Additional Sustainability Disclosures 2025

This document brings together selected sustainability-related information concerning Migros' governance practices, people and human rights, environmental management, responsible products, customer experience, digital governance and tax approach. It complements the information disclosed through Migros' Integrated Annual Report, policies and other public reporting channels.

Governance and Business Conduct

The Company maintains a formal Executive Succession Planning Policy covering the Chief Executive Officer and key executive management roles. The Board of Directors reviews succession plans annually and evaluates both emergency and long-term succession scenarios. Potential successors are identified through a structured talent assessment process and evaluated based on critical role experience, leadership capabilities, strategic perspective, operational and commercial expertise, organizational impact, and long-term potential. The outcomes of the succession planning process are integrated into leadership development plans as well as the Company's sustainability and business continuity initiatives.

The CEO's variable compensation is determined using company and individual performance indicators. Company-level metrics include financial and operational targets aligned with the annual budget and long-term strategy. Individual performance is assessed through a balanced scorecard covering financial, operational, customer, technological innovation, ESG and employee-related criteria. Capital-efficiency and cash-generation indicators also form part of the financial performance evaluation.

During 2025, Migros received a total of 1,490 reports concerning ethics-related matters through all communication channels. Of these reports, 72 were submitted through anonymous whistleblowing channels. Reported matters are assessed by the relevant committees, and appropriate actions are taken when necessary.

All reported allegations of misconduct are reviewed through established ethics and compliance processes and, where necessary, are subject to an investigation. Confirmed violations may result in corrective and disciplinary actions in accordance with company procedures. Migros seeks to ensure confidentiality, protection against retaliation for good-faith reporting, and implementation of appropriate corrective and preventive measures to address identified issues and prevent recurrence.

Risk Management, Digital Governance and Business Resilience

Migros has established a governance framework to oversee information security and cybersecurity risks at both board and executive levels. Information security-related risks are monitored as part of the Company's overall risk management framework, under the oversight of the Early Detection of Risk Committee, which operates at the board level and is responsible for identifying and managing critical risks, including those related to information security. At the management level, responsibility for information security is assigned to the Chief Information Officer (CIO), who oversees the implementation of information security strategies, policies and controls across the organization. In addition, Migros has established dedicated committees, such as the PDPL Compliance Committee and Information Security Committee, which are responsible for monitoring information security practices, ensuring regulatory compliance and coordinating cross-functional actions. These committees regularly report their findings to senior management and support decision-making processes. This governance structure ensures that information security risks are systematically monitored, reviewed and escalated to the relevant management and board-level bodies, supporting a comprehensive and integrated approach to cybersecurity and data protection.

Emerging Risk: Artificial Intelligence and Advanced Digital Technologies

Risk Category: Technological

Migros identifies the rapid advancement and adoption of artificial intelligence (AI), advanced analytics and autonomous technologies across the retail value chain as an emerging long-term risk and opportunity. As these technologies continue to evolve, they may fundamentally reshape customer expectations, workforce requirements, operational processes, supply chain management and competitive dynamics within the retail sector. The full scale and pace of disruption remain uncertain, creating potential risks related to business model adaptation, talent requirements, technology investments and the responsible use of AI-driven solutions. As AI adoption expands, risks associated with the privacy of customer, employee, and supplier data will increase, potentially exposing the company to higher legal liabilities and greater reputational harm. The potential impact on Migros may include the need to redesign operating models, accelerate digital capabilities, develop new skills across the workforce and adapt customer engagement strategies to remain competitive in an increasingly technology-driven market. Failure to anticipate and respond to these developments could affect operational efficiency, customer experience and long-term business resilience. To mitigate this risk, Migros continues to invest in digital transformation initiatives, advanced analytics capabilities, data-driven decision-making processes and innovation projects across its operations. The Company also monitors emerging technology trends, evaluates potential business impacts through its enterprise risk management processes and incorporates digital transformation considerations into its long-term strategic planning.

People and Human Rights

Human-rights considerations are integrated into Migros' sustainability, risk-management and workforce-management processes. The Human Resources and Industrial Relations function is responsible for the day-to-day management of human-rights matters, supported by Sustainability, Internal Audit, Quality Management and Procurement through coordinated implementation and oversight activities.

Migros assesses actual and potential adverse human rights impacts across its own operations and supply chain. The key human rights issues considered in these assessments include occupational health and safety and the provision of a safe working environment; equal opportunity and non-discrimination, including on the grounds of nationality and ethnic origin; diversity and inclusion; freedom of association and the right to collective bargaining; the prevention of child labour and forced labour; and fair working conditions and OHS standards. These issues inform Migros' human rights-related monitoring, due diligence and improvement activities.

