Çözümleri A.Ş.	14,028	19,236
	31,001	34,766

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NOTE 25 - RELATED PARTY DISCLOSURES (Continued)**b) Transactions with related parties (Continued)****Key management compensation**

The Group has determined key management personnel as chairman, members of Board of Directors, general manager, and vice general managers.

Total compensation provided to key management personnel by Group for the years ended 31 December 2024 and 2023 is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Short term benefits	592,166	510,814
	592,166	510,814

Key management compensation paid or payable consists of benefits, salaries, premiums, individual pension premiums, vehicle rents and SSI and employer shares.

NOTE 26 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit for the year by the weighted average number of ordinary shares outstanding during the related period.

	1 January - 31 December 2024	1 January - 31 December 2023
Net profit attributable to shareholders	6,339,743	12,746,783
Weighted average number of shares with Kr1 face value each('000)	18,105,233	18,105,233
Earnings per share	35.02	70.40

There is no difference between basic and diluted earnings per share for any of the periods.

NOTE 27 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**Financial risk management**

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize their potential adverse effects on the financial performance of the Group.

Individual subsidiaries manage their risk under policies approved by their Boards of Directors.

The Group management evaluates its interest-bearing assets in short-term investment instruments within the framework of the principle of managing with natural measures by balancing the maturities of its assets and liabilities sensitive to interest rates.

If interest rates for floating rate financial borrowings denominated in all currencies at 31 December 2024 had been higher/lower by 500 bps with all other variables held constant, profit before tax for the period would have been lower/higher by TRY9.658 as a result of higher/lower interest income/expense on floating rate borrowings (31 December 2023: TRY8.247 would have been higher/lower).

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NOTE 27 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**Interest rate risk**

The Group management invests its interest bearing assets on short-term investments with the principle of balancing the maturity of the assets and liabilities that are sensitive to the interest rate changes.

The interest position table of the Group as of 31 December 2024 and 2023 is as follows:

Financial instruments with fixed interest rate	31 December 2024	31 December 2023
Time deposits	16,126,743	10,960,971
Financial liabilities	645,792	2,160,518
Lease liabilities	19,887,270	11,912,434

Financial instruments with floating interest rate	31 December 2024	31 December 2023
Financial liabilities	562,579	754,739

Non derivative financial liabilities:

2024	Net book value	Contractual cash outflows	Less than 3 months	3 months-12 months	1 years-5 years
Financial payables	1,208,371	1,561,605	372,154	811,060	378,391
Trade payables	57,708,638	58,856,462	44,151,730	14,704,732	-
Other payables	4,925,733	4,925,733	4,566,005	333,673	26,055
	63,842,742	65,343,800	49,089,889	15,849,465	404,446

Non derivative financial liabilities:

2023	Net book value	Contractual cash outflows	Less than 3 months	3 months-12 months	1 years-5 years
Financial payables	2,915,257	3,705,896	842,684	975,220	1,887,992
Trade payables	53,983,947	55,678,234	43,990,692	11,687,542	-
Other payables	3,437,129	3,437,129	2,368,101	1,004,899	64,129
	60,336,333	62,821,259	47,201,477	13,667,661	1,952,121

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NOTE 27 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**Credit risk**

The Group is exposed to credit risk due to its sales other than retail sales. Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by credit ratings and by limiting the aggregate risk from any individual counterparty. The credit risk is generally highly diversified due to the large number of entities comprising the customer base.

As of 31 December 2024 and 2023, the details of credit and receivables risk are as follows. In determining the amount, factors that increase credit reliability, such as guarantees received, were not taken into account.

2024	Trade Receivables			
	Third party	Related party	Other receivables	Deposits in bank
Maximum risk exposed credit risk as of reporting date (A+B+C+D)	1,334,981	63,087	1,123,957	17,407,089
- Secured portion of maximum credit risk bu guarantees etc.	103,987	-	-	-
A. Net book value of financial assets either are not due or not impaired	1,309,173	63,087	1,123,957	17,407,089
- Secured portion bu guarantees etc.	101,944	-	-	-
B. Net book value of the expired or not impaired financial assets	-	-	-	-
- Secured portion bu guarantees etc.	-	-	-	-
C. Net bok value of assets that are overdue but not impaired	25,808	-	-	-
- Secured portion bu guarantees etc.	2,043	-	-	-
D. Net book value of assets that are impaired overdue (gross book value)	201,190	-	-	-
impairment (-)	(201,190)	-	-	-
Secured portion bu guarantees etc.				

Migros Ticaret A.Ş.

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NOTE 27 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

2023	Trade Receivables			Deposits in bank
	Third party	Related party	Other receivables	
Maximum risk exposed credit risk as of reporting date (A+B+C+D)	531,726	2,454	3,098,971	13,237,717
- Secured portion of maximum credit risk bu guarantees etc.	114,385	-	-	
A. Net book value of financial assets either are not due or not impaired	477,857	2,454	3,098,971	7,222,356
- Secured portion bu guarantees etc.	113,761	-	-	-
B. Net book value of the expired or not impaired financial assets				
- Secured portion bu guarantees etc.				
C. Net bok value of assets that are overdue but not impaired	53,869	-	-	-
- Secured portion bu guarantees etc.	624	-	-	-
D. Net book value of assets that are impaired overdue (gross book value)	236,054	-	-	-
impairment (-)	(236,054)	-	-	-
Secured portion bu guarantees etc.				

As of the reporting date, there are no uncollected, overdue, and renegotiated bank deposits nor credit card receivables present at the Group portfolio, thus the Group is in the opinion that there are no credit risks regarding these assets.

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 27 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**Aging of the receivables which are overdue but not impaired**

	31 December 2024	31 December 2023
Between 0-1 month	4,685	3,767
Between 1-3 month	400	644
Between 3-12 month	20,424	42,281
Between 1-5 years	299	7,177
	25,808	53,869

Capital

The Group monitors the net debt ratio within the scope of Capital Risk Management. The aim of capital management is to maintain a strong credit rating and healthy capital ratios in order to maximize share values and support businesses.

Net debt ratio as of 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
Total liabilities	92,376,687	80,672,262
Less: Cash and cash equivalents	(22,524,342)	(18,492,047)
Net debt	69,852,345	62,180,215
Equity attributable to holders of parent	57,309,280	52,011,551
Equity + net debt	127,161,625	114,191,766
	54.93%	54.45%

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NOTE 28 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION

Exchange Rate Risk

The Group is exposed to foreign exchange risk primarily arising from financial assets denominated in foreign currencies. Aforementioned foreign exchange risk is monitored and limited with derivative instruments. As of 31 December 2024, if both Euro and USD currencies would have appreciated against TRY by 20% and all other variables had remained constant, the profit for the period before tax as a result of foreign exchange rate difference arising out of assets and liabilities denominated in Euro and USD would have been TRY127,116 higher. (31 December 2023: TRY738,549)

The profit before tax effect can be broken down in terms of currencies in such a way that that the change amounting to TRY78,175 is due to the change in Euro and the change amounting to TRY48,941 is due to USD. (31 December 2023: The effect of the change in the Euro is TRY220,044, the effect of the change in the USD is TRY518,505.)

