



MIGROS CLIMATE TRANSITION PLAN



Our Sustainability Strategy



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

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








HEALTH AND SAFETY OF OUR EMPLOYEES

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



Our Targets and Commitments

A Better Future for Our Planet

-  Achieving **Net Zero** by 2050
-  **42%** reduction in absolute Scope 1 and Scope 2 carbon emissions by end-2030 compared to 2020
-  Reduce per-day water consumption/m2 sales area by **10%** by end-2030 compared to 2023
-  Reduce per-day electricity consumption/m2 sales area by **35%** by end-2030 compared to 2019
-  Reduce our food waste tonnage / food supply tonnage by **50%** by end-2030 compared to 2018
-  Reduce CO2 emissions per shipped unit by **2.5%** by end-2027 compared to 2023
-  Transformation of single-use plastics into environmentally friendly products in our Macrocenter stores by end - 2025

A Better Future through Transformative Innovation

-  Develop **15** Migros Up co-innovation projects with startups by end-2024
-  Standardize and digitalize all merchandisable goods product data by end-2030

A Better Future for Customers & Stakeholders

-  Increase GAP-certified fruit and vegetable procurements tonnage by **10%** by end-2024
-  Increase sustainable certified fruit and vegetable procurements tonnage by **50%** by end-2030
-  Have all farmed fish on sale GAP-certified by end-2030
-  Reach certified classroom training to **850,000** people by the end - 2027 through Family Clubs

A Better Future for Our Employees

-  Increase percentage of women with managerial responsibilities by **35%** by end-2027
-  Increase percentage of women with managerial responsibilities by **50%** by end-2050
-  Increase percentage of women in top management (CEO & direct-reports) to between **27-33%** by end-2026
-  Reduce accident severity rate (lost days) by **1%** by end-2025 compared to 2020

Extensive Combat Against Climate Change



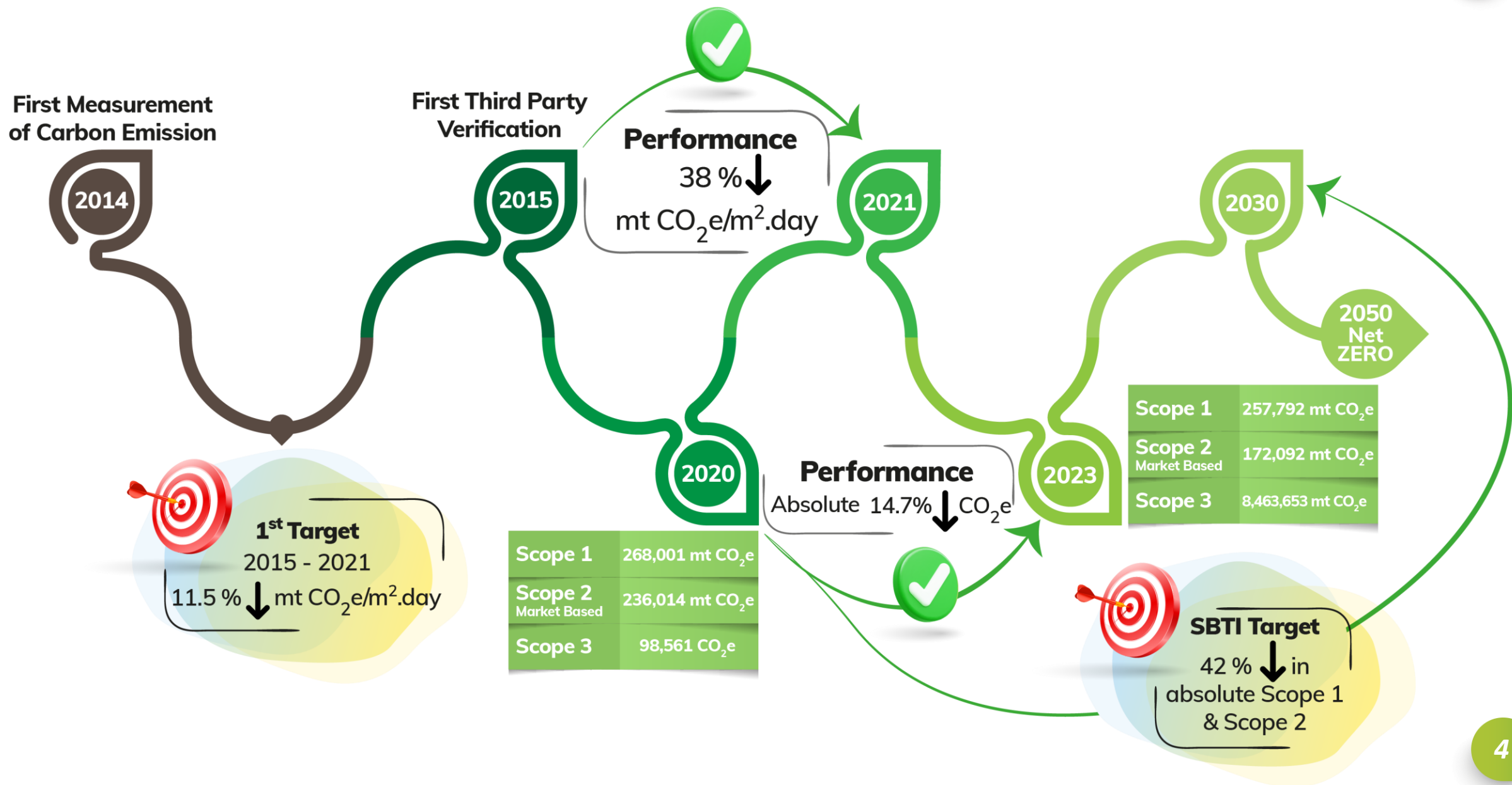
Among the sustainability issues that we approach within the context of the Migros Better Future Plan, we give particular precedence to climate change mitigation and carbon management. We use natural resources responsibly, improve energy efficiency and reduce our carbon footprint, and make our distribution systems more efficient.