Based on its assessment of actual and potential adverse human rights impacts across its own operations and supply chain, Migros has identified occupational health and safety; equal opportunity, non-discrimination, diversity and inclusion; freedom of association and collective bargaining; prevention of child and forced labour; and fair working conditions as its salient human rights issues. The potential severity of impacts on employees, supply chain workers and other affected stakeholders is considered in prioritizing due diligence, monitoring and corrective, preventive and remedial actions.

Migros is committed to addressing adverse human rights impacts linked to its operations and business relationships. Where the Company identifies that it has caused or contributed to an adverse human rights impact, it seeks to provide or cooperate in appropriate remediation processes through corrective actions, stakeholder engagement and established grievance mechanisms. Where appropriate, the Company will engage with affected stakeholders, investigate reported concerns, implement corrective actions and support fair and effective remedy mechanisms.

Migros manages pay equity through a structured and ongoing Equal Pay Assessment Program. The program reviews remuneration practices across relevant employee groups to assess whether employees in comparable roles and job-family levels receive fair and equitable compensation regardless of gender. The methodology considers objective factors including job-family architecture, role level, individual performance, seniority, employment category and applicable collective-bargaining or contractual conditions. Outcomes are periodically reviewed by Human Resources and relevant management teams, and improvement actions are implemented where gaps or inconsistencies are identified. This program supports Migros' equal pay for equal work approach and is disclosed through the Company's Integrated Annual Report and related sustainability reporting.

Migros' operations are located in Türkiye, and relevant labour policies are made available to employees in Turkish and English, as applicable.

Migros manages employee rights, working conditions and employee well-being through an integrated Labor Practices Program designed to promote fair, safe, inclusive and supportive workplaces, while ensuring compliance with applicable labor standards and contributing to long-term workforce sustainability. The program is embedded within the Company's human resources management framework and is implemented through policies, procedures, monitoring mechanisms and continuous improvement processes covering remuneration, working hours and overtime, employee representation and social dialogue, equal pay and non-discrimination, benefits and social protection, annual leave management, employee feedback mechanisms, and learning and development. Remuneration practices are based on objective criteria, job responsibilities, market benchmarks and applicable collective bargaining arrangements. Migros promotes the principle of equal pay for equal work and conducts pay analyses to assess remuneration practices, identify potential disparities and support improvement actions where needed. Working hours, shift arrangements and overtime are systematically monitored to support legal compliance, prevent excessive working hours and safeguard employee well-being. Annual leave balances and utilization are regularly reviewed through established follow-up processes, and employees are encouraged to use their leave entitlements to support work-life balance and overall well-being. Migros respects freedom of association and employees' rights to collective representation. The Company maintains constructive dialogue with trade unions and employee representatives regarding compensation, benefits, occupational health and safety, working conditions and other employment-related matters. Employee surveys, feedback and grievance mechanisms, ethics reporting channels and internal control processes provide employees with multiple opportunities to raise concerns, share feedback and contribute to continuous improvement. In addition to statutory employee rights, Migros provides a range of benefits and well-being programs designed to support employees' physical, mental, social and financial well-being throughout their employment lifecycle. These practices contribute to employee engagement, social protection and a positive employee experience. To support employees in adapting to changing business needs and evolving skill requirements, Migros invests in vocational, technical, digital, leadership and personal development programs. Learning and development opportunities are designed to strengthen current capabilities, support career development and prepare employees for future roles and responsibilities. The effectiveness of the Labor Practices Program is monitored through key human resources indicators, employee surveys, grievance and ethics reporting mechanisms, training participation data, working time records, leave utilization rates and other relevant workforce metrics. Findings are reviewed regularly to identify improvement opportunities, strengthen employee rights and well-being, and continuously enhance working conditions and employee experience across the organization.

As part of its human rights due diligence and risk management approach, Migros regularly identifies, assesses and monitors labour and human rights risks across its own operations and workforce. The assessment covers occupational health and safety, employee well-being, equal opportunity and non-discrimination, diversity and inclusion, freedom of association and collective bargaining, working conditions, working hours, remuneration and benefits, and workplace ethics. Risk identification and assessment are supported by human resources processes, employee feedback, grievance and ethics reporting channels, internal audits, human rights-focused social compliance assessments, and occupational health and safety monitoring. OHS-related assessments also include workplace risk assessments, site inspections, and analyses of workplace incidents and near-miss events. The findings are used to identify and prioritize corrective, preventive and, where appropriate, remedial actions; strengthen relevant controls; and continuously improve labour standards, working conditions and occupational health and safety performance across the Company.