FOREIGN CURRENCY POSITION

	31 December 2024				31 December 2023			
	Total TRY equivalent	USD	EUR	Other TRY equivalent	Total TRY equivalent	USD	EUR	Other TRY equivalent
Monetary financial assets	670,089	6,945	10,640	34,194	3,718,545	61,006	23,394	25,415
Other	-	-	-	-	-	-	-	-
Current assets	670,089	6,945	10,640	34,194	3,718,545	61,006	23,394	25,415
Total assets	670,089	6,945	10,640	34,194	3,718,545	61,006	23,394	25,415
Trade payables	318	9	-	-	383	9	-	-
Current liabilities	318	9	-	-	383	9	-	-
Financial liabilities	-	-	-	-	-	-	-	-
Non-monetary other liabilities	-	-	-	-	-	-	-	-
Non-current liabilities	-	-	-	-	-	-	-	-
Total liabilities	318	9	-	-	383	9	-	-

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NOTE 28 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)**FOREIGN CURRENCY POSITION**

	31 December 2024				31 December 2023			
	Total TRY equivalent	USD	EUR	Other TRY equivalent	Total TRY equivalent	USD	EUR	Other TRY equivalent
Net asset/(liability) position of off-balance sheet derivatives (A-B)	-	-	-	-	-	-	-	-
A. Total amount of off-balance sheet derivative financial assets	-	-	-	-	-	-	-	-
B. Total amount of off-balance sheet derivative financial liabilities	-	-	-	-	-	-	-	-
Net foreign currency asset/(liability) position	669,771	6,936	10,640	34,194	3,718,162	60,997	23,394	25,415
Net foreign currency asset/(liability) position of monetary items	669,771	6,936	10,640	34,194	3,718,162	60,997	23,394	25,415
Fair value hedge funds of foreign currency	-	-	-	-	602,136	14,167	-	-
Hedge amount of foreign currency assets	-	-	-	-	-	-	-	-
Hedge amount of foreign currency liabilities	-	-	-	-	-	-	-	-
Export	-	-	-	-	-	-	-	-
Import	751,678	19,941	-	-	813,704	15,330	-	-

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 28 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)

Foreign currency sensitivity analysis as of 31 December 2024 and 2023 is as follows:

31 December 2024

	Gain/Loss	
	Foreign exchange appreciation	Foreign exchange depreciation
20% change in Euro exchange rate		
Euro net asset/liability	78,175	(78,175)
20% change in USD exchange rate		
USD net asset/liability	48,941	(48,941)
Net effect	127,116	(127,116)

31 December 2023

	Gain/Loss	
	Foreign exchange appreciation	Foreign exchange depreciation
20% change in Euro exchange rate		
Euro net asset/liability	220,044	(220,044)
20% change in USD exchange rate		
USD net asset/liability	518,505	(518,505)
Net effect	738,549	(738,549)

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 29 - FINANCIAL INSTRUMENTS**Fair value estimation**

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value hierarchy for the assets and liabilities measured at fair value as of 31 December 2024 and 2023 is as follows:

2024	Level 1	Level 2	Level 3	Total
Lands (Note 10)	-	249,310	1,880,723	2,130,033
Buildings (Note 10)	-	1,138,390	3,044,349	4,182,739
Long term financial investments (Note 5)	-	3,402,581	-	3,402,581
	-	4.790.281	4.925.072	9.715.353
2023	Level 1	Level 2	Level 3	Total
Lands (Note 10)	-	-	2,754,456	2,754,456
Buildings (Note 10)	-	-	4,999,590	4,999,590
Derivative instruments	-	-	-	-
Long term financial investments (Note 5)	-	1,668,953	-	1,668,953
		1,668,953	7,754,046	9,422,999

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 30 - EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/(LOSSES)**Non-monetary Items****31 December 2024**

Statement of financial position items	9,004,758
Inventories	(379,116)
Prepaid expenses	187,907
Property, plant and equipment	16,070,381
Right of use assets	8,849,887
Financial investments	535,018
Deferred income	(88,418)
Deferred tax liability	(799,965)
Share capital	(1,088,291)
Treasury shares	264,830
Other capital reserves	(531,227)
Other comprehensive income/expenses not to be classified to profit or loss	(118,741)
Dividend advance	5,258
Retained earnings	(13,902,765)
Profit or loss statement items	9,838,105
Revenue	(36,127,267)
Cost of sales(-)	37,584,529
General administrative expenses(-)	636,399
Marketing expenses(-)	5,919,148
Other operating income/expenses	1,633,673
Income/expense from investment activities	(57,636)
Financial income/expense	251,802
Income tax expense	(463)
Profit from discontinued operations	(2,080)

Net monetary position gains**18,842,863**

Migros Ticaret A.Ş.**Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023**

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NOTE 31 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRM

The fees related to the services received by the Group from the Independent Audit Firm for the years 1 January - 31 December 2024 and 2023 are as follows:

	2024	2023
Audit and assurance fee	3,745	2,310
Tax consulting fee	2,222	1,412
Other non-audit services fee	712	893
Fee for other services other than independent audit	-	288
	6,679	4,903

NOTE 32 - NON - CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS**Income and expenses from discontinued operations:**

The Group sold its subsidiary Ramstore Kazakhstan LLC ("Ramstore Kazakhstan") for USD21,578 and EUR11,800 with the share transfer agreement dated 15 July 2024. Within the scope of the agreements entered into force, the collection of the aforementioned amounts has been completed as of 23 July 2024.

Income and expenses related to discontinued operations, compared to last year, are as follows:

	2024	2023
Revenue	90,594	167,188
Cost of sales	(20,454)	(36,308)
General administrative expenses	(15,145)	(36,273)
Other income and expenses from main activity	(729)	(4,666)
Financing costs	(19,034)	(52,443)
Period profit from discontinued operations	35,232	37,498

Earnings per share from discontinued operations ("TRY")

0.19

0.21

NOTE 33 - EVENTS AFTER THE REPORT

In Türkiye, the Domestic Minimum Corporate Tax has entered into force with the laws published in the Official Gazette dated August 2, 2024. The regulation will be applied to corporate income for the taxation period of 2025. Since the institutions will start applying it on their income as of 1 January 2025, it will not have an impact on the current period tax expense in the financials dated 31 December 2024.

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024 and 2023

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APPENDIX 1 - EBITDA

The Group calculates the EBITDA by deducting general administrative expenses and selling, marketing and distribution expenses and adding depreciation expenses, unused vacation liability paid in current year, employee termination benefit provision expense, unused vacation liability expense on gross profit amount in consolidated statements of income.

	2024	2023	TFRS 16 Effect 2024	TFRS 16 Effect 2023	Before TFRS 16 2024	Before TFRS 16 2023
Revenue	293,779,664	262,132,403	-	-	293,779,664	262,132,403
Cost of goods sold (-)	(225,775,911)	(213,170,188)	1,131,903	513,788	(226,907,814)	(213,683,976)
Gross profit	68,003,753	48,962,215	1,131,903	513,788	67,871,850	48,448,427
General administrative expenses (-)	(5,545,282)	(4,245,499)	-	-	(5,545,282)	(4,245,499)
Marketing expenses (-)	(56,640,106)	(49,113,567)	(2,042,439)	(2,123,415)	(54,792,616)	(46,990,152)
Addition: Depreciation and Amortisation expenses	9,977,506	8,933,801	5,488,590	5,158,806	4,488,916	3,764,995
EBITDA	15,795,871	4,536,950	4,578,054	3,559,179	11,217,817	977,771
Addition: Provision for employment termination benefit and unused vacation	64,318	941,431	-	-	64,318	941,431
EBITDA	15,860,189	5,478,381	4,578,054	3,559,179	11,282,134	1,919,202

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Sustainability Performance Indicators

Human Resources Tables

Employee Profile by Gender, Location and Work Type *				
2024				
Employee Category	In Istanbul		Outside Istanbul	
	Women	Men	Women	Men
Full-time	6,227	7,771	16,800	20,062
Part-time	342	264	322	236
Total	6,569	8,035	17,122	20,298

Distribution of Subcontractors by Gender			
2024			
	Women	Men	Total
	2,889	17,999	20,888

Employee Distribution by Term of Service*		
2024		
	Women	Men
0-5 years	16,936	18,670
5-10 years	3,704	5,383
10 years and above	3,051	4,280

Employee Distribution by Age and Gender*					
2024					
	Store Employee		Administrative and Support Units, Store Managers		Ratio (%)
	Women	Men	Women	Men	
Under 30	10,585	9,753	885	963	42.6
30-50	9,547	11,585	2,163	4,539	53.5
Over 50	428	1,189	83	304	3.9
Average age	31.20	33.16	34.66	36.83	

Distribution of Employees Hired by Age*		
	Women (%)	Men (%)
Under 30	40.3	37.9
30-50	11.6	8.7
Over 50	0.6	0.9
Total	52.5	47.5

Distribution of Employees Left by Age*		
	Women (%)	Men (%)
Under 30	37.8	38.2
30-50	11.8	10.8
Over 50	0.5	0.9
Total	50.1	49.9

Distribution of Employees Hired by Seniority*		
	Women (%)	Men (%)
Junior level	52.5	47.3
Mid-level	0.1	0.1
Senior level	0	0

Distribution of Employees Left by Seniority*		
	Women (%)	Men (%)
Junior level	50	49.8
Mid-level	0.1	0.1
Senior level	0	0

2024				
Employee Distribution by Business Area*	Women	Men	Total	Ratio (%)
Administrative Units and Store Managers	3,131	5,806	8,937	17
Store Employees	20,560	22,527	43,087	83

*Distribution of Migros Ticaret A.Ş. employees.