We set our environmental goals and formulate plans to achieve them in ways that are compatible with our sustainable ecosystem strategy, aligned with the principles of the Paris Agreement and other global initiatives, and in line with our own country's climate objectives and targets.

Most of our Scope 1 emissions arise from refrigerant gases, Scope 2 emissions from our electricity consumption, and Scope 3 emissions from product sale Operations.



Our Journey to Decrease our Carbon Footprint



Our Carbon Emissions Reduction Initiative



Most of our Scope 1 emissions arise from refrigerant gases, Scope 2 emissions from our electricity consumption, and Scope 3 emissions from product sale Operations.

Ecofriendly Cooling Systems

Most of our greenhouse gas (GHG) emissions are generated by our refrigeration systems. To reduce these emissions, we prioritize efficient natural / low GWP refrigerants and next-generation systems.

Our Energy Efficiency Works & Renewable Energy

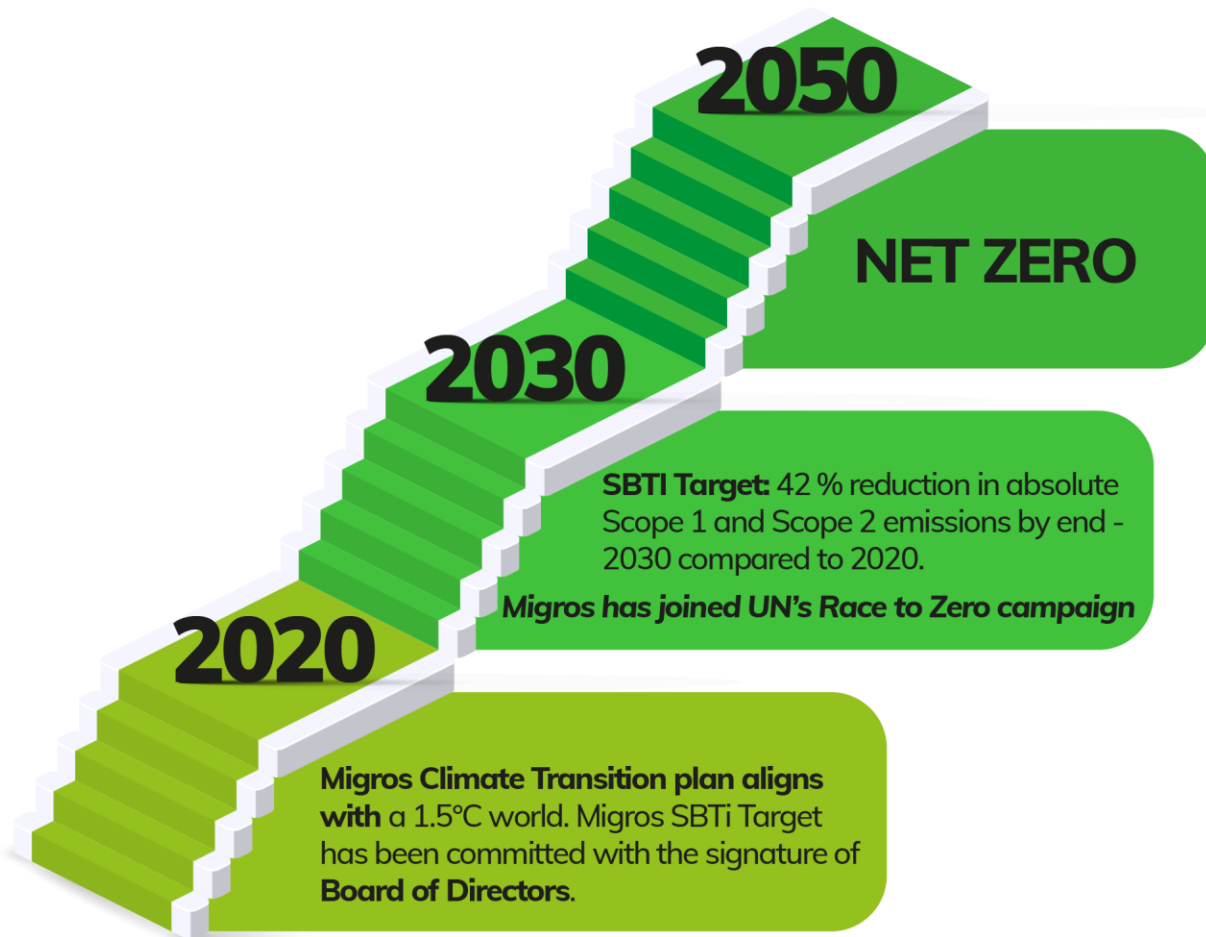
We are implementing energy-saving initiatives, select highly automated efficient systems and use an energy monitoring system to track our energy consumption on a daily, weekly, and monthly basis. Besides, to achieve our environmental sustainability goals, we are investing in renewable energy sources such as solar power plant.



Our Carbon Footprint Works Towards Our Suppliers

Our Sustainable Business Partners Network (SBPN) platform will serve our strategic and environmental goals with our responsible production and consumption approach, in order to measure the effects of our suppliers on our Scope 3 emissions resulting from the products we sell.

Our Targets in accordance with SBTi



Annual Target: 4.2% absolute carbon emissions reduction each year compared to the previous year