Migros' operations are fully located in Türkiye. As there is no official framework for workforce reporting based on ethnic or racial minority status in Türkiye, Migros does not collect, monitor or report employee data by ethnic origin, race, religion or similar characteristics, in line with applicable legal and privacy requirements. Therefore, the percentage of employees classified under minority groups is not available.

Learning, knowledge sharing and stakeholder engagement

Knowledge Sharing and Peer Learning Programs: Migros promotes employee-to-employee learning through a broad portfolio of mentoring, coaching, internal trainer and knowledge-sharing initiatives, including Geleceğe Dönüş reverse mentoring, Migros Eğitmen Akademisi, Migros Eğitmen Kiti, Migros Sosyal, Mentor Connect, internal mentoring and coaching programs, Mentorum Sensin, İyi Gelecek Paylaşımlar and İyi Gelecek Peşinde. These programs support cross-functional collaboration, leadership development, experience sharing, knowledge transfer and peer learning across the organization. Learning and development opportunities are available to full-time, part-time, contracted and outsourced employees.

Migros continues its external engagement with peers, civil society organizations, governments and other stakeholders to help inform its approach to human rights management. Since 2020, Migros has been implementing the "Development and Acceleration of Women Entrepreneurs in Agriculture" program in collaboration with KAGİDER, fostering the economic and social empowerment of women entrepreneurs and contributing to the advancement of inclusive and sustainable agricultural value chains. In 2025, the program continued to engage women entrepreneurs through an interactive platform that combined training sessions, stakeholder dialogue, experience-sharing and peer learning opportunities. The program addressed topics related to equal opportunity and non-discrimination, educational rights, legal rights, access to public support mechanisms, sustainable agriculture and local development, supporting the empowerment and inclusion of women entrepreneurs within the agricultural value chain. To date, more than 400 women entrepreneurs from nearly 60 provinces across Türkiye have benefited from the program.

Climate, Nature and Resource Management

Migros assesses environmental risks related to suppliers through a supplier risk assessment process covering sector, product category, geographical location, environmental impacts, regulatory exposure and audit findings. Supplier assessments include on-site audits for candidate suppliers and periodic evaluations for existing suppliers. Suppliers that do not meet Migros requirements are subject to corrective action plans and follow-up audits.

Migros evaluates and promotes product-recovery and take-back initiatives, including deposit-return systems and customer-facing collection programs for used batteries, electronic waste, waste cooking oil and other recyclable materials where end-of-life recovery and diversion from disposal can be measured.

In line with Migros' SBTi-approved no-deforestation commitment, the target to achieve 100% certified sourcing of palm oil, soy, cocoa and beef-related products has been extended by SBTi until the end of 2027. In 2025, certified product sales reached 23% for palm oil, 7% for soy, 22% for cocoa and 100% for beef-related products. Relevant sustainability certifications include Rainforest Alliance, Fairtrade and Sustainability Sourced Cacao for cocoa; Roundtable on Sustainable Palm Oil (RSPO); Roundtable on Sustainable Biomaterials (RSB); and International Sustainability & Carbon Certification (ISCC). Migros continues to work with suppliers and certification schemes to support its no-deforestation and responsible-sourcing objectives.

Migros does not invest in fossil fuel extraction or other unabated carbon-intensive industrial assets. The Company's climate-related investments are focused on renewable energy, energy efficiency, low-carbon technologies and refrigerant transition projects that support its climate targets. The Company's investment decisions are aligned with its climate targets and net-zero ambition by supporting the transition to lower-carbon operations and technologies.

Migros does not engage in direct lobbying activities. The Company participates in trade associations and collaborative platforms, including TÜSİAD and the Consumer Goods Forum, to contribute to climate-related policy discussions and sustainability initiatives. Memberships are periodically reviewed for alignment with Migros' climate strategy and the goals of the Paris Agreement. Potential misalignments are addressed through engagement and appropriate follow-up actions. Relevant memberships and climate-related engagements are publicly disclosed through Migros' Integrated Annual Report and CDP disclosures.

In 2025, Migros delivered 1,839 employee-hours of training on ISO 50001 and energy efficiency.

Aligned with Migros' company-wide water reduction target, the Company aims to reduce water withdrawal from water-stressed areas per square meter of sales area by 10% by 2030 from a 2023 baseline. In 2025, an approximately 1.9% reduction was achieved compared to the 2023 baseline.