Female-Male Salary Average Indices		Job Key	2024
Ratio of average salary of female managers to average salary of male managers **		Senior Manager	0.906
		Manager	0.980
		Deputy Manager	0.997
		Store Manager	0.985
Ratio of average salary of non- executive female employees to average salary of non- executive male employees		Store Employees (blue collar)	0.977
		Specialist	0.992

** Both base salaries and other premiums payments are included.

Sustainability Performance Indicators

Female Ratio by Salary Ranges (%) 2024

Percentage of women in the company's top 10% compensated employees	31%
Percentage of women in the top pay quartile (25%) globally	35%
Percentage of women in the upper-middle pay quartile (25%) globally	36%
Percentage of women in the lower-middle pay quartile (25%) globally	54%
Percentage of women in the lower pay quartile (25%) globally	55%

Average Salary of Female Employees / Average Salary of Male Employees (%) 2024

Store employees	98
Administrative Units and Store Managers	99
All employees	99

Ratios of Female Employees by Their Workforce within the Company (%) 2024

Middle/Other Level Management	32.5
Entry Level	47.8
Income Generating Roles*	34
IT/Engineering Positions	33/42

* Excluding support teams.

Distribution of Employees in Managerial Positions by Age and Gender

	2024		
	Women	Men	Total
Under 30	489	637	1,126
30-50 (including 30 and 50)	1,880	4,173	6,053
Over 50	72	272	344

Breakdown of Employee Satisfaction Survey Results (%)

Year	Result	Survey Participation Rate
2020	84	90
2021	79	84
2022	75	84
2023	62	75
2024	82	31

Percentage of Employees Subjected to Regular Performance Development Evaluations (%)

Position	2024		
	Women	Men	Total
Head Office	1.7	2.7	4.4
Store Management	4.0	8.4	12.4
Store Employee	40.0	43.2	83.2
Total	45.7	54.3	100.0

Maternity/Parental Leave Metrics by Gender 2024

	Women	Men	Total
Number of employees on parental leave in 2024	1,105	1,170	2,275
Total number of employees returning from parental leave in 2024	702	1,158	1,860
Total number of employees expected to return from parental leave in 2024	774	1,158	1,932
Return to work rate	70%	100%	96%
Number of employees who remained employed 12 months after their return from parental leave	448	956	1,404
Total number of employees who returned from parental leave in 2023	533	1,185	1,718
Retention rate	84%	81%	82%

Sustainability Performance Indicators

Training Tables

Trainings in 2024	Number of Participants
Sustainability Series: Climate Change	6,019
Sustainability Series: Sustainable Biodiversity	7,359
Sustainability Series: Food Waste	6,985
Sustainability Series: Water Management	5,829
Sustainability Series: Plastic Waste Management	6,960
Energy Efficiency Management	7,110
Migros Store Zero Waste Applications	5,320
Save Your Food	5,358
Hygiene and Quality at Migros	12,418
Proper Hand Washing	11,649
Stress Management Trainings	35,292
Employee Wellbeing Series: Personal Motivation & the Secret of Success	13,256
Employee Wellbeing Series: Adaptation	13,983
Employee Wellbeing Series: Mindfulness	14,513
Employee Wellbeing Series: Psychological Resilience & Flexibility	16,049
Employee Wellbeing Series: Boosting My Memory	15,194
Employee Wellbeing Series: Financial Literacy	7,818
Gender Equality 101 Equality Trainings	928
Gender Equality Online Training	5,363
Valuing Equality	5,594
Corporate Governance and Risk Management Principles Training	374
Ethical Rules Training (including Bribery, Human Rights, Child Labor, Organizing, etc.)	22,505
Corporate Policies Training	10,128
Human Rights	4,120
Personal Data Protection Law (PDPL)	17,774
Information Security Awareness and Phishing Trainings	3,127
ISO 22000 Food Safety Management System	29,936
ISO 9001 Quality Management System	29,956
ISO 45001 OHS Management System	30,966
ISO 10002 Customer Satisfaction Management System	37,738
ISO 14001 Environmental Management System	30,416
Food Allergens	1,542
Pest Control	1,038
Competition Law Compliance Training	2,220

Trainings	Number of Employees Completed Training
Gender Equality Trainings	43,915
Information Security Awareness Training & Personal Data Protection Law	36,086
Human Rights	26,565
Ethical Rules Training (including Bribery, Human Rights, Child Labor, Organizing, etc.)	32,607
Corporate Policies Compliance Training	32,445

Employee Training Hours

Employee profile	Annual Total Training (Employee*Hours)	Training per employee (in-class + digital)
Store Management	1,756,744	170
Store Employee	4,391,548	112
Administrative Units	236,953	111
Total / Average	6,385,245	124

Supplier Table

Number of Suppliers by Years*	2020	2021	2022	2023	2024
Total number of new suppliers	376	385	334	660	746
Total number of suppliers	1,878	2,492	2,031	2,723	3,138

*Number of active suppliers from whom we purchase goods worth TL 1,000 or more. Farmers are not included.

Sustainability Performance Indicators

OHS Tables

OHS Performance Table*

	2021			2022			2023			2024						Grand Total
	Employee	Subcontractor	Total	Employee	Subcontractor	Total	Employee	Subcontractor	Total	Employee		Total	Subcontractor		Total	
										Women	Men		Women	Men		
Number of hours worked	113,472,280	28,797,440	142,269,720	124,598,448	28,797,272	153,395,720	143,157,408	32,282,760	175,440,168	52,126,489	65,903,480	118,030,330	6,264,632	32,755,832	39,020,464	157,050,794
Number of accidents	1,507	1,376	2,883	1,637	1,808	3,445	2,434	2,402	4,836	1,502	1,511	3,013	502	2,822	3,324	6,337
Number of lost days	2,164	2,916	5,080	2,387	3,621	6,008	2,732	6,081	8,813	1,597	1,722	3,319	941	6,296	7,237	10,556
Number of fatal injuries (fatality)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
Number of occupational diseases	5	0	5	5	0	5	6	0	6	3	9	12	0	0	0	12
Number of lost days due to occupational diseases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
Work accident severity rate (lost days)	19.0479	105.087	124.1349	19.0067	125.91	144.9167	18.9678	187.4681	206	30.646	26.107	28.095	150.5237	191.94878	185.292	213.387
Work accident severity rate (lost hours)	0.015	0.0084	0.0234	0.015	0.1	0.115	0.015	0.15	0	0.025	0.021	0.022	0.12	0.15	0.1482	0.1702
Lost time injury (frequency) rate	3.33	21.74	25.07	3.31	22.72	26.03	4.36	37.26	42	7.58	5.85	6.61	31.29	37.68	36.63	43.24
Total injury rate (including non-lost days)	13.26	49.64	62.9	13.03	62.77	75.8	16.88	74.09	91	28.72	22.93	25.49	80.09	85.95	85.01	110.5

* Accident Severity rates are calculated over the arithmetic average of each month.