As we approach 2030, the plan for between 2030 to 2050 will be decided, taking into account the current technology and carbon reduction trend with our innovative approach.*



*At the point where further reductions are not possible, we plan to offset carbon with an appropriate and feasible project, but we are still working on what type of projects we will use.

Our Transition Plan for Scope 1 & 2



For Scope 1

- 200 stores refrigerant gas exchange with low GWP impact per year
- 135 stores water-cooling system transformation and/or low GWP impact gas exchange per year
- **Totally: 17,000 tCO₂e/year**

↓ after 2025

For Scope 2

- LED lighting transformation and increasing awareness of employees in whole stores
- 200 stores air conditioner renovation with new generation model
- Use of renewable energy through own solar panel investments.
- As of 2022, we started our renewable energy investments. It is planned to project approximately 200 MW solar panel until 2026

Our Transition Plan for Scope 3



For Scope 3

- Managing our supplier carbon emissions with **Sustainable Business Partners Network (SBPN) to decrease our Scope 3 Category 1 emission**
- Optimizing route between store and distributions center to reduce our logistic carbon emissions/shipped unit 2.5% by end 2027
- Supporting local supplier procurement
- Improving and investing to sustainable agriculture with Good Agricultural Practices (GAP) certification, regenerative agriculture projects and organic products
- Reduce our food waste tonnage / food supply tonnage by 50% end 2030 compared to 2018.
- Our projects to minimize food losses and wastes are as follows:
 - Operational improvements
 - Extending product shelf life by technological methods
 - Raising the awareness of our consumers
 - Delivering such food to those in need
 - Donating such food to feed animals
 - Energy production from organic waste
 - Reducing food waste of our suppliers