Regional water withdrawal & discharge in 2025

Region	Water withdrawal (m^3)	Water Discharge(m^3)
Mediterranean	194,172	174,755
Eastern Anatolia	40,854	36,769
Aegean	389,136	350,222
Southeastern Anatolia	51,318	46,186
Central Anatolia	146,170	131,553
Black Sea	59,038	53,134
Marmara	561,036	504,932
Total	**1,441,724**	**1.297,552**

Sustainable Products and Customer Experience

Migros monitors the environmental characteristics of products and packaging within its private-label portfolio. Of 53 assessed private-label products containing wood or paper materials, 18, approximately 33%, had FSC certification. Migros also monitors packaging-material use and recycled content in line with its sustainability commitments.

Products included in the organic category carry certification under the Turkish Republic Organic Agriculture framework. Organic-product revenue represented 1.02% in 2022, 1.05% in 2023, 1.00% in 2024 and 1.21% in 2025.

In 2025, Migros allocated TRY 132.5 million to sustainability-focused R&D and innovation projects aimed at developing products, services and operational solutions that support its sustainable-products portfolio.

Migros enhances product quality and product safety through digital and data-driven quality management practices. AI-supported solutions are being implemented to improve product label management, while digital tools are used to increase the visibility and completeness of product information across online sales channels. Supplier audits are conducted through a dedicated digital platform that enables real-time reporting, performance monitoring and transparent communication. Supplier quality performance is evaluated through a structured scoring system covering supplier audits, analysis results, customer complaints, non-conformities and product withdrawals. Product quality performance is monitored through operational KPIs, including supplier audit performance, customer complaint resolution times and new product approval timelines. Product recall preparedness is supported through regular recall simulation exercises conducted jointly by relevant teams.

Integration of Customer Feedback into Product and Service Development: Migros collects customer suggestions, expectations and feedback through its contact center, digital channels, mobile applications and in-store touchpoints. Customer insights are regularly analyzed and shared with relevant business units to identify opportunities for improving products, services and customer experience. These insights are translated into concrete actions and solutions that respond directly to customer expectations. Examples include product assortment decisions shaped by customer suggestions, personalized campaign tools, and operational improvements designed to enhance convenience and service quality.

> -Queue Reduction at Checkouts: Customer feedback highlighted the importance of a fast and convenient checkout experience. In response, Migros expanded its self-checkout solution to help customers complete their shopping more efficiently and enjoy a smoother in-store journey. In 2025, self-checkout systems were introduced in 530 additional stores, reaching a total of 796 stores.
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> -Enhancing Pricing Accuracy with Electronic Shelf Labels: Customer feedback identified pricing accuracy and transparency as important drivers of customer trust and satisfaction. To address these expectations, Migros expanded the use of Electronic Shelf Labels (ESL), enabling real-time synchronization of shelf and checkout prices. In 2025, ESL installation was completed in 816 stores, exceeding the target of 775 stores. The solution also enables store teams to spend less time on manual label replacement and more time supporting customers.

Accessibility and Service Improvements for Elderly and Customers with Special Needs: Migros aims to provide an inclusive and accessible customer experience through multiple communication channels, including phone, website, mobile application, e-mail, WhatsApp, surveys, and in-store services. The Customer Contact Center utilizes a natural language processing-based voice guidance system and simplified service flows for customers aged 65 and above, enabling easier and faster access to support. Customer feedback related to accessibility and service experience is regularly reviewed and shared with relevant teams, contributing to continuous improvement.

Responsible Tax Approach

Migros applies the arm's-length principle to related-party transactions in line with the OECD Transfer Pricing Guidelines. Transactions with related parties are conducted under the same commercial terms, conditions and governance principles as those applied to independent third parties.

Tax-related risks and compliance matters are primarily overseen by Migros and Anadolu Group senior management, including the CEO, CFO and Tax Directorate. Tax compliance is managed through the tax and accounting functions and subject to internal control mechanisms and the Company's risk management framework. The Audit Committee, composed entirely of independent Board members, oversees financial reporting, internal control and compliance processes, while the Early Detection of Risk Committee monitors material financial and regulatory risks. Significant tax matters, including tax law changes and potential additional tax liabilities, are assessed within this governance structure and escalated to the relevant Board committees when deemed material.

Migros and its subsidiaries, which operate in Türkiye, keep their accounting books and prepare their statutory financial statements in Turkish Lira (TRY) in accordance with the accounting and financial reporting framework and standards promulgated by the Capital Markets Board of Türkiye (CMB), the Turkish Commercial Code (TCC), applicable tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The Group's publicly disclosed revenue, profit before tax, current tax expense and income taxes paid relate to its operations in Türkiye and are reported through its consolidated financial statements.

Migros’ tax approach is aligned with the principle that profits should be taxed where economic activities take place and value is created. The Company does not pursue artificial profit shifting to low-tax jurisdictions and does not undertake transactions or structures solely for tax purposes without a clear commercial rationale. Business and operational considerations form the basis of corporate decision-making.

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