Number of Occupational Diseases: Number of reported occupational diseases per million hours worked

Work Accident Severity Rate (Lost days): Number of lost days due to work accident per 1,000,000 hours worked

Work Accident Severity Rate (lost hours): Number of lost hours due to work accident per 100 hours worked

Lost Time Injury (Frequency) Rate: (Total number of work accidents/total hours worked) *1,000,000

Total Injury Rate: (Total number of injuries/Total working hours) *1,000,000

** The procedure for calculating total working hours was revised in 2024.

Work Accidents Number by Type of Injury (%)*

	2024
Cuts and lacerations	21
Slips, trips and falls	20
Being hit by falling objects	13
Crushes	6
Collisions and crashes	12
Other	28
Accidental deaths	0

* The employee groups with the highest risk of work accidents are charcutiers and butchers working in service aisles due to their use of sharp objects.

Distribution of the Number of Work Accidents by Gender

	2022			2023			2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employee	653	984	1,637	1,099	1,335	2,434	1,502	1,511	3,013
Subcontractor	254	1,554	1,808	450	1,952	2,402	502	2,822	3,324

Personnel Drills Conducted during 2024

Drill Name	Number of Drills	Number of Employees Participating in the Drill
Fire	3,702	36,751
Earthquake	3,697	31,700
Flood	3,697	30,399
Windstorm	3,691	29,486
Landslide	3,698	28,837
Avalanche	1,037	7,792
Storm Surge/Tsunami	2,641	21,690

% Receiving OHS Services 2024

% store employees receiving OHS services/total store employee	29
% employees receiving OHS services/total employee	33
% contractors & subcontractors receiving OHS services/total contractors & subcontractors	68

Sustainability Performance Indicators

Carbon Emission and Energy Tables

Category Based Scope 3 Emissions			
		Emissions for 2024	
Significant Indirect Greenhouse Gas Emissions		(mt CO ₂ e)	(%)
Upstream Emission Sources			
Category 1	Purchased goods and services	5,823,754	67.136%
Category 2	Capital goods (fixtures, real estate)	20,832	0.24%
Category 3	Unreported fuel and energy-related activities	170	0.002%
Category 4	Transport and storage of products	167,141	1.927%
Category 5	Waste generated in operations	32,516	0.375%
Category 6	Business travel	526	0.006%
Category 7	Employee commuting	1,694	0.02%
Category 8	Upstream leased assets	-	-
Downstream Emission Sources			
Category 9	Emissions from downstream transportation and distribution	132,559	1.527%
Category 10	Emissions from the processing of sold products	-	-
Category 11	Emissions from the use of sold products	1,302,353	15.014%
Category 12	Emissions from end of life treatment of sold products	1,184,950	13.66%
Category 13	Emissions from downstream leased assets	8,048	0.093%
Category 14	Emissions from dealer, agent and franchise activities	-	-
Category 15	Emissions from the operation of the company's investments	-	-
Total		8,674,543	100

Breakdown of Scope 1 Emissions					
Source of Greenhouse Gas Emissions	Emission Factor of Fuels (kg CO ₂ e GHG emissions/unit) (Scope 1)				
	Amount	Total* (CO ₂ +CH ₄ +N ₂ O)	CO ₂ Emission Breakdown	CH ₄ Emission Breakdown	N ₂ O Emission Breakdown
Natural gas	1,460,207.2 m ³	2,736.6	2,728.5	6.8	1.3
Diesel	1,506,712 liters	4,254.0	4,209.7	9.7	34.6
Gasoline	1,093,687.6 liters	2,570.2	2,467.8	24.8	77.5

* Since operations are carried out in the retail sector; SO_x, NO_x and PM₁₀ originating from production facilities are not measured.

Stores with Automation Systems	2022	2023	2024
Cooling Automation	2,651	3,078	3,335
Air Conditioning Automation	1,957	2,017	2,747
Lighting Automation	1,823	2,280	2,619

Water Consumption Tables

Water Discharge Ratios (%)	2020	2021	2022	2023	2024
Discharged to Sewerage System	98.34	98.11	99.41	99.7	99.7
Discharged to Receiving Environment (Other)	1.66	1.89	0.59	0.3	0.3

Water Withdrawal Amounts by Resource (m ³)	2020	2021	2022	2023	2024
Municipal water	931,639	949,697	949,783	1,105,668	1,253,730
Well water	45,511	47,666	68,347	123,281	126,969
Total	977,150	997,363	1,018,130	1,228,949	1,380,699

Wastewater Loads Table				
Parameters	Analysis Results* (mg/L)			
	February 2024	March 2024	April 2024	June 2024
Biological Oxygen Demand (BOD5)	20.2	36.9	45.9	10
Chemical Oxygen Demand (COD)	41	51	46	30
Total Suspended Solids (TSS)	8.1	18.15	5.12	10
pH	7.86	6.92	7.6	7.31

* The wastewater treatment plant operates in our Kemalpaşa Distribution Center, and the results of periodic analyzes made at the discharge points

Sustainability Performance Indicators

Packaging and Waste Tables

Packaging Materials of Private Label Products								
Material	2021		2022		2023		2024	
	Weight (tons)	Coverage (%)	Weight (tons)	Coverage (%)	Weight (tons)	Coverage (%)	Weight (tons)	Coverage (%)
Paper	578	8	980.4	11	1,115.2	11	1,552.5	12
Glass	2,993.4	42	2,493.8	30	2,597	26	3,214.6	25
Plastic*	2,527.1	35	3,209	38	3,816.4	38	4,867	38
Metal	893	12	734.4	9	1,233.8	12	650.3	5
Composite	193.2	3	1,020.7	12	1,278.5	13	2,667.5	20
Total	7,184.7	100	8,438.8	100	10,040.9	100	12,951.9	100

* 8.5 tons (0.34%) in 2021, 18.5 tons (0.58%) in 2022, 18.94 tons (0.49%) in 2023 and 17.37 tons (0.36%) in 2024 are recycled (R-pet) material.

Waste Amounts by Disposal Types						
Waste Type	Disposal Method	2020	2021	2022	2023	2024
Non-hazardous	Recycling / Recovery*	16,979.67	14,014.95	20,063.7	24,755.9	29,846
	Reuse / Animal feed	831.51	847.7	586	423	535.3
	Biogas / Compost	4,255	5,800.4	13,763.76**	17,081.2**	18,489.1
	Delivered to municipalities***	50,841	53,304	53,357.43	59,279.7	64,684
	Donation to stray animals	1,120.1	1,407.4	1,530.48	2,821.9	608
	Donate to food banks	1,216	2,781.67	6,161.03	6,303.9	5,850.7
Hazardous	Incineration	246	811.7	894.32	1,378.5	1,341.5
	Recycling / Recovery	7.15	7.07	6.4	4.3	4.5
	Biodiesel	30.96	41.8	36.94	23	24.8
	Incineration	9.126	5.63	3.18	4.5	9.4

* Including non-food products and electronic waste.

** Including those sent to breeding farm.

*** The majority of them are organic wastes.

Amount of Packaging Waste Recycled by Years (tons)	
2020	16,902
2021	13,774
2022	19,833
2023	24,420
2024	29,644

Type and Amount of Packaging Waste Recycled in 2024 (tons)	
Wood	9,223
Glass	90
Paper	15,489
Metal	3,181
Plastic	1,661

Amounts of Used Cooking Oil, Battery and Electronic Waste Collected	2020	2021	2022	2023	2024
Amount of Used Cooking Oil Collected* (tons)	31	41.8	36.9	23	52.9
Amount of Waste Batteries Collected** (tons)	5.68	5.45	3.8	2.7	2.3
Amount of Electronic Waste Collected (tons)	77	138	133	145	142.2

* Includes the amount of used cooking oil collected from homes via Migros Sanal Market

** Includes the amount of waste batteries collected from homes via Migros Sanal Market

Product Safety & Quality Control Audits

Quality Controls	
Unit	Number
New food products internally checked for quality	5,860
New non-food products internally checked for quality	11,480
Products audited by an accredited laboratory	10,200
Unannounced store external audits	3,013
Number of stores analyzed for hygiene	2,593
Number of hygiene analyzes (SWAB Analysis)	7,292
Number of Risk Based Process Audits	2,126
Number of Migros Sanal Market and Migros Hemen process audits	448
New store and seasonal store compliance audits	315
Number of inspections of bakery and hot production areas	66
Number of products checked for quality in Distribution Centers	3.6 million
Number of Distribution Center Cold Room Temperature Verifications	374
Number of delivery vehicles with temperature control	2,996
MS Pesticide analysis	6,615

Communication with Stakeholders

Migros interacts with all its stakeholders through a variety of communication channels and methods and at various frequencies. Based on the findings of a prioritization workshop conducted by the Migros Sustainability Committee and the insights and observations, the following groups have been identified as priority stakeholders: Communities & Customers, Employees, Shareholders & Investors, Supply Chain, Government Agencies & Organizations, and Industry Organizations. Attention is given to all stakeholder feedback; stakeholders' views are incorporated into business and decision-making processes.

Stakeholders	Communication Channel	Communication Method & Frequency
Society & Customers	Migros Interaction Platform (Customer Communication Center, WhatsApp line, E-mail, Customer Communication Forms)	Communication with 15 million people annually
	Social media	Real-time monitoring and response / 8 million social media messages/year analyzed
	Consumer surveys	Monthly-conducted consumer & trend research and surveys / 462,282 people/year
Employees	Internal communication	Realtime intranet messaging
		Quarterly-published Turuncu in-house magazine: Latest company news & developments, vision & goals
		Annual Panoramik in-house magazine: Migros human resources strategies & practices
		National and regional senior management & employee internal communication meetings
	Working Life Assessment Survey	Work-related and personal experience sharing through the Migros Social platform
Migros Shareline	Once a year	
Shareholders and Investors	Annual General Meetings	30,151 employee queries were responded to through the Migros Shareline in 2024 and company intranet; all responses were delivered within 48 hours.
	Public Disclosure Platform announcements	Once the company's financial results for the year have been made public, a general assembly of shareholders is held. The meetings minutes, agenda, and other relevant documents are published on the company's website.
	Corporate governance principles compliance report	Financial statements are published quarterly; material event disclosures are published as needed.
	www.migroskurumsal.com website	Once a year
	Integrated Annual Report	The corporate website provides detailed information that is updated daily.
		Quarterly and annual announcements of the company's operational & financial results on its corporate website and at KAP



Communication with Stakeholders

Stakeholders	Communication Channel	Communication Method & Frequency
Supply Chain	Migros Business Partners Summit	Once a year or every two years as needed
	MeCom/MeMobil B2B applications	Updated daily
	Supplier meetings (GAP practices etc.)	As needed
	Sustainable Business Partners Network	Once a year
	Supplier audits	Once a year
Government Agencies & Organizations	Meeting attendances, requests for opinions	Leveraging membership in GPD, TAMPF, TÜSIAD, TOBB Retail Council, and TOBB E-commerce Council to promote organized retailing sector growth, sustainable production, and the formulation of impactful sector opinion letters for submission to all national and local governmental, ministerial, provincial, municipal, and other public authorities; presenting sectoral views and opinions to officials across all tiers of government.
	Audits	Daily/Monthly/Annually
	Communications with municipalities and ministries	Monitoring and reporting changes in the regulatory & legal framework; holding discussions with government agencies (Presidency, Ministry of Trade, Ministry of Agriculture & Forestry, Ministry of Environment, Urbanization & Climate Change, Ministry of Family & Social Services, Ministry of Industry & Technology, Ministry of Treasury & Finance, and Department of Revenue Administration, Ministry of Education, Ministry of Labor and Social Security, Ministry of Transport, Ministry of Energy and Natural Resources, EPDK, BTK) & taking action as needed
	Permission & license applications	As required by new business lines, our subsidiary companies, solar power plant projects, as well as for each store and distribution center opening.
Sectoral Organizations	Meetings & opinion requests	CGF, LEAD Network EU, GPD, TAMPF, TÜSIAD, TOBB retailing & e-commerce assemblies Quarterly meetings with Migros Board of Directors Meetings with management committees & working groups every month and as necessary Periodic target-fulfillment progress reports Operational changes and projects in line with jointly-taken decisions Lead sectoral-wide transformations

Memberships, Collaborations & Initiatives

Stakeholders	Project Name	Project Role
Consumer Goods Forum (CGF)	Board Member	Member / Active participant
	Food Waste Coalition	
	-Food Waste Reduction	Member / Active participant
	-WRI 10x20x30 Initiative	
	-Post-Harvest Food Loss Prevention Working Group	Member / Active participant
	Product Data Coalition	
	-Global Dataset Creation	Member / Active participant
	-Sector-Wide Transformation of Data Digitalization & Standardization	
	Collaboration For Healthier Lives Coalition	
	-Healthier & More Sustainable Diets Working Group	
-Migros Wellbeing Journey Project		
-Employee Health & Wellbeing Working Group		
Food Retailers Association (GPD)	Vice President	Member / Active participant
Turkish Federation of Shopping Centers & Retailers (TAMPF)	Board Member	Member / Active participant
World Resources Institute (WRI)	10x20x30 Initiative	Project implementer
Fazla	Respecting Food Project	Project leader
	Surprise Box Project	
	Black Soldier Fly Project	
HAYTAP Animal Rights Federation	Fresh Leftovers For Our Four-Legged Friends Project	Project leader
Chamber of Agricultural Engineers	Stakeholder Relations	Member
Sustainability Academy	SDG Map Content Provider	Member
Sustainable Food Platform	Sustainable Agriculture & Supply/ Procurement Information Provider	Member / Active participant

Stakeholders	Project Name	Project Role
The Association of Turkish Milk, Meat, Food Industrialists and Manufacturers (SETBIR)	Stakeholder Relations	Member
The Association of Non-Household Consumption Suppliers (ETÜDER)	Stakeholder Relations	Member
	Migros Toptan (Wholesale): Trusted Supplier Certificate	
	"Growing Healthy with Migros" Guide	Member / Active participant
Turkish Food Safety Association (GGD)	Food Loss & Label-Reading Survey	
	Regulatory Framework Consultant	
	Migros Toptan (Wholesale): Trusted Supplier Certificate	
GS1 Global	Board member	Member / Active participant
GS1 Türkiye Foundation Economic Enterprise		Project implementer
	Board Member	Member / Active participant
	Global Dataset Creation	Project implementer
Sector-Wide Transformation of Data Digitalization & Standardization		
Turkish Marine Environment Protection Association (TURMEPA)	Cleaning Up the Sea Project	Member / Active participant
		Project implementer
Council of Shopping Centers - Türkiye (AYD)	Stakeholder Relations	Member

Memberships, Collaborations & Initiatives

Stakeholders	Project Name	Project Role
Turkish Industry & Business Association (TÜSIAD)	Business World Plastic Initiative Working Groups Participant	Member / Active participant
Ethics & Reputation Society (TEID)	Working Groups Participant Training Support Migros Code of Ethics and Migros Anti-Bribery & Anti-Corruption Policy Consultancy	Member
Corporate Governance Association of Türkiye (TKYD)	Stakeholder Relations	Member / Active participant
Institute of Internal Auditing - Türkiye (TİDE)	Ethical, Corporate Policy, and Legal Compliance	Member
Turkish Informatics Foundation Economic Enterprise (TBV)	Digital Innovation & Access	Member
The Blockchain Türkiye Platform (BCTR)	Digital Innovation & Access	Member
LEAD Network EU	Participant in Gender Equality Projects CEO-level Signatory Advisory Board Member	Member / Active participant
LEAD Network Türkiye	Founding Member	Member / Active participant
Women on Board Association Türkiye (YKKD)	Contributing Mentor	Member / Active participant
Women Entrepreneurs Association of Türkiye (KAGİDER)	Development & Acceleration of Women Entrepreneurs in Agriculture Program	Member / Active participant
People Management Association of Türkiye (PERYÖN)	HR Process Information Sharing & Congress Participant	Member / Active participant
30% Club	Stakeholder Relations	Member
Turkish Family Health and Planning Foundation (TAPV)	Board Member	Member / Active participant

Stakeholders	Project Name	Project Role
Employee Training & Development Platform Association (TEGEP)	Employee Training & Development Process Information Sharing	Member
Corporate Communicators Association (KİD)	Stakeholder Relations	Member
Turkish Quality Association (KalDer)	Quality Management Process Information Sharing Inclusivity & Gender Equality Task Force Committee	Member / Active participant
The Union of Chambers and Commodity Exchanges of Türkiye (TOBB)	Stakeholder Relations TOBB Retailing Assembly member	Member
Turkish Investor Relations Society (TÜYİD)	Investor Relations Process Information Sharing	Member
Central Registry Agency (MKK)	Stakeholder Relations	Member
İstanbul Chamber of Commerce	Stakeholder Relations	Member
UN Food & Agriculture Organization (FAO)	"Save Your Food" Project "Growing Healthy with Migros" Cartoon	Project implementer
District Public Education Centers	Migros Family Club	Project implementer
Aegean Forest Foundation	Reforestation Projects Financed with 10% Foundation Product Sales Proceeds Aegean Region Sapling Donations	Project implementer
UN Global Compact	Signatory	Member
United Nations Women's Empowerment Principles (WEPEs)	Signatory of Commitments	Member
Science Based Targets initiative (SBTi)	Carbon Net Zero Commitment	Signatory
Race to Zero	Carbon Net Zero Commitment	Campaign Supporter

Contribution to Sustainable Development Goals

Materiality for Migros	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELLBEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Product Data Accessibility and Transparency												●				●	●
Responsibility and Awareness Studies	●	●	●	●	●			●		●		●				●	●
Ecosystem Sustainability through Transparent, Responsible, Ethical Governance					●			●				●				●	
Supporting the Circular Economy								●	●			●	●	●	●		
Access to Healthy / Sustainable Products and Services		●	●									●					●
Innovative Practices							●		●			●				●	
Gender & Opportunity Equality				●	●			●		●							●
Good & Trustworthy Customer Experience			●					●				●				●	●
Extensive Combat against Climate Change						●	●				●	●	●	●	●		●
Health and Safety of Employees			●	●				●				●					●
Employee Satisfaction and Talent Management				●	●			●		●		●					●
Sustainable Agriculture and Saving Food	●	●										●	●	●	●		●
Creating Sustainable Economic Value	●	●						●				●					●

TSRS Limited Assurance Report



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**CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER'S LIMITED ASSURANCE REPORT
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON MİGROS TİCARET A.Ş. AND ITS
SUBSIDIARIES SUSTAINABILITY INFORMATION IN ACCORDANCE WITH TURKISH SUSTAINABILITY
REPORTING STANDARDS**

To the General Assembly of Migros Ticaret A.Ş.

We have undertaken a limited assurance engagement on Migros Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group"), Sustainability Information on pages 83 to 91 of the Integrated Annual Report ("Sustainability Information") for the year ended 31 December 2024 in accordance with Turkish Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkish Sustainability Reporting Standards 2 "Climate Related Disclosures".

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Integrated Annual Report 2024 or linked to from the Sustainability Information or from the Integrated Annual Report 2024 (including any images, audio files, document embedded in a website or embedded videos).

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the 'Summary of the work we performed as the basis for our assurance conclusion' and the evidence we have obtained, nothing has come to our attention that causes us to believe that Group's Sustainability Information pages 83 to 91 of the Integrated Annual Report for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with Turkish Sustainability Reporting Standards published in the Official Gazette dated 29 December 2023, and numbered 32414(M) and issued by Public Oversight Accounting and Auditing Standards Authority (the "POA"). We do not express an assurance conclusion on information in respect of earlier periods or on any other information included in the Integrated Annual Report 2024 or linked to from the Sustainability Information or from the Integrated Annual Report 2024, including any images, audio files or embedded videos.

Inherent Limitations in Preparing the Sustainability Information

As discussed in "Calculation Principles of Metrics" on pages 90 and 91 the Sustainability Information is subject to inherent uncertainty because of incomplete scientific and economic knowledge. Greenhouse gas emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge. Additionally, the Sustainability Information includes information based on climate-related scenarios that is subject to inherent uncertainty because of incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future physical and transitional climate-related impacts.

Responsibilities of Management and Those Charged with Governance for the Sustainability Information

Management of Group are responsible for:

- The Group management is responsible for the preparation of the sustainability information in accordance with Turkish Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- The Group Management is also responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and developing estimates in accordance with the conditions.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Practitioner's Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Directors of Group.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.

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- Design and perform procedures responsive to where material misstatements are likely to arise in the sustainability information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of Sustainability Information.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.

Professional Standards Applied

We performed a limited assurance engagement in accordance with Standard on Assurance Engagements 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the work of experts, in particular, to assist with determining the reasonableness of Group's information and assumptions related to climate and sustainability risks and opportunities. We remain solely responsible for our assurance conclusion.

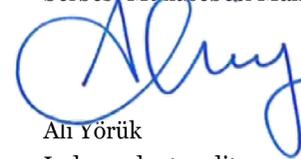
Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information, we:

- Inquiries were conducted with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period
- The Group's internal documentation was used to assess and review the information related to sustainability;
- Considered the presentation and disclosure of the Sustainability Information.
- Through inquiries, obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates;
- Obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Ali Yörük
Independent auditor

İstanbul, 11 March 2025

Statement of Independent Assurance in Human Rights and Supply Chain



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Independent Auditor Limited Assurance Report

To the Board of Directors of Migros Ticaret A.Ş.

We were engaged by Migros Ticaret A.Ş. (hereinafter “Company” or “Migros”) to provide limited assurance on whether the “Selected Information” as defined in the Integrated Annual Report (hereinafter “the Report”) has been prepared by Company for the year ended 31 December 2024.

The scope of our assurance is limited to the Selected Information listed and described below for the relevant activities:

Number of discrimination incidents – in accordance with the definition of GRI 406-1

- Percentage of employees covered by collective bargaining and measures taken to promote this right - in accordance with the definition of GRI 407-1
- Number of child labor incidents and measures taken - in accordance with the definition of GRI 408-1
- Operations evaluated at significant risk for forced or compulsory labor and number of incidents identified - in accordance with the definition of GRI 409-1
- Occupational health services - in accordance with the definition of GRI 403-3
- Workers covered by an occupational health and safety management - in accordance with the definition of GRI 403-8
- Work related injuries - in accordance with the definition of GRI 403-9
- Diversity and equal opportunity - in accordance with the definition of GRI 405-1
- Diversity of governance bodies and employees in accordance with the definition of GRI 405-2

- Parental leave - in accordance with the definition of GRI 401-3
- Security personnel trained in human rights policies or procedures - in accordance with the definition of GRI 410-1
- Percentage of the new suppliers that were screened through social audits - in accordance with the definition of GRI-414-1
- Number of social audits conducted on suppliers, number of identified incidents that have significant negative social impact and actions taken, rate of improvement upon measures taken on incidents and number of suppliers with which the relationship is terminated due to negative social impact - in accordance with the definition of GRI 414-2
- Requirements for product and service information and labeling - in accordance with the definition of GRI 417-1
- Percentage of employees receiving regular performance and career development reviews – in accordance with the definition of GRI 404-3

Management's responsibilities

Management is responsible for the preparation and presentation of the Report for the Selected Information as described in the Report, and the information and assertions contained within it; for determining the Company objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Management is responsible for preventing and detecting fraud and for identifying and ensuring that Company complies with laws and regulations applicable to its activities.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. These Standards require that we plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

Statement of Independent Assurance in Human Rights and Supply Chain

The firm International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Procedures performed

A limited assurance engagement on a Selected Information consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Selected Information, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Interviews with relevant staff at the corporate and business unit level responsible for providing the information in the Selected Information.
- Re-performing, on a sample basis, the calculations used to prepare the Selected Information for the reporting period.
- Comparing the information presented in the Selected Information to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the Selected Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Selected Information may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Selected Information, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Selected Information as defined in the Integrated Annual Report of Company's for the year ended 31 December 2024 is not presented, in all material respects.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Company, for any purpose or in any other context. Any party other than Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Company for our work, for this limited assurance report, or for the conclusions we have reached.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi



Şirin Soysal
Partner
İstanbul, 10 March 2025

Greenhouse Gas Emissions Verification Statement



Greenhouse Gas Verification Statement

MİGROS TİCARET A.Ş.

Organizational Boundaries

Head office: Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir/İstanbul
All emissions arising from all activities of Migros Ticaret A.Ş. in the Head Office, Regional Directorates, branches, distribution centers, sales regions, warehouses, subsidiaries, affiliate companies and breeding farm are within organizational limits.

The Greenhouse Gas emissions inventory has been verified to meet the standard requirements specified below according to ISO 14064-3:2019

ISO 14064-1:2018

Category 1- Direct Emissions	269,998	t CO ₂ eq
Category 2- Emissions from imported energy (Location Based)	306,253	t CO ₂ eq
Category 2- Emissions from imported energy (Market Based)	151,495	t CO ₂ eq
Category 3- Emissions from transportation	301,920	t CO ₂ eq
Category 4- Emissions from products, service used	5,823,754	t CO ₂ eq
Category 5- Emissions from associated with the use of the product	2,495,351	t CO ₂ eq
Category 6- Other Emissions	53,518	t CO ₂ eq
Total Emissions (Location Based)	9,250,794	t CO₂ eq
Total Emissions (Market Based)	9,096,036	t CO₂ eq

YKGG Reference Number: 5569151764

Non-Biogenic Anthropogenic GHG Emissions (Location Based)	9,244,837	t CO ₂ eq
Anthropogenic biogenic GHG emission (Location Based)	5,956	t CO ₂ eq
Non-Biogenic Anthropogenic GHG Emissions (Market Based)	9,090,080	t CO ₂ eq
Anthropogenic biogenic GHG emission (Market Based)	5,956	t CO ₂ eq

Not: AR6 is used for combustion and AR5 is used for other greenhouse gases. / Yanmalar için AR6, diğer sera gazları için AR5 değeri kullanılmıştır.

Level of Assurance	: Reasonable	Verification Report Date	: 06.03.2025
Reporting Period	: 01.01.2024 - 31.12.2024	Statement No	: SG-GNL-155/2024/02

Approved by
Okay Kayhanlı – General Manager



QSI Belgeleme, Muayene ve Test Hizmetleri Ltd. Şti.
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Water Footprint Verification Statement



Water Footprint Verification Statement

MİGROS TİCARET A. Ş.

Organizational Boundaries

Head Office: Atatürk Mahallesi Turgut Özal Bulvarı No:7, 34758, Ataşehir, İSTANBUL
Organizational boundaries are determined as Head Office, Regional Directorates, branches, distribution centers, sales regions, warehouses, subsidiaries, affiliate companies and breeding farm.

The Water Footprint report has been verified to meet the standard requirements specified below according to ISO 17029:2019

ISO 14046:2014

Blue Water Footprint (<i>Except drinking water</i>)	1,380,699 m ³
Gray Water Footprint	756,462 m ³
Green Water Footprint	_ m ³

*Tables containing details of the verified values are given in the appendix.

Level of Assurance	: Reasonable	Verification Report Date	: 27.02.2025
Reporting Period	: 01.01.2024 - 31.12.2024	Statement No	: WP-GNL-155/2024/01

Approved by
Okay Kayhanlı – General Manager

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APPENDIX

Water Withdrawal (m ³)	Total
Surface Water (Municipal Water)	1,253,730
Ground Water (Well Water)	126,969
*Total (<i>*Except drinking water</i>)	1,380,699

Water Discharge	Amount (m ³)	Ratio (%)
Discharged to sewerage system	1,239,249	99.7%
Discharged to the receiving environment (other)	3,380	0.3%
*Total (<i>*Except drinking water</i>)	1,242,629	100%

Stressful Area Consumption

Water withdrawal and water discharge data of 50 locations consisting of 31 branches and 19 operational units, which are prioritized in terms of water risk and water stress determined by the WRI Aqueduct Water Risk Atlas, have been verified.

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GRI Content Index

Declaration of Use	Migros has reported for the period 1 January-December 2024 in accordance with the GRI Standards.
GRI 1 Usage	GRI 1 Basics 2021
Applicable GRI Sector Standards	n/a

GRI Standard	Disclosures	Reference and/or Direct Answers
GRI 1: FOUNDATION 2021		
GRI 2: GENERAL DISCLOSURES 2021		
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report
	2-2 Entities included in the organization's sustainability reporting	About the Report
	2-3 Reporting period, frequency and contact point	About the Report
	2-4 Restatements of information	Double Materiality Analysis
	2-5 External assurance	Supplier Selection & Auditing Processes Data Privacy and Security Compliance with Human Rights Policies
	2-6 Activities, value chain and other business relationships	Migros Better Future Plan About Migros
	2-7 Employees	Employee Profile Human Resources Tables
	2-8 Workers who are not employees	Employee Profile
	2-9 Governance structure and composition	Integrated Management Systems Board of Directors Board of Directors Report
	2-10 Nomination and selection of the highest governance body	Board of Directors Corporate Governance Compliance Report
	2-11 Chair of the highest governance body	Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Compliance Report
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Compliance Report
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Committee
	2-15 Conflicts of interest	Corporate Governance Compliance Report
	2-16 Communication of critical concerns	Corporate Governance Compliance Report
	2-17 Collective knowledge of the highest governance body	Board of Directors Corporate Governance Compliance Report
	2-18 Evaluation of the performance of the highest governance body	Board of Directors Corporate Governance Compliance Report

GRI Content Index

GRI Standard	Disclosures	Reference and/or Direct Answers
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Board of Directors Gender Equality Initiatives at Migros
	2-20 Process to determine remuneration	Board of Directors Gender Equality Initiatives at Migros
	2-21 Annual total compensation ratio	Confidentiality constraints: Information which is not open to public.
	2-22 Statement on sustainable development strategy	Migros Better Future Plan 2024 Financial Review
	2-23 Policy commitments	Corporate Governance Compliance Report
	2-24 Embedding policy commitments	Corporate Governance Compliance Report
	2-25 Processes to remediate negative impacts	Corporate Governance
	2-26 Mechanisms for seeking advice and raising concerns	Compliance with Corporate Policies & Ethical Principles Employee Satisfaction & Wellbeing
	2-27 Compliance with laws and regulations	Corporate Governance Compliance Report
	2-28 Membership associations	Memberships, Collaborations & Initiatives
	2-29 Approach to stakeholder engagement	Communication with Stakeholders
	2-30 Collective bargaining agreements	Labor Union Membership and Collective Bargaining Agreement
GRI 3: MATERIAL TOPICS 2021		
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality Analysis
	3-2 List of material topics	Double Materiality Analysis
	3-3 Management of material topics	Double Materiality Analysis
Ecosystem Sustainability through Transparent, Responsible, Ethical Governance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Double Materiality Analysis 2024 Financial Review
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2024 Financial Review
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risk & Opportunity Governance
	201-3 Defined benefit plan obligations and other retirement plans	Employee Satisfaction & Wellbeing
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Compliance with Human Rights Policies
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainability Performance Indicators
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance Compliance Report
	205-2 Communication and training about anti-corruption policies and procedures	What Migros Expects of its Suppliers Corporate Governance Compliance Report
	205-3 Confirmed incidents of corruption and actions taken	Compliance with Corporate Policies & Ethical Principles
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Board of Directors Report



GRI Content Index

GRI Standard	Disclosures	Reference and/or Direct Answers
GRI 207: Tax 2019	207-1 Approach to tax	Tax Approach & Management
	207-2 Tax governance, control, and risk management	Tax Approach & Management
	207-3 Stakeholder engagement and management of concerns related to tax	Tax Approach & Management
	207-4 Country-by-country reporting	Tax Approach & Management
Access to Healthy and Sustainable Products & Services		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality Analysis Access to Healthy and Sustainable Products & Services
Comprehensive Action against Climate Change		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Environmental Management Double Materiality Analysis
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Performance & Targets
	302-2 Energy consumption outside of the organization	Performance & Targets
	302-3 Energy intensity	Performance & Targets
	302-4 Reduction of energy consumption	Energy-Efficiency Initiatives
	302-5 Reductions in energy requirements of products and services	Energy-Efficiency Initiatives
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Performance Indicators Performance & Targets
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Performance Indicators Performance & Targets
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability Performance Indicators Performance & Targets
	305-4 GHG emissions intensity	Sustainability Performance Indicators Performance & Targets
	305-5 Reduction of GHG emissions	Performance & Targets
	305-6 Emissions of ozone depleting substances (ODS)	Ecofriendly Refrigeration Systems
Sustainable Agriculture and Saving Food		
GRI 3: Material Topics 2021	3-3 Management of material topics	Double Materiality Analysis
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainable Water Management
	303-2 Management of water discharge-related impacts	Sustainable Water Management
	303-3 Water withdrawal	Sustainability Performance Indicators
	303-4 Water discharge	Sustainability Performance Indicators
	303-5 Water consumption	Sustainable Water Management
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Sustainable Agriculture & Biodiversity
	304-2 Significant impacts of activities, products and services on biodiversity	Sustainable Agriculture & Biodiversity



GRI Content Index

GRI Standard	Disclosures	Reference and/or Direct Answers
Supporting the Circular Economy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Double Materiality Analysis Supporting the Circular Economy & Effective Waste Management
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Supporting the Circular Economy & Effective Waste Management
	306-2 Management of significant waste-related impacts	Supporting the Circular Economy & Effective Waste Management Sustainability Performance Indicators
	306-3 Waste generated	Supporting the Circular Economy & Effective Waste Management Sustainability Performance Indicators
	306-4 Waste diverted from disposal	Sustainability Performance Indicators
	306-5 Waste directed to disposal	Sustainability Performance Indicators
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Suppliers Audit Results
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier Selection & Auditing Processes Suppliers Audit Results
Employee Satisfaction and Talent Management		
GRI 3: Material Topics 2021	3-3 Management of material topic	Double Materiality Analysis Corporate Governance Compliance Report
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee Profile
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Satisfaction & Wellbeing
	401-3 Parental leave	Employee Satisfaction & Wellbeing Sustainability Performance Indicators
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Sustainability Performance Indicators
GRI 404: Training And Education 2016	404-1 Average hours of training per year per employee	Contributing to Employee Development Sustainability Performance Indicators
	404-2 Programs for upgrading employee skills and transition assistance programs	Contributing to Employee Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Performance Indicators
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labor Union Membership and Collective Bargaining Agreement
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Suppliers Audit Results Compliance with Human Rights Policies



GRI Content Index

GRI Standard	Disclosures	Reference and/or Direct Answers
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Suppliers Audit Results Compliance with Human Rights Policies
GRI 410: Security Practices 2016	410-1 Percentage of security personnel trained in human rights policies or procedure	Compliance with Human Rights Policies
Health and Safety of Employees		
GRI 3: Material Topics 2021	3-3 Management of material topic	Double Materiality Analysis Employee Health & Safety
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Employee Health & Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Sustainability Performance Indicators
	403-3 Occupational health services	Employee Health & Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Labor Union Membership and Collective Bargaining Agreement Employee Health & Safety
	403-5 Worker training on occupational health and safety	Employee Health & Safety
	403-6 Promotion of worker health	Employee Satisfaction & Wellbeing Employee Health & Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health & Safety
	403-8 Workers covered by an occupational health and safety management system	Employee Health & Safety
	403-9 Work-related injuries	Sustainability Performance Indicators
	403-10 Work-related ill health	OHS Tables
Gender & Opportunity Equality		
GRI 3: Material Topics 2021	3-3 Management of material topic	Double Materiality Analysis Compliance with Human Rights Policies
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Gender & Opportunity Equality
	405-2 Ratio of basic salary and remuneration of women to men	Gender & Opportunity Equality Sustainability Performance Indicators
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Gender Equality Initiatives at Migros Compliance with Human Rights Policies
Social Responsibility & Awareness		
GRI 3: Material Topics 2021	3-3 Management of material topic	Social Responsibility & Awareness Double Materiality Analysis
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Growing Sustainably along with Suppliers



GRI Content Index

GRI Standard	Disclosures	Reference and/or Direct Answers
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Corporate Governance Compliance Report
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Responsibility & Awareness
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria 414-2 Negative social impacts in the supply chain and actions taken	Supplier Selection & Auditing Processes Suppliers Audit Results
Transparent & Rapid Product Information Flow		
GRI 3: Material Topics 2021	3-3 Management of material topic	Double Materiality Analysis Good & Reliable Customer Experience Responsible Advertising & Marketing Communication Quality & Product Safety Transparent & Rapid Product Information Flow
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Operational and Product Quality Control Processes Sustainability Performance Indicators
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Operational and Product Quality Control Processes Transparent & Rapid Product Information Flow
Good & Reliable Customer Experience		
GRI 3: Material Topics 2021	3-3 Management of material topic	Double Materiality Analysis Good & Reliable Customer Experience
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Effective Customer Communication Data Privacy and Security
Innovated Practices		
GRI 3: Material Topics 2021	3-3 Management of material topic	Double Materiality Analysis Digitalization & Innovation



United Nations Global Compact (UNGC) Content Index

Topics	Global Principles	Explanation Section in the Report
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Statement of Independent Assurance in Human Rights and Supply Chain Compliance with Corporate Policies & Code of Ethics
	Principle 2: make sure that they are not complicit in human rights abuses.	Statement of Independent Assurance in Human Rights and Supply Chain Compliance with Corporate Policies & Code of Ethics
	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Statement of Independent Assurance in Human Rights and Supply Chain Labor Union Membership and Collective Bargaining Agreement
Labour	Principle 4: the elimination of all forms of forced and compulsory labour;	Statement of Independent Assurance in Human Rights and Supply Chain Compliance with Corporate Policies & Code of Ethics
	Principle 5: the effective abolition of child labour; and	Statement of Independent Assurance in Human Rights and Supply Chain Compliance with Corporate Policies & Code of Ethics
	Principle 6: the elimination of discrimination in respect of employment and occupation.	Gender & Opportunity Equality Compliance with Corporate Policies & Ethical Principles
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	Extensive Combat Against Climate Change Sustainable Water Management Sustainable Agriculture & Biodiversity Supporting the Circular Economy & Effective Waste Management
	Principle 8: undertake initiatives to promote greater environmental responsibility; and	Extensive Combat Against Climate Change Sustainable Water Management Sustainable Agriculture & Biodiversity Supporting the Circular Economy & Effective Waste Management
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Extensive Combat Against Climate Change Sustainable Water Management Sustainable Agriculture & Biodiversity Supporting the Circular Economy & Effective Waste Management
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Compliance with Corporate Policies & Code of Ethics



United Nations Women's Empowerment Principles (UN WEPs)

Principles

Principle 1: Establish high-level corporate leadership for gender equality

Principle 2: Treat all women and men fairly at work – respect and support human rights and nondiscrimination

Principle 3: Ensure the health, safety and well-being of all women and men workers

Principle 4: Promote education, training and professional development for women

Principle 5: Implement enterprise development, supply chain and marketing practices that empower women

Principle 6: Promote equality through community initiatives and advocacy

Principle 7: Measure and publicly report on progress to achieve gender equality

References

Corporate Governance Principles Compliance Report
Gender & Opportunity Equality

Gender & Opportunity Equality

Employee Satisfaction & Wellbeing
Gender & Opportunity Equality

Empowering Employees

Gender & Opportunity Equality

Gender & Opportunity Equality

2024 Highlights
Gender & Opportunity Equality

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